Ninety One

Ninety One Prospectus and Prelisting Statement

March 2020

This document comprises a prospectus relating to Ninety One plc ("**Ninety One plc**") and a prelisting statement relating to Ninety One Limited ("**Ninety One Limited**") and has been prepared in accordance with 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) (the "**FSMA**") and the applicable provisions of the JSE Listings Requirements. This document has been filed with, and approved by, the FCA and the Johannesburg Stock Exchange ("**JSE**") and has been made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules and paragraph 6.23 of the JSE Listings Requirements.

This document has been approved as a prospectus by the FCA, as competent authority under Regulation (EU) 2017/1129. The FCA only approves this document as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129 in respect of a prospectus; such approval should not be considered as an endorsement of the Companies that are, or the quality of the Shares that are, the subject of this document. Investors should make their own assessment as to the suitability of investing in the Shares.

Ninety One plc
(*previously* ***Investec Asset Management UK Group plc***)
(*Incorporated under the Companies Act 2006 and registered in England and Wales with registered number 12245293. LEI: 549300G0TJCT3K15ZG14*)

Ninety One Limited
(*previously* ***Investec Asset Management SA Group Limited***)
(*Incorporated and registered in the Republic of South Africa with registration number 2019/526481/06. LEI: 2138006NUUFPDXHSUP38*)

Applications will be made to the FCA for all of the Ninety One plc Shares to be admitted to listing on the premium listing segment of the Official List of the FCA and to the London Stock Exchange plc (the "**LSE**") for all the Ninety One plc Shares to be admitted to trading on the LSE's main market for listed securities. The JSE has granted a primary listing of all of the Ninety One Limited Shares by way of an introduction of Ninety One Limited to the JSE List and has granted a secondary inward listing of all of the Ninety One plc Shares to the Main Board of the JSE. This document has been approved by the FCA as a prospectus prepared in accordance with the Prospectus Regulation Rules made under section 73A of the FSMA. This document has been published and is available from the registered offices of each of Ninety One plc and Ninety One Limited (together, the "**Companies**"), at www.investec.com/demerger and www.investecassetmanagement.com/disclosure (and with a link also available via www.ninetyone.com), and at the offices of the Companies' solicitors detailed on page 297.

It is expected that Admission to listing and trading on the LSE and the Main Board of the JSE will become effective and that unconditional dealings in the Shares will commence at 8:00 a.m. (London time) on the LSE and 7:00 a.m. (London time) on the JSE on 16 March 2020.

The Shares will only be traded on the JSE as dematerialised shares and, accordingly, no documents of title will be issued to successful applicants who wish to apply for Shares, although Shareholders may at a later stage rematerialise their Shares in accordance with the rules of Strate, as detailed herein.

The Companies and their directors, whose names appear on page 69 of this document (the "**Directors**"), accept responsibility for the information contained in this document. To the best of the knowledge of the Directors and the Companies, the information contained in this document is in accordance with the facts and this document makes no omission likely to affect its import.

The Directors, collectively and individually, accept full responsibility for the completeness and the accuracy of the information contained in this document and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement of fact or opinion false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this document contains all information required by South African law and the JSE Listings Requirements.

Prospective investors should read the whole of this document and, in particular, prospective investors are advised to examine all the risks that might be relevant in connection with an investment in the Shares. See Part II: "*Risk Factors*" for a discussion of certain risks and other factors that should be considered prior to any investment in the Shares.

PROSPECTUS AND PRELISTING STATEMENT

Global Offer of up to:

(1) *51,853,198 Ninety One plc Shares of £0.0001 each at an Offer Price expected to be between 190 pence and 235 pence per Ninety One plc Share and admission to the Official List and the JSE List and to trading on the LSE and the Main Board of the JSE; and*

(2) *44,365,424 Ninety One Limited Shares of no par value at an Offer Price expected to be between 190 pence and 235 pence per Ninety One Limited Share and admission to the JSE List and to trading on the Main Board of the JSE.*

Issued and fully paid ordinary share capital immediately (assuming that the Offer Price is set at the mid-point of the Price Range) following Admission and assuming that the Demerger proposals have completed in full

	Number	Nominal value
Ninety One plc	**622,624,622**	**£0.0001**
Ninety One Limited	**300,089,454**	**nil**

J.P. Morgan Securities plc	**Investec Bank plc**	**Merrill Lynch International**	**Fenchurch Advisory Partners LLP**	**J.P. Morgan Equities South Africa Proprietary Limited**
Financial Advisers to Investec in connection with the Demerger, UK Sponsor, Global Coordinator and Joint Bookrunner	*Joint Bookrunner*	*Joint Bookrunner*	*Financial Advisers to the Companies and Investec*	*JSE Sponsor*

Linklaters LLP	**Allen & Overy LLP**	**Edward Nathan Sonnenbergs Inc**	**Allen & Overy (South Africa) LLP**	**KPMG Inc.**	**KPMG LLP**
Legal advisers to the Companies and Investec as to English and US law	*Legal advisers to the UK sponsor as to English and US law*	*Legal Advisers to the Companies and Investec as to South African law*	*Legal advisers to the JSE sponsor as to South African law*	*Ninety One Limited Auditors and Reporting Accountants*	*Ninety One plc Auditors and Reporting Accountants*

Investec plc is offering up to 51,853,198 Ninety One plc Shares and Investec Investments is offering up to 44,365,424 Ninety One Limited Shares in the Global Offer as described in Part XVII: "*Details of the Global Offer*". The Companies will not receive any of the proceeds from the sale of the Offer Shares by Investec (if any), all of which will be received by Investec plc and Investec Investments.

The Price Range and the Offer Size Range have been set by Investec in consultation with the Global Coordinator and the Companies. It is currently expected that the Offer Price and the Offer Size will be set within the Price Range and the Offer Size Range, respectively. The Price Range is indicative only and may change during the course of the Global Offer, and the Offer Price may be set within, above or below the Price Range. All Shares subject to the Global Offer will be sold at the Offer Price, which will be determined by Investec, following a bookbuilding process and consultation with the Global Coordinator. A number of factors will be considered in determining the Offer Price, the Offer Size and the basis of allocation, including the level and nature of demand for the Shares during the bookbuilding process and prevailing market conditions. See Part XVII: "*Details of the Global Offer*" for further information.

Unless required to do so by law or regulation, the Companies do not envisage publishing a supplementary prospectus or an announcement triggering the right to withdraw applications for Shares pursuant to Article 17 of the Prospectus Regulation on determination of the Offer Price or the Offer Size. If the Offer Price is set within the Price Range and the Offer Size is set within the Offer Size Range, respectively, a pricing statement containing the Offer Price and Offer Size and related disclosures will be published on or about 16 March 2020 and will be available at www.investec.com/demerger and www.investecassetmanagement.com/disclosure (and with a link also available via www.ninetyone.com). If: (a) the Ninety One plc Offer Price is set above the Price Range or the Price Range is revised higher; and/or (b) the number of Ninety One plc Shares to be sold by Investec plc is set above the Ninety One plc Offer Size Range, the Companies will make an announcement via a Regulatory Information Service and prospective investors would have a statutory right to withdraw their application for Ninety One plc Offer Shares pursuant to Article 17 of the Prospectus Regulation. In such circumstances, the Pricing Statement would not be published until the period for exercising such withdrawal rights has ended and the expected date of publication of the Pricing Statement would be extended. The arrangements for withdrawing offers to purchase Ninety One plc Offer Shares will be made clear in the Companies' announcement. The withdrawal rights available to a prospective investor who has applied to purchase Ninety One Limited Offer Shares in the Global Offer will be as described in the relevant contract for purchase entered into by the prospective investor in respect of the Ninety One Limited Offer Shares.

J.P. Morgan Securities plc (which conducts its UK investment banking activities under the marketing name J.P. Morgan Cazenove) ("**J.P. Morgan Cazenove**") has been appointed by, and is acting for the Companies as UK Sponsor, Global Coordinator and Joint Bookrunner. J.P. Morgan Cazenove, Merrill Lynch International ("**BofA Securities**") and Investec Bank plc (which is authorised in the UK by the PRA and is regulated by the FCA and the PRA) have been appointed by the Companies as Joint Bookrunners (together, the "**Joint Bookrunners**"). References in this document to Investec Bank plc are to Investec Bank plc acting solely in its capacity as Joint Bookrunner in connection with the Global Offer. Fenchurch Advisory Partners LLP ("**Fenchurch Advisory**") has been appointed as Financial Adviser to Investec and the Companies, and J.P. Morgan Cazenove has been appointed as Financial Adviser to Investec in connection with the Demerger. J.P. Morgan Equities South Africa Proprietary Limited (the "**JSE Sponsor**") has been appointed as the JSE Sponsor and is acting exclusively for the Companies in connection with the Global Offer, and will be subject to the requirements imposed on such a sponsor under the JSE Listings Requirements. Each of the Joint Bookrunners, Fenchurch Advisory and the JSE Sponsor (together, the "**Banks**") is acting exclusively for the Companies and/or Investec (as applicable) and no one else in connection with the Global Offer. They will not regard any other person (whether or not a recipient of this document) as a client in relation to the Global Offer and will not be responsible to anyone other than the Companies and/or Investec (as applicable) for providing the protections afforded to their respective clients nor for giving advice in relation to the Global Offer or any transaction or arrangement referred to in this document.

The Banks and any of their respective affiliates may have engaged in transactions with, and provided various investment banking, financial advisory and other services for, the Companies and Investec for which they would have received customary fees.

Recipients of this document are authorised solely to use it for the purpose of considering the acquisition of the Offer Shares and may not reproduce or distribute this document, in whole or in part, and may not disclose any of the contents of this document or use any information herein for any purpose other than considering an investment in the Offer Shares. Such recipients of this document agree to the foregoing by accepting delivery of this document.

This document does not constitute an offer to sell or an invitation to subscribe for, or the solicitation of an offer to buy or to subscribe for, any Shares to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction. The Global Offer does not comprise an "offer to the public" as contemplated in the SA Companies Act and this document does not, nor does it intend to, constitute a prospectus prepared and registered under the SA Companies Act or an advertisement in terms of section 98 of the SA Companies Act; and no prospectus has been filed with the South African Companies and Intellectual Property Commission in respect of the Global Offer. As a result, this document does not comply with the substance and form requirements for a prospectus or advertisements set out in the SA Companies Act and the South African Companies Regulations of 2011, and has not been approved by, and/or registered with, the South African Companies and Intellectual Property Commission, or any other South African authority. The JSE has approved this document as a pre-listing statement under the JSE Listings Requirements.

Apart from the responsibilities and liabilities, if any, which may be imposed on the Banks by the FSMA or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, none of the Banks accept any responsibility or liability whatsoever for, or make any representation or warranty, express or implied, as to

the contents of this document or for any other statement made or purported to be made by it, or on its behalf, in connection with the Companies, Investec, the Shares or the Global Offer and nothing in this document will be relied upon as a promise or representation in this respect, whether or not to the past or future. Each of the Banks accordingly disclaims all and any responsibility or liability, whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise have in respect of this document or any such statement.

None of the US Securities and Exchange Commission, any other US federal or state securities commission or any US regulatory authority has approved or disapproved of the Shares nor have such authorities reviewed or passed upon the accuracy or adequacy of this document. Any representation to the contrary is a criminal offence.

Prior to making any decision as to whether to invest in Offer Shares, prospective investors should read this document in its entirety. In making an investment decision, a prospective investor must rely upon his or her own examination, analysis and enquiries of the Companies and the terms of this document, including the merits and risks involved.

The investors also acknowledge that: (a) they have not relied on any of the Banks or any person affiliated with any of the Banks in connection with any investigation of the accuracy of any information contained in this document or their investment decision; and (b) they have relied only on the information contained in this document. No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied on as having been so authorised. Neither the delivery of this document nor any sale made under it shall, under any circumstances, create any implication that there has been no change in the affairs of the Companies since the date of this document or that the information in it is correct as of any subsequent time.

None of the Companies or Investec, the Banks or any of their respective representatives is making any representation to any prospective investor of the Offer Shares regarding the legality of an investment in the Offer Shares by such prospective investor under the laws applicable to such prospective investor. The contents of this document should not be construed as legal, financial or tax advice. Each prospective investor should consult his, her or its own legal, financial or tax adviser for legal, financial or tax advice.

Notice to overseas shareholders

The Shares are subject to selling and transfer restrictions in certain jurisdictions. Prospective purchasers should read the restrictions contained in paragraph 12 of Part XVII: "*Details of the Global Offer – Selling and transfer restrictions*". Each purchaser of the Offer Shares will be deemed to have made the relevant representations made therein.

The distribution of this document and the Global Offer of the Offer Shares in certain jurisdictions may be restricted by law. No action has been or will be taken by the Companies, Investec, Investec Investments or the Banks to permit a public offering of the Offer Shares or to permit the possession, issue or distribution of this document in any jurisdiction where action for that purpose may be required. Accordingly, neither this document nor any advertisement nor any other offering material may be distributed or published in any jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession this document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

This document does not constitute or form part of an offer to sell, or the solicitation of an offer to buy, Offer Shares to any person in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation. In particular, no actions have been taken to allow a public offering of the Offer Shares under the applicable securities laws of any jurisdiction, including Australia, Canada and Japan. Subject to certain exceptions, the Offer Shares may not be offered or sold in any jurisdiction, or to or for the account or benefit of any national, resident or citizen of any jurisdiction, including Australia, Canada and Japan.

United States investors

The Shares have not been, and will not be, registered under the US Securities Act of 1933, as amended (the "**Securities Act**") or with any securities regulatory authority of any state of the United States. The Shares may not be offered, sold, pledged or otherwise transferred in the United States. Outside the United States, the Global Offer is being made in offshore transactions as defined in Regulation S under the Securities Act. The Shares have not been approved or disapproved by the US Securities and Exchange Commission or any other US federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this document. Any representation to the contrary is a criminal offence in the United States. There will be no public offering of the Shares in the United States.

Information to distributors

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

Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties. For the avoidance of doubt, the Target Market Assessment does not constitute: (i) an assessment of suitability or appropriateness for the purposes of MiFID II; or (ii) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Offer Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Offer Shares and determining appropriate distribution channels.

Dated 2 March 2020

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SUMMARY INFORMATION

A. INTRODUCTION AND WARNINGS

A.1.1 *Name and international securities identifier number (ISIN) of the securities*

Ninety One plc Shares: ordinary shares; ISIN code GB00BJHPLV88.

Ninety One Limited Shares: ordinary shares; ISIN code ZAE000282356.

A.1.2 *Identity and contact details of the issuers, including their legal entity identifier (LEI)*

The issuer of Ninety One plc Shares is Ninety One plc. Ninety One plc is a public limited company, incorporated in England and Wales. Its registered office is at 55 Gresham Street, London EC2V 7EL, United Kingdom. Ninety One plc's telephone number is +44 20 3938 2000 and its LEI is 549300G0TJCT3K15ZG14.

The issuer of Ninety One Limited Shares is Ninety One Limited. Ninety One Limited is a public limited company, incorporated in the Republic of South Africa. Its registered office is at 36 Hans Strijdom Avenue, Foreshore, Cape Town 8001, South Africa. Ninety One Limited's telephone number is +27 (0)21 901 1000 and its LEI is 2138006NUUFPDXHSUP38.

A.1.3 *Identity and contact details of the offerors, including their legal entity identifier (LEI)*

The offerors of Offer Shares are Investec plc and Investec Investments Proprietary Limited ("**Investec Investments**").

Investec plc is a public limited company, incorporated in England and Wales. Its registered office is at 30 Gresham Street, London EC2V 7QP, United Kingdom. Investec plc's telephone number is +44 20 7597 4000 and its LEI is 2138007Z3U5GWDN3MY22.

Investec Investments is a private company, incorporated in the Republic of South Africa and a wholly-owned subsidiary of Investec Limited. Its registered office is at 100 Grayston Drive, Sandown, Sandton, 2196, Republic of South Africa. Investec Investments' telephone number is +27 (0)11 286 7000. Investec Investments has no LEI.

A.1.4 *Identity and contact details of the competent authority approving the prospectus*

This document has been approved by: (i) the FCA, as competent authority in the United Kingdom, with its head office at 12 Endeavour Square, London E20 1JN, United Kingdom, and telephone number +44 20 7066 1000, in accordance with Regulation (EU) 2017/1129; and (ii) the JSE, as competent authority in South Africa, with its head office at One Exchange Square, Gwen Lane, Sandown, 2196, Johannesburg, South Africa, and telephone number +27 (0)11 520 7000.

A.1.5 *Date of approval of the document*

This document was approved: (i) as a prospectus by the FCA; and (ii) as a pre-listing statement by the JSE, on 2 March 2020.

A.1.6 *Warning*

This summary has been prepared in accordance with Article 7 of Regulation (EU) 2017/1129 and should be read as an introduction to this document. Any decision to invest in the Offer Shares should be based on consideration of this document as a whole by the investor. Any investor could lose all or part of their invested capital. Where a claim relating to the information contained in this document is brought before a court, the plaintiff investor might, under the national law, have to bear the costs of translating this document before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of this document or if it does not provide, when read together with the other parts of this document, key information in order to aid investors when considering whether to invest in the Offer Shares.

B. KEY INFORMATION ON THE ISSUERS

B.1 ***Who are the issuers of the securities?***

B.1.1 *Domicile, legal form, Legal Entity Identifier (LEI), jurisdiction of incorporation and country of operation*

The issuers of the securities are Ninety One plc and Ninety One Limited, which will form a DLC Structure on Admission.

Ninety One plc is incorporated in England and Wales with its registered office in England and its LEI is 549300G0TJCT3K15ZG14. Ninety One plc was incorporated and registered as a public company

limited by shares in England and Wales on 4 October 2019 with registered number 12245293 under the UK Companies Act.

Ninety One Limited is incorporated in the Republic of South Africa with its registered office in South Africa and its LEI is 2138006NUUFPDXHSUP38. Ninety One Limited was incorporated and registered as a public company in the Republic of South Africa on 18 October 2019 with registered number 2019/526481/06 under the SA Companies Act.

B.1.2 *Principal activities*

The Group comprises the Ninety One Business. The Group's principal activity is investment management on behalf of third parties.

B.1.3 *Major shareholders*

Insofar as it is known to the Companies as at the date of this document, as a result of the Demerger, the following persons will, immediately prior to and immediately following Admission, be, directly or indirectly, interested (within the meaning of the UK Companies Act) in three per cent. or more of each of the Companies' issued share capital:

Ninety One Limited

	Interests in Ninety One Limited Shares immediately before Admission[1]		**Ninety One Limited Shares to be sold in the Global Offer[2]**		**Interests in Ninety One Limited Shares immediately following Admission[3]**	
Shareholder	**No.**	**% of total issued**	**No.**	**% of total issued**	**No.**	**% of total issued**
Investec Limited[4]	84,273,721	28.1	–	–	40,045,791	13.3
Investec Investments	84,273,721	28.1	44,227,930	14.74	40,045,791	13.3
Forty Two Point Two	60,017,591	19.9999	–	–	60,017,591	19.9999
Public Investment Corporation	21,601,407	7.2	–	–	21,601,407	7.2
Allan Gray	16,731,457	5.6	–	–	16,731,457	5.6

Ninety One plc

	Interests in Ninety One plc Shares immediately before Admission[1]		**Ninety One plc Shares to be sold in the Global Offer[2]**		**Interests in Ninety One plc Shares immediately following Admission[3]**	
Shareholder	**No.**	**% of total issued**	**No.**	**% of total issued**	**No.**	**% of total issued**
Investec plc	150,059,012	24.1	51,697,690	8.30	98,361,321	15.8
Forty Two Point Two	124,524,302	19.9999	–	–	124,524,302	19.9999
Allan Gray	47,372,130	7.6	–	–	47,372,130	7.6
Public Investment Corporation	27,029,641	4.3	–	–	27,029,641	4.3
Prudential Portfolio Mgrs	19,903,480	3.2	–	–	19,903,480	3.2

Notes:

(1) The interests in Shares immediately before Admission have been stated on the basis that: (i) the Demerger has been completed in full; (ii) the current holdings of shares in Investec plc and Investec Limited remain unchanged until the record date for the scheme of arrangement to implement the Demerger; (iii) Forty Two Point Two has rolled up (or is otherwise unconditionally and irrevocably committed to rolling up) its interests in IAM UK and IAM SA to the Companies in exchange for Shares, and (iv) Investec plc and/or Investec Investments have acquired surplus Shares from the Investec EBT that have not otherwise been sold to the EBT (which has been calculated on the basis of the mid-point of the Price Range).

(2) The number of Shares to be sold in the Global Offer is stated on the basis that: (i) the Demerger has been completed in full; (ii) Forty Two Point Two has rolled up its interests in IAM UK in exchange for Ninety One plc Shares; (iii) Investec plc sells 8.30 per cent. of the Ninety One plc Shares in issue and Investec Investments sells 14.74 per cent. of the Ninety One Limited Shares in issue (assuming Forty Two Point Two has rolled up its interests in IAM SA in exchange for Ninety One Limited Shares) in the Global Offer, and (iv) Investec plc and/or Investec Investments have acquired surplus Shares from the Investec EBT that have not otherwise been sold to the EBT (which has been calculated on the basis of the mid-point of the Price Range). The number of Shares to be sold in the Global Offer as stated also takes no account of Shares that are expected to be sold to the EBT. The final number of Shares that are to be sold by Investec plc and Investec Investments in the Global Offer will be set out in the Pricing Statement, currently expected to be released on or about 16 March 2020.

(3) Forty Two Point Two has agreed to place an order with the Joint Bookrunners for the purchase of up to 46,135,704 Ninety One Offer Shares in the Global Offer. There is no guarantee that an allocation of Shares will be made to Forty Two Point Two in the Global Offer allocation process or, if an allocation were made, that it would be for the full order amount. The shareholding of Forty Two Point Two immediately following Admission set out in the table above excludes any Ninety One Offer Shares that it may acquire pursuant to such order.

(4) Held beneficially via Investec Investments, which is a wholly owned subsidiary of Investec Limited.

B.1.4 *Key executive directors*

Hendrik du Toit is the Chief Executive Officer and Kim McFarland is the Finance Director of the Companies.

B.1.5 *Identity of statutory auditors*

By resolution of the Directors dated 19 November 2019, KPMG LLP, whose registered address is at 15 Canada Square, London E14 5GL, United Kingdom, was appointed as the statutory auditor to Ninety One plc. Upon its incorporation on 18 October 2019, KPMG Inc., whose registered address is at 85 Empire Road, Parktown, 2193, Republic of South Africa, was appointed as the statutory auditor to Ninety One Limited.

B.2 ***What is the key financial information regarding the issuers?***

The tables below set out the Group's summary financial information for the periods indicated, as reported in accordance with the basis of preparation set out in Section A3 paragraphs 1, 2 and 3 of Part XIV: "*Historical Financial Information*". The audited combined financial information of the Ninety One Business as of and for each of the three years ended 31 March 2017, 2018 and 2019 and the audited, for Listing Rules purposes, and reviewed, for JSE Listings Requirements purposes, combined financial information for the six months ended 30 September 2019 has been extracted, without material adjustment, from the combined historical financial information contained in Section A4 of Part XIV: "*Historical Financial Information*". The unaudited and unreviewed combined financial information for the six months ended 30 September 2018 has been extracted from the combined historical financial information contained in Section A4 of Part XIV: "*Historical Financial Information*".

Condensed combined statements of comprehensive income of the Ninety One Business

	Six months ended 30 September		**Years ended 31 March**		
	2019	**2018**	**2019**	**2018**	**2017**
	(Audited/ Reviewed)[1] (£'000)	***(Unaudited) (£'000)***	***(Audited) (£'000)***	***(Audited) (£'000)***	***(Audited) (£'000)***
Net revenue	**299,375**	**279,935**	**556,901**	**537,134**	**484,455**
Operating expenses	(211,256)	(199,750)	(393,706)	(361,572)	(334,604)
Other income/expenses					
Other income/(expense)	–	7	360	594	(106)
Net interest income	995	2,791	5,682	5,411	5,475
Net gain on investments	4,256	4,009	5,059	1,555	5,775
Foreign exchange gain/(loss)	3,959	4,537	5,058	(5,077)	2,213
Exceptional items[2]	(5,385)	597	(951)	–	–
Profit before tax	**91,944**	**92,126**	**178,403**	**178,045**	**163,208**
Income tax expense	(19,665)	(18,288)	(38,589)	(37,560)	(35,578)
Profit after tax	**72,279**	**73,838**	**139,814**	**140,485**	**127,630**

Note:

(1) Audited for Listing Rules purposes, and reviewed for JSE Listings Requirements purposes.

(2) Exceptional items relate primarily to the costs incurred as part of the Demerger and separate listing of the Ninety One Business.

The Group undertakes linked insurance business through one of its South African entities and does not take on any insurance risk in respect of such business. The policyholders hold units in a pooled portfolio of assets via linked policies issued by the insurance entity. The assets are beneficially held by the insurance entity and the assets are reflected on its statement of financial position. Because of the nature of a linked policy, the Group's liability to the policyholders is equal to the market value of the assets underlying the policies, less applicable taxation. The policyholder related revenues and costs are included on the face of the combined statement of comprehensive income but have no impact on operating profit, or profit before or after tax. However, policyholder assets and liabilities and movements in cash flows do materially impact the combined statements of financial position and combined cash flow statements, so for these statements the "Policyholders" (i.e. the insurance entity within the Group) and "Shareholders" (i.e. the rest of the Group) items have been separately disclosed below.

Condensed combined statements of financial position of the Ninety One Business

	As at 30 September						As at 31 March					
	2019			2019			2018			2017		
	Policy-holders	Share holders	Total	Policy-holders	Share holders	Total	Policy-holders	Share holders	Total	Policy-holders	Share holders	Total
	(Reviewed)[2]	*(Reviewed)[2]*	*(Audited/ Reviewed)[1]*	*(Reviewed)[2]*	*(Reviewed)[2]*	*(Audited)*	*(Reviewed)[2]*	*(Reviewed)[2]*	*(Audited)*	*(Reviewed)[2]*	*(Reviewed)[2]*	*(Audited)*
	£'000	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*	*£'000*
Assets												
Total non-current assets	–	120,364	120,364	–	38,443	38,443	–	34,928	34,928	–	30,317	30,317
Linked investments backing policyholder funds	8,600,782	–	8,600,782	8,173,659	–	8,173,659	8,424,236	–	8,424,236	7,679,791	–	7,679,791
Other current assets	57,361	494,089	551,450	60,314	530,136	590,450	71,651	535,623	607,274	63,320	509,013	572,333
Total assets	**8,658,143**	**614,453**	**9,272,596**	**8,233,973**	**568,579**	**8,802,552**	**8,495,887**	**570,551**	**9,066,438**	**7,743,111**	**539,330**	**8,282,441**
Equity and liabilities												
Total non-current liabilities	16,785	130,674	147,459	15,354	44,862	60,216	14,236	59,069	73,305	16,168	59,498	75,666
Policyholder investment contract liabilities	8,622,631	–	8,622,631	8,190,926	–	8,190,926	8,446,056	–	8,446,056	7,692,747	–	7,692,747
Other current liabilities	18,727	281,402	300,129	27,693	328,073	355,766	35,595	299,870	335,465	34,196	283,215	317,411
Total equity	–	202,377	202,377	–	195,644	195,644	–	211,612	211,612	–	196,617	196,617
Total equity and liabilities	**8,658,143**	**614,453**	**9,272,596**	**8,233,973**	**568,579**	**8,802,552**	**8,495,887**	**570,551**	**9,066,438**	**7,743,111**	**539,330**	**8,282,441**

Note:

(1) Audited for Listing Rules purposes, and reviewed for JSE Listings Requirements purposes.

(2) Reviewed, for JSE Listings Requirements in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information performed by the Independent Auditor of the Entity read together with IAS 800 (Revised), *Special Considerations – Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks*. The purpose of this disclosure is to show the split of the total assets and liabilities and cash flow movements attributable to the Ninety One Business between policyholders and shareholders. This constitutes voluntary financial information and is required to be reviewed in accordance with paragraph 8.45(b) of the JSE Listings Requirements. The directors of Ninety One plc and Ninety One Limited are responsible for the preparation and presentation of the policyholders' and shareholders' information relating to the Ninety One Business for the years ended and as at 31 March 2019, 2018 and 2017 and for the six months ended 30 September 2019, respectively, and for allocating the assets and liabilities and cash flow movements between the policyholder and shareholder categories. KPMG Inc's special purpose independent reporting accountant's review report is available for inspection following Admission.

Condensed combined cash flow statements of the Ninety One Business

	For the six months ended 30 September						For the year ended 31 March								
	2019			2018			2019			2018			2017		
	Policy-holders *(Reviewed)*[2] *£'000*	Share-holders *(Reviewed)*[2] *£'000*	Total (Audited/ *(Reviewed)*[1] *£'000*	Policy-holders *(Unaudited)* *£'000*	Share-holders *(Unaudited)* *£'000*	Total *(Unaudited)* *£'000*	Policy-holders *(Reviewed)*[2] *£'000*	Share-holders *(Reviewed)*[2] *£'000*	Total (Audited) *£'000*	Policy-holders *(Reviewed)*[2] *£'000*	Share-holders *(Reviewed)*[2] *£'000*	Total (Audited) *£'000*	Policy-holders *(Reviewed)*[2] *£'000*	Share-holders *(Reviewed)*[2] *£'000*	Total *(Audited)* *£'000*
Net cash flows from operating activities	302,859	41,941	344,800	353,182	20,888	374,070	596,543	112,984	709,527	554,478	172,130	726,608	309,274	166,253	475,527
Net cash flows from investing activities	(304,337)	(14,649)	(318,986)	(350,446)	1,439	(349,007)	(592,655)	(1,356)	(594,011)	(553,543)	(8,990)	(562,533)	(318,620)	(15,071)	(333,691)
Net cash flows from operating and investing activities	**(1,478)**	**27,292**	**25,814**	**2,736**	**22,327**	**25,063**	**3,888**	**111,628**	**115,516**	**935**	**163,140**	**164,075**	**(9,346)**	**151,182**	**141,836**
Net cash flows from financing activities	–	(66,591)	(66,591)	–	(68,475)	(68,475)	–	(143,939)	(143,939)	–	(124,291)	(124,291)	–	(116,506)	(116,506)
Effect of foreign exchange rate changes	1,478	502	1,980	(2,736)	(5,485)	(8,221)	(3,888)	(6,782)	(10,670)	(935)	(2,102)	(3,037)	9,346	14,850	24,196
Net change in cash and cash equivalents	–	**(38,797)**	**(38,797)**	–	**(51,633)**	**(51,633)**	–	**(39,093)**	**(39,093)**	–	**36,747**	**36,747**	–	**49,526**	**49,526**
Cash and cash equivalents at beginning of period	–	269,241	269,241	–	308,334	308,334	–	308,334	308,334	–	271,587	271,587	–	222,061	222,061
Cash and cash equivalents at end of period	–	**230,444**	**230,444**	–	**256,701**	**256,701**	–	**269,241**	**269,241**	–	**308,334**	**308,334**	–	**271,587**	**271,587**

Notes:

(1) Audited for Listing Rules purposes, and reviewed for JSE Listings Requirements purposes.

(2) *Reviewed, for JSE Listings Requirements in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information performed by the Independent Auditor of the Entity read together with IAS 800 (Revised), Special Considerations – Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks. The purpose of this disclosure is to show the split of the total assets and liabilities and cash flow movements attributable to the Ninety One Business between policyholders and shareholders. This constitutes voluntary financial information and is required to be reviewed in accordance with paragraph 8.45(b) of the JSE Listings Requirements. The directors of Ninety One plc and Ninety One Limited are responsible for the preparation and presentation of the policyholders' and shareholders' information relating to the Ninety One Business for the years ended and as at 31 March 2019, 2018 and 2017 and for the six months ended 30 September 2019, respectively, and for allocating the assets and liabilities and cash flow movements between the policyholder and shareholder categories. KPMG Inc's special purpose independent reporting accountant's review report is available for inspection following Admission.*

B.3 ***What are the key risks that are specific to the issuers?***

The Group is subject to risks arising from general macro-economic conditions in South Africa, the United Kingdom and globally.

The asset management industry in which the Group operates is intensely competitive.

The Group's regulated businesses are subject to extensive regulation and the financial services industry continues to be the focus of significant regulatory change and scrutiny.

On and from Admission, similar to the existing Investec Group structure, the Group will comprise an integrated corporate group established under the DLC Structure with Ninety One plc and Ninety One Limited acting as "dual holding companies". The DLC Structure's administrative and governance arrangements are more complex than that of a company with a single listing and future changes in the legal and regulatory environment may mean it is no longer viable. Furthermore, while the DLC Structure is aimed at ensuring Ninety One Limited and Ninety One plc operate as a single economic entity, Matching Actions are equivalent but not necessarily identical and the market price of the respective Companies' Shares may differ.

C KEY INFORMATION ON THE SECURITIES

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

C.1.1 *Type, class, ISIN*

When admitted to trading on the LSE, the Ninety One plc Shares will be registered with ISIN number GB00BJHPLV88 and SEDOL number BJHPLV8 and it is expected that the Ninety One plc Shares will be traded under the ticker symbol "N91". The JSE has granted a secondary inward listing of the Ninety One plc Shares in the "Financial Services – Asset Managers (8771)" sector of the JSE List under the abbreviated name Ninety 1P, Alpha code N91 and ISIN GB00BJHPLV88 subject to the fulfilment of certain conditions.

When admitted to trading on the JSE, the Ninety One Limited Shares will be granted a primary listing in the "Financial Services – Asset Managers (8771)" sector of the JSE List under the abbreviated name Ninety 1L, Alpha code NY1 and ISIN ZAE000282356 subject to the fulfilment of certain conditions.

C.1.2 *Currency, denomination, par value, number of securities issued and duration*

The Ninety One plc Shares are denominated in pounds sterling and will trade on the London Stock Exchange in pounds sterling and on the JSE in Rand. On Admission, the issued nominal share capital of Ninety One plc will be £92,271.41 comprising: (i) 622,624,622 Ninety One plc Shares of £0.0001 each; (ii) 300,089,454 Ninety One plc Special Converting Shares of £0.0001 each; (iii) one UK DAS Share of £0.0001; (iv) one UK DAN Share of £0.0001; (v) one Ninety One plc Special Voting Share of £0.0001; and (vi) one Ninety One plc Special Rights Share of £0.0001, all of which will be fully paid or credited as fully paid.

The Ninety One Limited Shares are denominated, and will trade on the JSE, in Rand. On Admission, the issued share capital of Ninety One Limited will comprise: (i) 240,071,862 Ninety One Limited Shares; (ii) 622,624,622 Ninety One Limited Special Converting Shares; (iii) one SA DAS Share; (iv) one SA DAN Share; and (v) one Ninety One Limited Special Voting Share, all of which will be issued at no par value.

C.1.3 *Rights attached to the securities*

The rights attaching to the Ninety One plc Shares, upon Admission, will be uniform in all respects and they will form a single class for all purposes, including with respect to voting and for all dividends and other distributions thereafter declared, made or paid on the ordinary share capital of Ninety One plc. Subject to the provisions of the UK Companies Act, any equity securities issued by Ninety One plc for cash must first be offered to the holders of ordinary shares in the capital of Ninety One plc in proportion to their holdings. The UK Companies Act and the Listing Rules allow for disapplication of pre-emption rights which may be waived by a special resolution of the holders of ordinary shares, whether generally or specifically, for a maximum period not exceeding five years.

The rights attaching to the Ninety One Limited Shares, upon Admission, will be uniform in all respects and they will form a single class for all purposes, including with respect to voting and for all dividends and other distributions thereafter declared, made or paid on the ordinary share capital of Ninety One Limited. Subject to the provisions of the JSE Listings Requirements, any equity securities issued by Ninety One Limited for cash must first be offered to the holders of ordinary shares in the capital of Ninety One Limited in proportion to their holdings. The JSE Listings Requirements allow for disapplication of pre-emption rights which may be waived by a special resolution of the holders of ordinary shares, whether generally or specifically, for a fixed period of time.

In respect of resolutions of each Company which is the issuer of such shares, on a show of hands, every Shareholder who is present in person shall have one vote and, on a poll, every Shareholder present in person or by proxy shall have one vote per Share held.

Under the terms of the DLC Agreements, any Joint Electorate Action will effectively be voted upon by the Shareholders of both Companies acting together as a single decision-making body. Furthermore, under the terms of the DLC Agreements, any Class Rights Action would require the prior approval of the Shareholders in the other Companies voting separately and the approval of its own Shareholders voting separately. Joint Electorate Actions and Class Rights Actions are together expected to cover the majority of the resolutions to be voted upon by the Shareholders.

C.1.4 *Rank of securities in the issuers' capital structure in the event of insolvency*

The Shares do not carry any rights to participate in a distribution (including on a winding-up) other than those that exist under the UK Companies Act and the SA Companies Act. The Ninety One plc Shares will rank *pari passu* in all respects and the Ninety One Limited Shares will rank *pari passu* in all respects.

C.1.5 *Restrictions on the free transferability of the securities*

The Shares are freely transferable and there are no restrictions on transfer. The Ninety One plc Shares will have full transferability between the LSE and the JSE and the UK share register and South African branch share register.

C.1.6 *Dividend or payout policy*

It is the Companies' policy to declare dividends in line with the trend in profitability. Subject to approval of the Boards, the Companies are expected to target an ordinary dividend payout ratio of at least 50 per cent. of operating earnings adjusted for tax.

Further, the Companies are expected only to retain after-tax earnings sufficient to meet current or expected changes in their regulatory capital requirements and investment needs, as well as a reasonable buffer to protect against fluctuations in those requirements. Subject to approval of the Boards, it is expected that the remaining balance of after-tax earnings, after taking into account any specific events, would be returned to Shareholders through payment of a special dividend.

The Companies' first dividend following Admission is expected to be an interim dividend for the period from Admission to 30 September 2020.

C.2 ***Where will securities be traded?***

Application will be made to the FCA for all of the Ninety One plc Shares, issued and to be issued, to be admitted to the premium listing segment of the Official List, and to the LSE for the Ninety One plc Shares to be admitted to trading on its main market for listed securities. The JSE has granted a secondary inward listing of the Ninety One plc Shares on its Main Board and has also granted a primary listing of all of the Ninety One Limited Shares, issued and to be issued, on its Main Board. Following Admission, Ninety One Limited may apply for listing on the Namibian Stock Exchange and the Botswana Stock Exchange.

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

There is no existing market for the Shares and an active trading market for the Shares may not develop or be sustained.

If a market for the Shares develops, the market price for the Shares may be volatile and is subject to fluctuations, including significant decreases, due to flowback.

The Companies may not be able to declare and make dividend payments now or in the future.

Payment of dividends to Ninety One plc's South African shareholders must comply with South African Exchange Control Regulations.

D. KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKET

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

The Global Offer comprises an offer of Offer Shares to be sold by Investec plc and Investec Investments. As the Global Offer comprises an offer of existing Shares that are already in issue, there will be no dilution of existing Shareholders' interests as a result of the Global Offer. There are no fees and expenses being borne by the Companies in relation to the Global Offer and Admission. The fees and expenses in relation to the Global Offer and Admission will be borne by Investec and Investec Investments and amount to approximately £37,105,258 (excluding VAT or equivalent tax outside the UK). No expenses will be charged to any investor who purchases Offer Shares pursuant to the Global Offer.

The Offer Size Range is up to 51,853,198 Ninety One plc Shares and up to 44,365,424 Ninety One Limited Shares. The Offer Price is between 190 pence and 235 pence per Offer Share. The Price Range and the Offer Size Range have been set by Investec in consultation with the Global Coordinator and the Companies. It is currently expected that the Offer Price and the Offer Size will be set within the Price Range and the Offer Size Range, respectively.

All Offer Shares will be sold at the Offer Price. Under the Global Offer, the Offer Shares will be offered to certain institutional and professional investors in the United Kingdom, South Africa and elsewhere outside the United States in reliance on Regulation S of the Securities Act.

If: (i) the Ninety One plc Offer Price is set above the Price Range or the Price Range is revised higher; and/or (ii) the number of Ninety One plc Offer Shares to be sold by Investec plc is set above the Ninety One plc Offer Size Range or the Ninety One plc Offer Size Range is revised higher, then the Companies will make an announcement via a Regulatory Information Service and prospective investors will have a statutory right to withdraw their application for Ninety One plc Shares pursuant to Article 17 of the Prospectus Regulation.

In such circumstances, the Pricing Statement will not be published until the period for exercising such withdrawal rights has ended. The expected date of publication of the Pricing Statement will be extended and the arrangements for withdrawing offers to purchase Ninety One plc Offer Shares will be made clear in the accompanying announcement. The withdrawal rights available to a prospective investor who has applied to purchase Ninety One Limited Offer Shares in the Global Offer will be as described in the relevant contract for purchase entered into by the prospective investor in respect of the Ninety One Limited Offer Shares.

It is expected that Admission to listing and trading on the LSE and the Main Board of the JSE will become effective and that unconditional dealings in the Shares will commence at 8:00 a.m. (London time) on the LSE and 7:00 a.m. (London time) on the JSE on 16 March 2020.

The Global Offer is subject to the satisfaction of conditions, which are customary for transactions of this nature, contained in the Underwriting Agreement, including Admission becoming effective on the JSE no later than 7:00 a.m. (London time) on 16 March 2020 and on the LSE by no later than 8:00 a.m. (London time) on 16 March 2020 and the Underwriting Agreement not having been terminated prior to Admission. The time in South Africa will be two hours ahead of London time.

None of the Offer Shares may be offered for sale, purchase or delivery, and neither this document nor any other offering material in relation to the Offer Shares may be circulated, 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.

D.2 *Who is the offeror and/or the person asking for admission to trading?*

The Global Offer is being made by Investec plc and Investec Investments. Investec plc is a public limited company, incorporated in England and Wales, operating under the UK Companies Act and the regulations made thereunder. Investec Investments is incorporated and registered in the Republic of South Africa. The principal legislation under which Investec Investments operates is the SA Companies Act and the South African Companies Regulations.

D.3 *Why is this document being produced?*

This document has been prepared in connection with: (i) the application for the Ninety One plc Shares to be admitted to the premium listing segment of the Official List and to trading on the LSE's main market for listed securities; (ii) the secondary inward listing of the Ninety One plc Shares on the JSE's Main Board; and (iii) the primary listing of the Ninety One Limited Shares on the JSE's Main Board.

The Directors believe that the Global Offer will: (i) support the development of an active and liquid market in the Shares on the LSE and the JSE; and (ii) broaden the investor base of the Companies by allowing new investors to participate in the listing of the Companies, as well as generating proceeds for Investec.

The Companies will not receive any proceeds from the Global Offer. The net proceeds of the Global Offer will be retained by Investec, strengthening the overall capital position of Bank and Wealth, supporting its growth plans and funding tax liabilities and costs arising as a result of the Demerger and Global Offer.

RISK FACTORS

Any investment in the Offer Shares is subject to a number of risks. Prospective investors should consider carefully the factors and risks associated with an investment in the Companies and the Offer Shares, the industry in which the Group operates and the Global Offer, together with all other information contained in this document, including, in particular, the risk factors described below, which the Directors believe represent the material risks currently known to the Companies. Prospective investors should note that the risks relating to the Companies' business, the Global Offer and the Offer Shares in Part I: "Summary Information" are the risks that the Directors believe to be the most essential to an assessment by a prospective investor of whether to invest in the Companies and the Offer Shares. However, as the risks which the Companies face relate to events and depend on circumstances that may or may not occur in the future, prospective investors should consider not only the information on the key risks summarised in Part I: "Summary Information", but also, among other things, the risks and uncertainties described below.

The following is not an exhaustive list or explanation of all risks which investors may face when making an investment in the Companies and the Offer Shares and should be used as guidance only. Additional risks and uncertainties relating to the Companies that are not currently known to the Directors, or that they currently deem immaterial, may individually or cumulatively also have a material adverse effect on the Companies' business, prospects, results of operations and financial position and, if any such risk should occur, the price of the Offer Shares may decline and investors could lose all or part of their investment. Investors should consider carefully whether an investment in the Offer Shares is suitable for them in the light of the information in this document and their personal circumstances. This document contains "forward-looking" statements that involve risks and uncertainties. The actual results may differ significantly from the results discussed in the forward-looking statements. The order in which the following risk factors are presented does not necessarily reflect the likelihood of their occurrence or the relative magnitude of their potential material adverse effect on the Companies' business, results of operations, financial condition and prospects, or the market price of the Offer Shares.

This document is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by the Companies nor any of the Directors, Investec, any of the Banks or any of their affiliates or representatives that any recipient of this document should purchase the Offer Shares.

Risks Relating to the Macro-economic Environment in which the Group Operates

The Group is subject to risks arising from general macro-economic conditions in South Africa, the United Kingdom and globally.

The Group is subject to risks arising from a variety of factors that affect general macro-economic conditions in the countries in which it operates, in particular South Africa and the United Kingdom, as well as global economic conditions in other significant markets, such as the United States. Economic conditions in the countries in which the Group operates have been negatively impacted by a number of global macro-economic trends, including ongoing concerns surrounding the significant sovereign debts and fiscal deficits of several countries in Europe, global trade concerns, a weakening of the Chinese economy, uncertainty regarding growth of the US economy, protectionist trends in global markets (for example, trade disputes between China and the United States) and significant volatility in global commodity prices such as crude oil. Similarly, factors such as rapid rises and falls in currency exchange rates, changes in inflation expectations, levels of investment capital, long-term low, negative or increasing interest rates and bond yields, and investor sentiment generally have in the past and may in the future adversely affect the economic performance of the primary markets in which the Group operates. Furthermore, the Group is subject to the risk of volatility or deterioration in economic conditions in countries in which it does not have operations, given linkages across the global economy and financial markets.

South Africa is a core market for the Group, representing 31 per cent. of the Group's assets under management as at 30 September 2019. South Africa's domestic economic outlook has deteriorated significantly in recent years amid low commodity prices, heightened financial market volatility, diminished consumer and business confidence and weak investment, severe drought, severe strike action, electricity supply constraints, political uncertainty and concern over governance and debt levels of state-owned entities. South Africa's real GDP growth rate has decreased from 3.3 per cent. in 2011 to 0.8 per cent. in 2018 and it remained volatile in the first half of 2019. Although the South African government has announced its intention to pursue a series of economic and fiscal reform initiatives, there can be no assurance that such initiatives will achieve or maintain the necessary political support in the short or long term, or if sufficient fiscal resources will be provided given the challenging fiscal

environment. In addition, there has been substantial political and media scrutiny regarding corruption in the South African government (both at a national and local level) and with respect to key state-owned entities. Improving economic and fiscal conditions and fighting corruption have been key policy platforms of the current president, and a failure to adequately address these issues could have a negative impact on South Africa's economic growth as well as investor confidence. It is not certain what, if any, political, economic or social impacts the current government will have on economic or market conditions in South Africa, and there can be no assurance that measures to rebuild confidence and to return public finances to a sustainable path will be maintained or successful.

The Group's other core market is the United Kingdom, which represented 20 per cent. of the Group's assets under management as at 30 September 2019. Since a significant portion of the Group's revenue is derived from clients based in the United Kingdom, it is also particularly exposed to the condition of the United Kingdom economy, including matters that impact investor sentiment and corporate profitability. While economic indicators in the United Kingdom have stabilised in recent years, the United Kingdom economy has been characterised by extended periods of modest GDP growth and uncertainty following the vote in June 2016 to leave the European Union, as further described below, as well as market declines and strained political conditions in recent years. Economic and political conditions in the United Kingdom will likely continue to be affected by these factors, and significant changes in government policies, legislation or regulatory interpretation applicable to the Group or the industries in which its clients operate, whether due to a change of government or otherwise, could have a material adverse effect on the Group.

Although the Group undertakes the majority of its operations in the United Kingdom and South Africa, it also has a material presence in a number of other markets. These operations expose the Group to additional risks, including in relation to local political, economic, regulatory and business challenges that may affect the demand for the Group's products and services, its reputation or the amount of the Group's assets under management in those markets.

Any further adverse economic developments in the countries in which the Group operates or, more generally, in the global economy could have a material adverse effect on its business, operating results, financial condition and prospects.

The Group's assets under management and, as a result, its profitability are exposed to volatility in global financial markets and to other adverse financial, economic, political and market factors that affect investor sentiment.

The Group earns fixed fees levied as a percentage of assets under management, as well as variable performance fees. Accordingly, its operating results are influenced by fluctuations in the market value of assets under management and the amounts of assets invested by its clients.

As at 30 September 2019, the Group had dedicated equity mandates that comprised 45 per cent. of its total assets under management and further equity exposure through its multi-asset mandates. Therefore, its fee income is vulnerable to fluctuations in equity markets, since a reduction in the value of equities would contribute to a reduction in the value of assets under management and, therefore, a reduction in fee income. In the recent past, a combination of stable growth and accommodative monetary policies supported extended periods of low volatility across financial markets. However, as the Federal Reserve and the European Central Bank began in 2018 to normalise monetary policy by gradually increasing interest rates and discontinuing accommodative monetary policies, the Federal Reserve has reduced the target range for the federal funds rate three times in 2019 and global equities markets have been significantly more volatile and the world's leading equity markets, as well as the emerging markets in which the Group operates, experienced significant declines in 2018. Although the majority of the investment mandates for the Group's clients are based on a long-term approach to investment through market cycles, significant volatility in securities markets may result in equities and equity funds becoming less attractive investments for the Group's clients.

As at 30 September 2019, approximately 57 per cent. of the Group's total assets under management were invested in emerging markets. Investing in emerging markets carries particular risks, including in relation to volatile domestic, political or economic conditions, as well as vulnerabilities to external shocks, from regional trading partners to more general contagion effects affecting emerging market economies globally and exchange rate fluctuations. As a result, securities markets in emerging economies have historically experienced periods of higher volatility than in more established markets. The Group's fee income from these investments can be particularly volatile from period to period, whether due to changes in the value of assets under management or investor decisions to reduce exposure to these markets during downturns.

A deterioration or significant volatility in equity or other securities markets may, therefore, make it harder for the Group to attract new clients and/or could potentially result in clients withdrawing a portion or all of the assets in their portfolios, the occurrence of any of which could have a material adverse effect on the Group's business, operating results, financial condition and prospects.

The Group may be negatively impacted by the UK's withdrawal from the European Union.

In March 2017, the United Kingdom gave notice of its intention to leave the EU under Article 50 of the Treaty on European Union. In October 2019, a withdrawal agreement (the "**Withdrawal Agreement**") setting out the terms of the United Kingdom's exit from the European Union, and a political declaration on the framework for the future relationship between the United Kingdom and European Union was agreed between the UK and EU governments. The Withdrawal Agreement, which became effective on 31 January 2020, includes the terms of a transition or "standstill" period until 31 December 2020, during which time the United Kingdom and European Union will continue to negotiate the terms of a trading arrangement which will apply following the standstill period when the United Kingdom will have formally withdrawn from the European Union but will still be treated for most purposes as an EU member state.

In July 2019, Boris Johnson became prime minister of the United Kingdom, and following a general election held on 12 December 2019, the Conservative and Unionist Party, of which he is the leader, won a substantial majority in the UK parliament. While the UK government has stated that it will negotiate the terms of a future trading arrangement with the European Union, there is no guarantee that the terms of such arrangement will be ratified by the UK government or the European Union prior to the end of the standstill period.

The withdrawal of the United Kingdom from the European Union (and uncertainty with regards to its future trading arrangements with the EU) continues to create significant political, social and macro-economic uncertainty. For example, the GDP of the United Kingdom decreased by 0.2 per cent. in the second quarter of 2019, the first contraction of the UK economy since 2012, and remained relatively flat for the second half of the year. In addition, if the standstill period ends with no trading arrangement in place, the result may be significant macro-economic deterioration, including, but not limited to, decreases in global stock exchange indices, trade wars, increased foreign exchange volatility (in particular a further weakening of the pounds sterling and the euro against other leading currencies), and further decreases to the GDP in the UK or other markets in which the Group operates.

In addition, the Group's regulatory environment is subject to change as a result of the United Kingdom's exit from the EU, including as a result of any regulatory divergence between the United Kingdom and the EU. These include regulations related to financial institutions, tax and mobility of personnel. If any such changes differ significantly from those anticipated by the Group, in particular if they are implemented over a short period of time, the Group's contingency planning may not be adequate to prevent intermittent disruptions to its operations. If any prolonged disruption were to occur, it may in turn have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Any of the foregoing could have a negative impact on the Group's financial condition and/or results of operations.

Exchange control regulations in South Africa may have a negative impact on the Group's business.

South African exchange control regulations provide for a common monetary area ("**CMA**") consisting of South Africa, Namibia, Lesotho and Swaziland. Transactions between South African residents and non-CMA residents are subject to South African exchange control regulations. The purpose of exchange controls is to mitigate the decline of foreign capital reserves in South Africa. South African residents, including companies, are generally not permitted to export capital from the CMA or to hold foreign currency for longer than specified periods without the approval of the Financial Surveillance Department of the South African Reserve Bank, and restrictions are imposed on their foreign investments. The Group's South African and Namibian businesses will continue to be bound by such restrictions.

Since 1995, certain exchange controls in South Africa have been relaxed. The extent to which the South African government may further relax such exchange controls cannot be predicted with certainty, although the South African government has committed itself to a gradual approach of relaxation. Relaxation or abolition of exchange controls may change the capital flows to and from South Africa. If changes to exchange controls result in large capital outflows, the Group's South African and Namibian business could be adversely affected, which could, in turn, have a material adverse effect on the Group's business, operating results, financial condition and prospects.

Fluctuations in exchange rates could have an adverse impact on the Group's operating results.

The Group's reporting currency is pounds sterling. The operating results and the financial position of each Group company are reported in the local currencies of the countries in which they are domiciled, including pounds sterling, Rand and US dollars. These results are then translated, as relevant, into pounds sterling at the applicable foreign currency exchange rates for inclusion in the Group's consolidated financial statements. In the case of the statement of comprehensive income, the weighted average rate for the relevant period is applied and, in the case of the statement of financial position, the relevant closing rate is used. To the extent that any of these currencies depreciate against pounds sterling, it will negatively impact the Group's reported profitability for the period. This impact might be material during periods when depreciation in one or more local currencies relative to the pounds sterling is significant. For example, in late 2019, the pounds sterling appreciated materially, which could affect the Group's reported profitability for the year ending 30 March 2020.

The Group is also exposed to risks related to mis-matches between the currencies in which it incurs expenses and those in which it receives fee revenues in a given period. For example, the Group earns significant fee revenue in US dollars from operations in countries outside the United States, where expenses are incurred in the local currency. Therefore, the Group could be exposed to foreign exchange losses that could adversely affect its operating results.

Risks Relating to the Group's Business

The asset management industry in which the Group operates is intensely competitive and highly regulated.

The investment solutions and asset management markets in the United Kingdom, South Africa and internationally are 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 advisers and clients do not prefer the Group's service offerings to those of competitors, or that preferences change significantly away from its services, either of which could reduce the Group's client base or assets under management.

The Group's principal competitors are pure asset management firms that operate internationally and domestically in its chosen markets, including the United Kingdom and South Africa. The factors affecting the Group's ability to sell its products and services and achieve continued profitability include investment management performance, financial strength and ratings, range of product lines and product and service quality, choice of distributor and distribution method, client perception of the Group's offering, brand strength, innovation of competitors, developing demographic trends and client appetite for certain investment products.

Furthermore, the asset management industry has experienced periods of significant consolidation as numerous asset management firms have either been acquired by other financial services firms or ceased operations. This has resulted in the Group having to compete with larger and potentially better capitalised firms offering more comprehensive suites of products and services. If the Group's clients and potential clients decide to use the services of its competitors, this could result in a slowdown in the growth in the Group's assets or result in net client outflows. Any of the foregoing factors could have a material adverse effect on the Group's business, operating results, financial condition and prospects.

The imposition of new regulation in the asset management industry may force the Companies to modify its business and operating model, causing them to incur additional costs. This could result in adverse financial effects for the Companies.

The Group views technology as a key business enabler and, therefore, continues to invest in this area. However, there is the risk that the Companies may invest in technologies that are unable to match those of competitors, or may be unable to keep pace with industry change that may arise as a result of alternative intelligence developments, industry disruptors or otherwise.

Poor investment performance relative to competitors and applicable benchmarks or a deterioration in the Group's services could lead to a loss of assets under management and a decline in operating profit.

Investment performance is an important factor for the maintenance and growth of the Group's assets under management. If the Group were to experience poor investment performance over a prolonged period, affected clients (or clients generally) might decide to reduce their investments or withdraw funds altogether in favour of better-performing services or competing investment managers, which would lead to a direct reduction in the level of the Group's assets under management and, as a result, lower fee income. Furthermore, during a period of

significant poor investment performance, the Group's reputation and brand, which have in part been built around its strong investment performance, may deteriorate. As a result, its ability to attract funds from existing and new clients might diminish, particularly given the competitive nature of the asset management market. A limited portion of the Group's revenues relates to performance fees, which could also decline during a period of poor investment performance.

In addition to the Group's investment performance, its relationships with clients are important to the maintenance and growth of its assets under management. The Group's investment managers are central to these relationships and play a key role in enabling the Group to earn the long-term trust of its client base. However, client complaints regarding dissatisfaction with the services they receive from their investment managers or the Group generally, including in relation to general administration of their investments, could ultimately lead to the withdrawal of client investments and a reduction in the Group's assets under management.

The occurrence of any of the foregoing could have a material adverse effect on the Group's business, operating results, financial condition and prospects.

The Group's clients may withdraw their assets under management at short or with no notice.

The Group's arrangements with its clients are generally terminable without cause and at short or no notice. Additionally, under most client contracts, clients may withdraw significant amounts of assets quickly or entirely prior to any such termination. Clients may decide to withdraw a portion or all of the assets managed by the Group, for various reasons, including crystallisation of any of the other risks described in this Part II. In particular, if interest rates rise or stock markets decline in a rapid and/or unexpected manner, or the Group's investment performance underperforms significantly during periods of volatility, the pace of withdrawals could accelerate. A reduction in the value of assets under management would adversely affect the Group's fee income and operating profit. Significant withdrawals of assets under management could have a material adverse effect on the Group's fee income, as well as its business, operating results, financial condition and prospects.

The asset classes or investment strategies underlying the portfolios managed by the Group may become less attractive to clients or their advisers.

The Group is reliant on its ability to offer products, exposed to a number of asset classes, that meet clients' needs. If these asset classes or investment strategies were to become unsuitable for clients or if there were to be a further significant shift towards investors investing through competing 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 or increased redemptions from the Group's services.

In addition, an adviser may make judgements as to investment products and services on the basis of suitability for its clients by considering, among other things, its clients' tolerance for risk and the prospects for future investment returns in light of the product offering, the Group's past investment performance, perceived financial strength and stability, credit and other ratings (if applicable), the quality of the service, price and technical support provided by the Group, and other product features. There can be no assurance that advisers that currently recommend the Group's products or services will continue to do so or that additional advisers will recommend them in the future.

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

New products and services introduced by the Group may not achieve acceptance in the market.

The Group depends on its ability to develop new products and services that achieve sufficient levels of acceptance in the market to challenge its competitors. There can be no assurance that it will be able to develop new products or services that will appeal to clients in its Institutional or Advisor distribution channels, or any new channel, or that its competitors will not introduce more successful products or services or successfully copy the products and services introduced by the Group. New product and service launches involve a significant investment by the Group and future initiatives may also require substantial expenditures and commitment of human resources. If the products and services introduced by the Group do not achieve the anticipated level of acceptance, or it is unsuccessful in any new distribution channel, the Group could lose clients or be required to incur substantial costs in order to maintain its client base. Additionally, if the processes to design, develop and launch new products and services are inadequate, it may result in the Group investing development resources inappropriately, launching products or services that are incapable of achieving their stated goals, or failing to achieve its business objectives. The inability to effectively develop and successfully launch new products and services could have a material adverse effect on its business, operating results, financial condition and prospects.

Changes within and in distribution channels, in particular in relation to institutional investment consultants or financial advisers, may have a material adverse effect on the Group's business.

The Group provides investment management services to a range of private and public sector pension funds, sovereign wealth funds, insurers, corporates, foundations, central banks, large retail groups, wealth managers, private banks and intermediaries serving individual investors through its core Institutional and Advisor distribution channels. As a result, changes to how its clients procure investment management services, or an inability on the part of the Group to anticipate and respond to the development of new distribution channels, could result in a loss of clients and assets under management or the inability to win new clients.

The Group relies on institutional investment consultants and advisory platforms to intermediate the relationship with end clients who may retain responsibility for specific aspects of the overall service provided to the client, such as the recording of "know your customer" information and the suitability of the investment mandate. Although the Group has undertaken various steps to expand and deepen its investment consultant and advisory relationships and networks, there can be no assurance that its efforts will continue to be successful. As the Group's competitors work to expand and deepen their own investment consultant relationships and networks, its competition may expand resulting in the Group being unable to maintain its key relationships or grow the amount of new business it generates from these channels.

The Group also faces risks arising from the evolution of distribution channels, including changing client demand trends in existing distribution channels, the growth of new distribution channels and the emergence of new types of intermediaries. Although the Group continuously evaluates its distribution channels across the range of its existing client and intermediary relationships, market trends are constantly evolving. New distribution trends, such as channel convergence between Institutional and Advisor clients and the emergence of new channels, including investment consultants, fiduciary advisers, multi-managers and outsourced investment management providers, require agility to meet client demands. In addition, the Group must ensure that its product and service offerings meet evolving client needs in these new and growing channels. For example, certain Institutional clients, particularly insurers, are required to invest based on defined investment objectives, and the Group must ensure that its product and service offerings are aligned to suit these types of client needs, which are subject to change. If the Group is unable to identify changes in distribution channels, or to align its product and service offerings with evolving distribution trends, it may face a loss of clients or assets under management.

The Group is also exposed to the risk that advisers may change their business models in ways that affect whether or 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. Each of these factors may result in advisers ceasing to recommend the Group's products or services, or recommending fewer of the Group's products or services, or clients seeking asset management products and services from other providers.

Breaches by the Group of investment mandates, fund rules or regulatory restrictions could have a material adverse effect on its business, financial condition, operating results and prospects.

The Group is generally required to invest in accordance with specific investment mandates or objectives established for the particular portfolio or product, including where outlined in the applicable prospectus or fund rules, and where set out in investment restrictions imposed by regulation. If investments are made or managed in breach of any such investment mandate, including with regard to the use of benchmark indices, the Group could be required to unwind the relevant transactions, could suffer reputational and brand damage and likely would be liable for any losses suffered by an affected party in doing so. Losses could be significant and exceed amounts recoverable under the Group's insurance policies, if any. The potential reputational and brand damage and the obligation to compensate for such losses could have a material adverse effect on the Group's business, financial condition, operating results and prospects.

Changes in regulatory capital requirements may lead to a reduction in dividends.

The prudential capital requirements for the Group apply both on a solo basis (i.e. to an authorised firm based on its own situation) and on a consolidated, or group, basis. Broadly, this means that the regulated entity which triggers the consolidation requirement must also comply with capital requirements based on the consolidated situation of its consolidation group. It is expected that on a Demerger the Group will have two separate consolidation groups (one largely comprising companies within the sub-group held by Ninety One plc, and one largely comprising companies within the sub-group held by Ninety One Limited).

Solo and consolidated capital requirements typically comprise two elements, the more formulaic Pillar 1 element and the more discretionary and institution (or group) specific Pillar 2 element. Changes in regulation that impact the quantum or quality of regulatory capital required (whether Pillar 1 and/or Pillar 2) for the Group, or changes in regulatory approach which mean a greater proportion of the Pillar 2 regulatory capital element must be held at the solo (i.e. legal entity) level instead of by the key regulated entities at the consolidated group level, could lead to more onerous regulatory capital requirements overall.

The consolidated Pillar 1 regulatory capital element for the Group is, in part, a function of fixed overheads. Therefore increases in fixed costs impact the applicable regulatory capital requirement. In addition, a large portion of the Pillar 2 capital element is determined through operational risk scenario modelling and so can be influenced by key components of that modelling such as changes in business model, client base, product mix and concentration, and volatility in financial markets. Pillar 2 capital requirements can also be mandated through individual capital guidance from regulators. In more extreme market conditions, Pillar 2 credit risk capital requirements could be affected by a deterioration in credit ratings at banks where own funds are deposited (either directly or through money market funds).

A new prudential regime for investment firms was adopted at the EU level at the end of 2019 with the majority of the provisions being applicable from mid-2021. Ignoring Brexit complexities, even if it is applicable in the UK and so would apply to certain UK and EU Group companies, the current expectation is that the prudential impact would not be material at the Group level.

Accordingly, where any of the factors noted above applies and results in an increase in the quantum or quality of regulatory capital required for the Group, one impact is that the Group's ability to pay out dividends, and the quantum of any dividends payable, may be reduced.

Operational risk may disrupt the Group's business or result in regulatory action.

Operational risk is defined as any instance where there is potential or actual impact to the Group resulting from inadequate or failed internal processes, people or systems or from external events. Operational losses can result, for example, from errors or misconduct by employees, failure to document transactions properly or to obtain proper authorisation, failure to comply with regulatory requirements and conduct of business rules, equipment failures, natural disasters or the failure of systems and controls, including those of the Group's suppliers or counterparties. The Group is also exposed to risk from potential non-compliance by its staff with policies, employee misconduct or negligence and fraud, which could result in regulatory sanctions and serious reputational or financial harm.

Although the Group maintains a global business continuity management capability, and substantial resources are devoted to developing efficient and well controlled procedures, reporting systems and staff training, it is not possible to be certain that such actions have been or will be effective in controlling each of the operational risks faced by the Group or preventing or detecting employee misconduct. Given the Group's high volume of transactions, fraud or errors may be repeated or compounded before they are discovered and rectified. Any operational failure may cause serious reputational or financial harm and could have a material adverse effect on the Group's business, operating results, financial condition and prospects.

The Group is subject to various risks relating to the outsourcing of services to third-party contractors, suppliers, agents and other service providers.

The Group relies on third parties to supply a variety of services, technologies and equipment that are central to significant portions of its operational and administrative and support processes. These include administrative and support and fund accounting services, which are provided under an agreement with State Street Bank & Trust Co., as well as transfer agent services as provided by RBC Investor Services Bank S.A., DST Financial Services Europe Limited and Silica Financial Administration Solutions Proprietary Limited to process retail investor applications and manage fund shareholder registers. In addition, the Group currently receives and will, following the Demerger, receive services from Bank and Wealth, including: (i) certain IT, operational and other services pursuant to the Transitional Services Agreement for a transitional period in order to assist the Group in continuing the Ninety One Business following the Demerger; and (ii) a licence under the Transitional Trade Mark Licence Agreement pursuant to which the Group will have the right to use certain Investec trade marks for a transitional period of up to 24 months following the Demerger.

While the Group has contractual protections in place with its third-party service providers, the Group does not have operational or financial control over them, and the Group has limited or no influence with respect to the manner in which they conduct their business. Since certain of these services are only available from a limited number of providers, the Group could also experience difficulties identifying alternative service providers on a timely basis, on comparable terms or at all, and it could suffer disruption as a result of the transition of functions to the new service provider.

In addition, since the Group's operations rely on a day-to-day basis on the continued provision of these services, it is also exposed to risks associated with the conduct of these third parties, in particular with respect to cybercrime and fraud, as well as risks in relation to third-party contractor handling of client money. If these third parties fail to provide their services, technologies or equipment in accordance with relevant requirements, on a timely basis, the Group's clients may be impacted and the Group may ultimately be held liable for any client loss or regulatory breach. Any failure by third parties to provide their products and services could also result in reputational damage to the Group, a requirement to pay compensation to clients or regulatory action or fines. The Group may be unable to recover losses from these third parties, for example, in the event of a provider's financial distress or limitations on liability.

If the Group does not effectively develop and implement its outsourcing and procurement strategies and its internal capability to manage such strategies, or third-party providers do not perform as anticipated, its business, operating results, financial condition and prospects could be materially adversely affected.

The Group's risk management policies and procedures may leave it exposed to risks which have not been identified by such policies or procedures.

The Group devotes significant resources to developing its risk management policies and procedures and expects to continue to do so in the future. Nonetheless, its risk management techniques may not be fully effective in mitigating its risk exposure in all market environments or against all types of risk. Some of the Group's methods of managing risk will be based upon its use of observed historical market behaviour. As a result, these methods may not predict future risk exposures, which could be significantly greater than historical measures indicate. Other risk management methods depend upon evaluation of information regarding the markets in which the Group operates, its clients or other matters that are publicly available or otherwise accessible by the Group. This information may not be accurate, complete, up-to-date or properly evaluated in all cases. Any failure of the Group's risk management techniques may have a material adverse effect on its business, operating results, financial condition and prospects.

The Group is dependent upon the proper and continued functioning of its IT systems.

The Group relies on the proper functioning of its information technology systems. Hardware, software, power or telecommunications failures, as well as data security breaches, are key risks. Any significant degradation, failure or lack of capacity of the Group's information systems or other related systems in its trading processes in particular could cause it to fail to complete transactions on a timely basis. The occurrence of any of the foregoing events could give rise to adverse regulatory and reputational consequences for the Group's business and have a material adverse effect on the Group's business, operating results, financial condition and prospects.

In addition, the Group's continued success will depend in part on its ability to respond to changing technologies and demands of the marketplace, and its inability to upgrade its information and communications systems on a timely or cost-effective basis could damage its relationships with its clients and counterparties.

The Group may be unable to recruit, retain and motivate key personnel.

The Group's performance is largely dependent on the talents and efforts of key personnel, many of whom have been employed by the Group for a substantial period of time and have developed with the business. Competition in the financial services industry for qualified employees is intense. Further, the Group's ability to implement its strategy depends on the ability and experience of its senior management and other key employees. The loss of the services of certain key employees, particularly to competitors, could have a negative impact on the Group's business.

The Group's continued ability to compete effectively and further develop its business depends on its ability to retain, remunerate and motivate its existing employees and to attract new employees and qualified personnel particularly for investment roles. A number of the Group's competitors are private partnerships or private entities, in which key employees have significant partnership interests or equity holdings as a material component of their compensation arrangements. In an increasingly competitive environment for attracting and retaining talented employees, these compensation arrangements are very attractive for individuals and are competitive in the market.

If the Group is unable to recruit, retain and motivate key personnel, or if it is required to incur additional costs to retain such personnel, its business, operating results, financial condition and prospects could be materially adversely affected.

The Group is reliant on the success of its brand.

The success of the Group's strategy going forward will rely significantly on the appeal of its brand. Since being founded in 1991, the Group established itself and its brand as a part of the broader Investec Group. During that time, the Directors believe that the Group's growth and the success of its product and service offerings have allowed it to differentiate itself from competitors and provided a key competitive advantage in the countries and markets where it operates.

The Group is currently dependent on a single brand. The Group has established a new brand and, from the Demerger, it will operate under the Ninety One brand. A variety of activities have been and will continue to be undertaken in connection with the new brand, which could be more costly than planned or less successful in supporting the Group's operations than anticipated. An inability to manage the risks associated with its brand could have a material adverse effect on the Group's business, operating results, financial condition and prospects.

The Group faces risks associated with the implementation of its strategy.

The Group faces risks associated with the implementation of its strategy. The Group's ability to implement its strategy successfully is subject to execution risks, including those relating to attracting client demand into growth areas and the management of its relationship with Bank and Wealth, management of its cost base and limitations in its management or operational capacity, as well as the effectiveness of new reporting lines and management structures following the Demerger. These risks may be exacerbated by a number of external factors, including a downturn in global and significant national economies, increased competition in the financial services industry and/or significant or unexpected changes in the regulation of the financial services sector in the countries where the Group operates. If the Group is unable to implement its business strategy, its business, operating results, financial condition and prospects could be materially adversely affected.

The Group's historical financial performance may not in all respects be indicative of its future performance.

The Group's historical financial information presented in Part XIV: "*Historical Financial Information*" has been prepared on a basis that combines the historical financial results and assets and liabilities of the companies constituting the Group. During the period covered by the historical financial information, the Group's business was managed as part of Investec and, as a result, the historical financial information presented in Part XIV: "*Historical Financial Information*" may not be indicative of the Group's future performance.

The Group may not be able to adequately insure against specific risks.

The Group's business entails the risk of liability related to litigation from clients, shareholders, employees or third-party service providers and actions taken by regulatory agencies, which may not be adequately covered by insurance or at all. Specifically, there is a risk that claims may arise in relation to damage resulting from the Group's employees' or service providers' operational errors or negligence, or misconduct or misrepresentation by its employees, agents and other operational personnel. There can be no assurance that a claim or claims will be covered by insurance or, if covered, that any such claim will not exceed the limits of available insurance coverage or that any insurer will meet its obligations to insure. There can also be no assurance that insurance coverage with sufficient limits will continue to be available at a reasonable cost. Renewals of insurance policies or claims under existing policies may expose the Group to additional costs through higher premiums or the assumption of higher deductibles or co-insurance liability. A significant increase in the costs of maintaining insurance cover or the costs of meeting liabilities not covered by insurance could have a material adverse effect on the Group's business, financial condition, operating results and prospects.

Risks Relating to Supervision and Regulation

The Group's regulated businesses may breach the regulations to which it is subject.

The Group is subject to extensive regulation in each of the jurisdictions in which it conducts business. The Group is also obliged to complete extensive and complex disclosures relating to assets held within the Group to meet UK, South African and international regulations. Regulatory agencies have broad regulatory and administrative powers over many aspects of financial services businesses such as the Group, which may include governance, systems and controls requirements, conduct of business requirements (including marketing and selling practices, advertising, client documentation and service standards), market conduct, product authorisation and governance, solvency, liquidity, intra-group transactions, risk concentration, management of conflicts of interest and permitted investments.

The Group's UK business is subject to regulation by the FCA. The FCA has broad powers, including the authority to grant, vary the terms of or cancel a regulated firm's authorisation, to investigate marketing and sales or advice practices, and to require the maintenance of adequate financial resources. The FCA has the power to take a range of investigative, disciplinary or enforcement actions, including public censure, client restitution, fines or sanctions and (in practice) to require compensation. The FCA may make enquiries of the companies that it regulates regarding compliance matters and, like all UK regulated financial services firms, the Group faces the risk that the FCA could find that it has failed to comply with applicable regulations or has not undertaken corrective action as required. The FCA also has temporary product intervention powers, which enable it to restrict certain products, product features or their promotion in the UK for up to 12 months without consultation.

In South Africa, the recently enacted Financial Sector Regulation Act, 2017 has put international "Twin Peaks" regulation into effect. As a result, the Group's business is now subject to regulation by the SA FSCA and the SARB PA. The SARB PA is responsible for regulating, among others, banks, insurers, financial institutions and financial services providers. Within the SARB PA's competency is the regulation of the Group's business in respect of prudential and capital requirements, risk, anti-money laundering and combating the financing of terrorism. The SA FSCA launched on 1 April 2018, as successor to the South African Financial Services Board. The SA FSCA regulates, on the other hand, financial market conduct, including licensing, oversight of treatment of financial clients, efficiency and integrity in financial markets and financial stability. The SARB PA and the SA FSCA have broad powers to gather information, conduct supervisory on-site inspections and investigations, to question individuals and require production of documents and search premises. For enforcement purposes, the SARB PA and the SA FSCA can issue directives to regulated entities and/or key individuals directing that specified action be taken in furtherance of regulatory powers. In serious cases the SARB PA and the SA FSCA can remove individuals from their positions with regulated entities, commence high court proceedings against regulated entities and debar individuals from working within regulated industries. Like all South African regulated financial services firms, the Group faces the risk that the SARB PA or the SA FSCA could find that it has failed to comply with applicable regulations or has not undertaken corrective action as required.

Outside the United Kingdom and South Africa, the Group's businesses are regulated by local domestic and supranational regulators that often have similar powers to these regulators, including, but not limited to, the Commission de Surveillance du Secteur Financier (Luxembourg), the Securities and Exchange Commission (U.S.A.), the Guernsey Financial Services Commission (Guernsey) and the Hong Kong Securities and Futures Commission (Hong Kong). These authorities can apply a wide range of sanctions to firms (and individuals working for firms) found to be operating in breach of their regulations, or in a manner deemed to pose a significant risk to their statutory obligations, including public or private censure, fines, regulatory proceedings and, in extreme cases, suspension or withdrawal of authorisation to operate particular parts of their business or prosecution. Additionally, defending itself in proceedings and the cost of any applicable sanctions may involve significant expense. Enforcement or other action taken by regulators against the Group could also have a detrimental impact on its reputation, which could undermine client confidence and reduce demand for the Group's products and services. Any of these matters may have a material adverse effect on the Group's business, financial condition, operating results and prospects.

The Group's businesses are subject to the risk of adverse changes in the laws and regulations in the markets in which they operate.

The Group is subject to extensive regulation by governmental and other regulatory organisations in the jurisdictions in which it operates, and the financial services industry continues to be the focus of significant regulatory change and scrutiny. Financial services laws, regulations and regulatory requirements currently affecting the Group may change at any time in ways that could negatively impact the Group. It is difficult for the Group to accurately predict the timing, scope or form of future regulatory initiatives, although it is widely expected that there will continue to be a substantial amount of regulatory change and a high degree of supervisory oversight of regulated financial services firms. In addition, under certain principles-based rules and regulations, there may be different industry views about how to achieve particular outcomes. Regulators may from time to time have different views about how market participants should meet regulatory outcomes and interpretations may differ from generally accepted market practice.

The Group will not always be able to predict accurately the impact of future legislation or regulations or changes in the interpretation or operation of existing legislation or regulations on its business, financial condition, operating results and prospects, but it expects that the asset management industry will continue to be subject to high levels of regulatory scrutiny in the future. Changes in government policy, legislation or regulatory interpretation that applies to companies in financial services industries in any of the markets in which the Group operates which may be applied retrospectively, may limit the Group's activities or otherwise adversely affect the Group's service offering,

distribution channels, capital requirements, results and financing requirements. For example, the Group may be unable to sell, or may decide not to sell, products or solutions in certain jurisdictions if regulations or interpretations change. In addition, the Group may face regulatory action on products or solutions that were designed to meet legislation in force at the time of design or sale that has subsequently been amended. Such changes may also result in increased compliance costs due to the need to establish additional compliance controls, or if investor demand is affected by changes to tax regulation or enforcement in their home jurisdictions or the countries where the Group operates.

The FCA continues to explore other areas of regulation. For example, the FCA has extended the Senior Managers & Certification Regime to all UK-authorised firms from 9 December 2019, which allows enforcement or other action to be taken against key individuals, including senior management at the relevant entity. Any such actions may last a number of years and could divert management's attention from the day-to-day running of the Group's business, result in increased employee turnover if senior staff elect to leave the Group due to exposure, and involve considerable cost and expense.

Financial regulation in the EU Member States in which the Group operates is primarily based on EU directives, which are required to be implemented into national law. Due to differences in the way EU Member States may implement EU directives, and their discretion to impose more stringent requirements in certain areas, financial regulation is not fully harmonised across the EU. Different approaches to implementing EU directives in the EU Member States in which the Group operates may increase compliance costs and place the Group's business at a competitive disadvantage to financial services groups operating in fewer or certain other EU jurisdictions. Regulatory divergence also increases the risk of the Group failing to comply with certain regulations.

As a result of the foregoing factors, significant regulatory change could have a material adverse effect on the Group's business, operating results, financial condition and prospects.

The Group may be vulnerable to attacks on or breaches of its security systems.

The secure transmission of confidential information is a critical element of the Group's operations. The Group's networks and systems may be vulnerable to unauthorised access and other security problems. In particular, as a financial institution, the Group is subject to a heightened risk that it will be the target of criminal activity, including fraud, theft or cybercrime. There also can be no assurance that the Group's systems will not be subject to attack by cybercriminals, including through denial of service attacks, which could significantly disrupt the Group's operations. The Group cannot be certain that its existing security measures will prevent security breaches, including break-ins, viruses or disruptions. Persons that circumvent the security measures could use the Group's or its clients' confidential information wrongfully which could expose it to a risk of loss, adverse regulatory consequences or litigation.

Any failure by the Group to maintain effective security systems, or to implement upgrades on a timely or cost-effective basis, could damage its relationships with its clients and counterparties and result in adverse regulatory consequences, which could have a material adverse effect on its business, operating results, financial condition and prospects.

The Group must comply with complex data protection and privacy laws.

The Group is subject to regulations and heightened regulatory scrutiny in the jurisdictions in which it operates regarding the use of personal data. As data privacy concerns have increased in recent years, a number of jurisdictions have implemented, or commenced exploration into the introduction of, new regulations on the treatment and protection of client data. The Group collects and processes personal data (including name, address, age, bank and credit card details and other personal data) from its clients, third-party claimants, business contacts and employees as part of the operation of its business, and, therefore, it must comply with data protection and privacy laws. Those laws generally impose certain requirements on the Group in respect of the collection, retention, deletion, use and processing of such personal data. Failure to operate effective data collection controls could potentially lead to regulatory censure, fines, reputational and financial costs as well as result in potential inaccurate rating of policies or overpayment of claims. The Group seeks to ensure that procedures are maintained to comply with the relevant data protection regulations by its employees and any third-party service providers, and also implement security measures to help prevent cyber-theft. Notwithstanding such efforts, the Group is exposed to the risk that this data could be wrongfully appropriated, lost or disclosed, stolen or processed in breach of data protection laws. In addition, the Group may not have the appropriate controls in place today and may be unable to invest on an ongoing basis to ensure that such controls are current and keep pace with the growing threat.

In the United Kingdom, data protection law has been subject to material change in recent years. The European Commission, European Parliament and the Council of Ministers agreed the General Data Protection Regulation ("**GDPR**") on 15 December 2015, and from 25 May 2018 the GDPR has applied, replacing the UK Data Protection Act 1998 (and the equivalent laws in other EU and EEA Member States). In addition, the UK Data Protection Act, supplementing the obligations in the GDPR, came into effect on 25 May 2018. The GDPR and the UK Data Protection Act have increased the regulatory burden on the Group in processing personal client, employee and other data in the conduct of its business and may also increase the potential sanctions for breach as the GDPR includes significant financial penalties of up to 4 per cent. of the annual worldwide turnover of company groups. The Group has undertaken a detailed programme to develop and implement further data protection policies and procedures designed to comply with the GDPR. In addition, a new ePrivacy Regulation ("**ePR**") is expected in 2020. Once in force, this will introduce new rules around, among other things, confidentiality of online communications, the use of cookies and direct marketing, again increasing the regulatory burden on the Group in conducting its business and impacting the way it markets its products and services.

In South Africa, the Protection of Personal Information Act (No. 4 of 2013) (the "**POPI Act**") was signed in 2013 and although enacted, it is not yet fully in force. Only certain administrative provisions, namely those relating to the establishment of the information regulator and the making of regulations, came into force on 11 April 2014. Regulations relating to the administrative aspects of the POPI Act were published on 14 December 2018 ("**POPI Regulations**") and, despite being in final form, the commencement date of the POPI Regulations has not yet been announced. It is expected that the commencement date of the POPI Regulations will be aligned with the commencement date of the remaining provisions of the POPI Act. If the remaining provisions of the POPI Act come into force, there will be a one-year transitional period to allow for organisations to become compliant with the provisions of the POPI Act before penalties for non-compliance are enforced. The POPI Act imposes a range of obligations, including restrictions on direct marketing and on cross-border transfers of personal information and an obligation to keep personal information secure. The POPI Act empowers the information regulator to impose administrative fines of up to R10 million where a data controller such as the Group fails to comply with an enforcement notice. Non-compliance with an enforcement notice is also a criminal offence. It should be noted that, in terms of the POPI Act (once in force), legal entities will enjoy the same rights as individuals (where appropriate in the circumstances). In this regard, the POPI Act is different to the GDPR, the UK Data Protection Act and ePR.

In addition, the Group expects data privacy to remain a focus area for regulators in many of the other jurisdictions where it operates and that new data protection requirements will continue to be introduced in the future.

If the Group or any of the third-party service providers on which it relies (including non-subsidiary affiliates of the Group) fails to comply with existing data protection laws or fails to adapt to new or amended data protection laws, including the GDPR, the UK Data Protection Act, ePR (once in force) or the POPI Act (once in force), due to any failure to store or transmit client information in a secure manner or any loss or wrongful processing of personal data, the Group could be subject to investigative and enforcement action by relevant regulatory authorities, claims or complaints from the individuals or juristic persons (as applicable) to whom the data relates or could face liability under data protection laws. Any of these events could also result in the Group suffering reputational damage as well as the loss of new or repeat business, which could have a material adverse effect on the Group's business, financial condition, operating results and prospects.

The Group may fail to detect or prevent money laundering and other financial crime activities.

The Group is required to comply with applicable anti-money laundering, anti-terrorism, sanctions, anti-tax evasion, anti-fraud, anti-bribery and corruption, insider dealing and other laws and regulations in the jurisdictions in which it operates, including the UK Bribery Act 2010, the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, the UK Criminal Finances Act 2017, South African anti-bribery and corruption legislation, such as the Financial Intelligence Centre Act 2001 (including amendments under the Financial Intelligence Centre Amendment Act 2017) and Money Laundering and Terrorist Financing Control Regulations, and the extra-jurisdictional reach of international laws such as the US Foreign Corrupt Practices Act. These laws and regulations require the Group to, among other things, conduct client due diligence regarding fiscal evasion, anti-money laundering, sanctions and politically exposed persons screening, keep client and supplier account and transaction information up to date and implement effective financial crime policies and procedures. Where applicable, these laws restrict or prohibit transactions with certain countries and with certain companies and individuals identified on lists maintained by the US government, the EU, various EU Member States, other governments and the UN Security Council. As such, future changes could impact existing investments or limit future investment strategies.

Financial crime has become the subject of enhanced scrutiny and supervision by regulators globally. Anti-money laundering, anti-bribery and anti-corruption, insider dealing and economic sanctions laws and regulations are increasingly complex and detailed and have become the subject of enhanced regulatory supervision, requiring businesses to invest in improved systems, sophisticated monitoring and skilled compliance personnel. Regulatory authorities may, from time to time, make enquiries of companies within their respective jurisdictions regarding compliance with regulations governing the operation of a regulated business (including the degree and sufficiency of supervision of the business) or conduct investigations when it is alleged that regulations have been breached. Responding to such enquiries may be time-consuming and expensive.

Financial crime is continually evolving, and the expectations of regulators are increasing. This requires similarly proactive and adaptable responses from the Group so that it is able to, effectively, deter threats and criminality, in particular, in certain of the emerging markets jurisdictions where the Group operates and undertakes investment activities. Even known threats can never be fully eliminated, and there may, in the future, be instances where the Group may be used by other parties to engage in money laundering and other illegal or improper activities. In addition, the Group relies on its employees, external administrators and certain other third-party service providers to identify and report such activities. There is a risk that they will fail to do so or otherwise fail to comply with or implement the Group's policies and procedures relating to financial crime.

Where the Group is unable to comply with applicable laws, regulations and expectations, regulators and relevant law enforcement agencies have the ability and authority to impose significant fines and other penalties, including requiring a complete review of business systems, day-to-day supervision by external consultants and ultimately the revocation of regulatory authorisations and licences. Globally, anti-money laundering and financial crime compliance is expected to remain a key regulatory priority from a supervisory and enforcement perspective. The reputational damage to the Group's business and global brand could be severe if it were found to have breached anti-money laundering or sanctions requirements. The Group's financial position and reputation could also suffer if it were unable to protect clients or prevent the business from being used by criminals for illegal or improper purposes.

The Group cannot guarantee that its current policies and procedures are sufficient to completely prevent situations of fiscal evasion, money laundering, bribery, fraud or corruption, including actions by the Group's employees, for which the Group might be held responsible. Any such event may have severe consequences, including sanctions, fines and reputational consequences, which could have a material adverse effect on the Group's business, financial condition, operating results and prospects.

Regulatory authorities or clients may attempt to seek redress against the Group where it is alleged that products were misrepresented, 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 regarding misleading information. For example, regulators or clients could allege that the terms and conditions of relevant products or solutions, the nature of the products or solutions, or the circumstances under which the products or solutions were recommended, were misrepresented or the products 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.

These issues or disputes arising in relation to private individuals that cannot be resolved privately may be resolved ultimately by an enforcement action involving the relevant regulatory body, including the Financial Ombudsman Service or the FCA in the United Kingdom or the SA FSCA in South Africa, or by litigation. The relevant regulator may intervene directly where larger groups or matters of public policy are concerned. There have been several industry-wide financial product mis-selling issues in the past in which the regulator in the United Kingdom has intervened directly, including the sale of personal pensions, the sale of mortgage-related endowments, investments in split capital investment trusts and the sale of payment protection insurance. Certain designated consumer bodies are also empowered under the FSMA to make "super-complaints" to the FCA in relation to issues causing detriment to large numbers of consumers.

The Group may be exposed, in particular, to risks relating to "vulnerable customers". In the United Kingdom, the FCA has defined these customers as persons who, due to their personal circumstances, are especially susceptible to detriment, particularly when a firm is not acting with appropriate levels of care. The FCA has noted that vulnerability can affect consumers across all financial products and services. The FCA has recently consulted on the fair treatment of vulnerable customers, and further regulatory guidance is expected to be provided in 2020. In South Africa, the SA FSCA also emphasised fair customer treatment and ensuring that financial customers are informed in their decisions as two of its strategic priorities in its regulatory release statement covering the

period from October 2018 to September 2021. In South Africa, Treating Customers Fairly ("**TCF**") was launched in 2011 and is an outcomes-based regulatory and supervisory approach designed to ensure that specific, clearly articulated fairness outcomes for financial services consumers are delivered by regulated financial firms. Some of the TCF outcomes had already been included in existing legislation with which the Group has to comply in South Africa, such as the Financial Advisory and Intermediary Services Act, 37 of 2002 ("**FAIS**") General Code which requires financial service providers to render services honestly, fairly, with due skill, care and diligence, and in the interest of the client and the integrity of the financial services industry. Failure to identify customer vulnerability could lead to poor customer outcomes and detriment, including if a client is not able to fully understand products or services or if information is not provided in an appropriate format for the client's needs. If the Group does not have adequate policies to identify vulnerable clients, or if such policies are not embedded in a way that promotes the fair treatment of all clients, the Group could fall below regulatory expectations in this area, which could result in regulatory action.

Failure to comply with these regulatory requirements could lead to enforcement or other actions being brought against the Group, which could have a material adverse effect on its business, financial condition, operating results of operations and prospects.

The Group may be subject to regulatory action or financial penalties if it fails to comply with the CASS rules.

As Investec Fund Managers Limited ("**IFML**") can hold client money and Investec Asset Management Limited ("**IAML**") can control, but not hold, client money, both IFML and IAML (members of the Group) must comply with the FCA's Client Asset sourcebook ("**CASS**") rules. Additionally, the Group contracts with certain third-party transfer agent service providers that perform the administration of client money, which could create indirect risks in relation to compliance with the CASS rules. The CASS requirements help to protect clients' assets and money when a firm is responsible for them and helps to ensure that client assets and money could 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 firms classified in CASS terms as "medium" (such as IFML) or "large" 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 a number of complex operational processes and systems, both internal and external, resulting in a high inherent risk of non-compliance. All CASS breaches are reported to the FCA annually as part of firms' external CASS audit, and the FCA would be immediately notified of any material breaches. There are also risks that the Group could be held responsible for a breach of CASS requirements by a third-party service provider acting on behalf of the Group. If any such breaches were not fully remediated, or the FCA concluded that IFML or IAML or, where relevant, the Group did not have sufficient regard for the protection of clients' assets and money, it may be subject to regulatory action or financial penalties, which could also result in adverse publicity and reputational damage to the Group, and ultimately have a material adverse effect on the Group's business, financial condition, operating results and prospects.

The Group faces compliance risks and potential liability in relation to MiFID II.

The second Markets in Financial Instruments Directive (2014/65/EU) ("**MiFID II**") forms the legal framework governing the requirements applicable to investment firms, trading venues, data reporting service providers and third-country firms providing investment services or activities in the European Union. The framework, which came into force on 3 January 2018, imposes additional requirements in respect of transparency in trades and product manufacturing and distribution, establishes a harmonised EU regime for non-discriminatory access to trading venues, clearing counterparties and benchmarks for trading and clearing purposes. The framework has increased the role and supervisory powers of regulators and establishes powers to prohibit or restrict the marketing and distribution of certain financial products. In 2020, the European Securities and Markets Authority is scheduled to review MiFID II to identify prospective developments or amendments where future change may occur (this review is not expected to introduce changes in 2020), including in relation to consistency in the application of MiFID II for secondary markets, the performance and cost of retail investment products, and the application of requirements in relation to investor protection and intermediaries. Increased oversight could give rise to unforeseen compliance costs for the Group. The continued development of market practice and interpretation of certain requirements have led to an increase in administrative and compliance costs related to activities within the scope of MiFID II and a reduction in income. Failure to comply with MiFID II requirements could lead to enforcement action by the FCA, which could have a material adverse effect on the Group's business, financial condition, operating results and prospects.

Poor management of investment risk within portfolios or funds, including management of liquidity, may lead to regulatory censure, investor harm and reputational harm to the Group.

The management by the Group of investment risk within portfolios or funds can have a significant impact on the investment performance experienced by investors, as well as the ability of investors to invest in, or divest from, the portfolios or funds that the Group manages.

In particular, poor management of a portfolio's investment liquidity profile can lead to a mismatch between a portfolio's liquidity needs (i.e. its ability to service subscriptions and redemptions) and the ability of the investment manager to liquidate or invest in assets to service those liquidity needs, without adversely impacting the price at which assets must be bought or sold, or breaching the portfolio's investment parameters.

Where liquidity constraints do lead to assets being bought or sold at adverse prices in order to generate necessary liquidity, this will also impact remaining investors in the portfolio by devaluing the portfolio's assets and, therefore, the value of the remaining investors' holdings.

The occurrence of any of the foregoing could result in regulatory censure, investor harm (where redemptions cannot be met) or investor discontent, ultimately damaging the reputation of the Group and leading to a further loss of clients.

Risks Relating to the Demerger

The agreements entered or to be entered into by the Group with Bank and Wealth in connection with the Demerger expose the Group to counterparty risk.

In anticipation of, and in connection with, the Demerger, the Group has entered into the Demerger Agreements with Bank and Wealth, including:

- the Separation Agreement;
- the Transitional Services Agreement;
- the Transitional Trade Mark Licence Agreement; and
- the Relationship Agreement.

If Bank and Wealth fails to meet its obligations under these agreements or provide the services and other information in a timely manner or as required under the relevant agreement, such failure could negatively impact the Group's operations or the orderly implementation of the Demerger. This could, in turn, have a material adverse effect on the Group's business, operating results, financial condition and prospects.

As a result of the Demerger, the Group's ability to attract and retain clients may be negatively impacted, third parties may reprice, modify or terminate their relationships with the Group and the Group may be forced to lower the prices of its services.

The Demerger could change clients' perception of the Group and adversely affect its ability to attract and retain clients, which could result in reduced sales of its products. In addition, the Demerger may prompt some third parties to reprice, modify or terminate their distribution or other relationships with the Group. The Group may be required to lower the prices of its services, change long-term selling and marketing agreements and take other action to maintain its relationships with its clients and third-party distributors. Should any of the consequences set out above occur, individually or in combination with others, they could have a material adverse effect on the Group's business, financial condition, operating results and prospects.

Risks Relating to the DLC Structure

The DLC Structure is complex.

The governance and administration arrangements that are involved in the DLC Structure are more complex and onerous than those under which the Group currently operates. In addition, the South African Ministry of Finance has imposed certain conditions in relation to the DLC Structure; see paragraph 15 of Part X: "*Details of the DLC Structure – DLC Structure FinSurv conditions*". There can also be no assurance that the conditions imposed on the Group, in connection with the DLC Structure, might not be amended or varied.

The DLC Structure may affect the Group's ability to pay dividends.

The Group's operating results and financial condition are entirely dependent on the trading performance of members of the Group. Similarly to the existing Investec Group structure, the ability of each of Ninety One Limited and Ninety One plc to pay dividends will depend upon the level of distributions, if any, received from their operating

subsidiaries and interests, any amounts received on asset disposals, the level of cash balances and in certain circumstances distributions received from Ninety One Limited and Ninety One plc (as the case may be) as a result of the operation of the equalisation arrangements which form part of the DLC Structure as described further in Part X: "*Details of the DLC Structure*". Ninety One Limited and certain of its and Ninety One plc's subsidiaries and associated companies may, from time to time, be subject to restrictions on their ability to make distributions, including as a result of exchange control restrictions, earnings, levels of statutory reserves and capitalisation of such subsidiaries or associated companies, and other regulatory restrictions or agreements with the other shareholders of such subsidiaries or associated companies which may restrict the Group's ability to comply with its dividend policy. As applicable regulation may restrict the ability of the companies to make such payments, it may not be possible for Shareholders to receive their full entitlement in cash. If Shareholders are not to receive a cash dividend in full, another form of Matching Action may be taken and reference should be made to the risk factor entitled "*Matching Actions are equivalent but not necessarily identical*" in this Part II.

Future changes in the legal and regulatory environment may mean that the DLC Structure will no longer be viable.

The DLC Structure has been developed on the basis of existing laws and policies of regulatory authorities in the United Kingdom and South Africa. The governance and administration arrangements arising out of the DLC Structure are complex and onerous. Changes to the laws or policies (including changes in tax law or policy) related to the DLC Structure may result in the DLC Structure no longer being viable, which may affect the ability of the Group's operations to continue in their current form and may affect the Companies' results in the future.

Matching Actions are equivalent but not necessarily identical.

Under the DLC Equalisation Principles as described in paragraph 5 of Part X: "*Details of the DLC Structure – Equalisation of voting and economic rights*", if either Ninety One Limited or Ninety One plc takes an Action which, having regard to the prevailing Equalisation Ratio, has a disproportionate economic effect on the relevant Shareholders, then, subject to certain exceptions, the Equalisation Ratio will be adjusted or a Matching Action will be undertaken to provide an equivalent economic benefit to the Shareholders of the other company. A Matching Action is, therefore, equivalent in economic terms, but not necessarily identical. The combination of an Action or a Matching Action may, therefore, result in the voting interests of the Ninety One plc Shareholders (as a whole) relative to the Ninety One Limited Shareholders (as a whole) in respect of Joint Electorate Actions being altered. In addition, the form and value of a Matching Action will be determined by the Boards having regard to, among other things, the prevailing market prices of the Ninety One plc Shares and the Ninety One Limited Shares, the prevailing exchange rates and (where relevant) the market price of shares in any demerged entity at or around the time that such Action is taken. Following their decision, the Boards will not be required to have regard to any fluctuations in such factors which may favour either the Ninety One plc Shareholders or the Ninety One Limited Shareholders.

The market price of Ninety One plc Shares may be different from the market price of Ninety One Limited Shares and give rise to the possibility of arbitrage between the shares.

Following Admission and as a result of the DLC Structure, Ninety One plc will have a primary listing on the LSE together with a secondary listing on the JSE and Ninety One Limited will have a primary listing on the JSE. There can be no assurance that the market price of the Ninety One plc Shares and the Ninety One Limited Shares on these different exchanges will equate. Any disparity between such market prices will give rise to the possibility of arbitrage between the Ninety One plc Shares and the Ninety One Limited Shares, which could adversely affect the market price of the Ninety One plc Shares and/or the Ninety One Limited Shares, as the case may be.

Dividends received under the dividend access arrangements may have a different tax treatment.

Dividends received by Ninety One plc Shareholders from Ninety One plc on the Ninety One plc Shares will constitute UK source dividends for UK taxation purposes. Any dividends received by Ninety One plc Shareholders from Ninety One Limited pursuant to the dividend access arrangements, however, are likely to constitute non-UK source dividends for UK taxation purposes. Dividends paid by Ninety One Limited pursuant to the dividend access arrangements may be paid after deduction of South African dividend withholding tax.

Dividends received by Ninety One Limited Shareholders from Ninety One Limited on the Ninety One Limited Shares will constitute local dividends for South African taxation purposes. Any dividends received by Ninety One Limited Shareholders from Ninety One plc pursuant to the dividend access arrangements, however, are likely to constitute foreign dividends for South African taxation purposes. Assuming that any dividends declared by Ninety One plc must be distributed by the UK Trust Co to the South African resident Ninety One Limited Shareholders in the same year of assessment that any dividend accrues to the UK Trust Co foreign dividends received by South

African resident Ninety One Limited Shareholders in relation to the dividend access arrangements will be exempt from normal tax in the hands of such shareholders, only to the extent that such shareholders hold at least 10 per cent. of the equity shares and voting rights in the company declaring the dividend (i.e. Ninety One plc), which is unlikely to ever be the case. However, such dividend may be partially exempt from normal tax in the hands of the South African resident Ninety One Limited Shareholders in certain circumstances. No South African dividends tax should arise in relation to dividends declared in relation to such shares.

Having regard to the above, for some classes of Ninety One Limited Shareholders who are resident for tax purposes in South Africa (such as South African companies), the receipt of non-SA source dividends from Ninety One plc pursuant to the dividend access arrangements could be less tax efficient than the receipt of SA source dividends from Ninety One Limited on the Ninety One Limited Shares.

The tax residence position of Ninety One plc and Ninety One Limited is complex and could have adverse tax consequences for both the Group and the Shareholders.

The DLC Structure will be established with the intention that Ninety One plc is and will remain resident in the UK for tax purposes and that Ninety One Limited is and will remain resident only in South Africa for tax purposes. Considerations of tax residence may place constraints on where Board meetings of Ninety One plc and Ninety One Limited can be held, and may result in additional complexities and costs, as well as possible inefficiencies in the decision-making processes of the Group. It is intended that the management of Ninety One plc, Ninety One Limited and the Group will be carried out so as to ensure that this residence status of Ninety One plc and Ninety One Limited is preserved. However, if Ninety One plc were to cease to be resident in the UK and/or Ninety One Limited were to cease to be resident in South Africa for tax purposes (including as a result of changes in law or in HMRC and/or SARS practice), this could have adverse tax consequences for both the Group and the Shareholders.

Risks Relating to the Global Offer and the Shares

There is no existing market for the Shares and an active trading market for the Shares may not develop or be sustained.

There is currently no active public trading market for the Shares. Although the Shares are expected to be listed on various exchanges pursuant to the Admission, there is no guarantee that an active trading market for the Shares will develop or, if it does develop, that it will be maintained. If no active trading in the Shares develops or continues after Admission, this could have a material adverse effect on the liquidity and the market price of the Shares.

The trading price of the Shares may be subject to wide fluctuations in response to many factors, including short-term selling pressures, equity market fluctuations, general economic conditions and regulatory changes which may adversely affect the market price of the Shares, regardless of the Companies' actual performance or conditions in its key markets.

The Offer Price will be determined by Investec plc and Investec Investments as the selling shareholders in consultation with the Global Coordinator, on behalf of the underwriters of the Global Offer, taking into account a number of factors which may not be indicative of the future performance or the market price of the Shares after Admission.

The Offer Price may be higher than the maximum price in the indicative price range in respect of the Global Offer and the market price of the Shares may fall below the Offer Price. The market price of the Shares may also fluctuate substantially due to various factors, some of which may be specific to the Companies, and some of which may be related to the financial services industry and equity markets in general. The Companies cannot guarantee that investors will be able to (re)sell their Shares at or above the Offer Price, or at all.

If an active and liquid trading market does not develop or is not sustained, the liquidity and trading price of the Shares could be materially and adversely affected, and investors and shareholders may have difficulty selling their Shares.

The market price of the Shares may be volatile and is subject to fluctuations, including significant decreases, due to flowback.

The market price of the Shares could be volatile and subject to significant fluctuations due to a variety of factors, some of which do not relate to the financial performance of the Group. These include changes in general market conditions, the general performance of the exchanges on which the Shares are listed and traded, changes in sentiment in the market regarding the Shares (or securities similar to them), potential or actual sales of Shares in the market by Shareholders either voluntarily or in forced transactions as a result of restrictions on the types

of securities they can hold in their portfolios, regulatory changes affecting the Group's operations, variations in the Group's operating results, business developments for the Group or its competitors, the operating and share price performance of other companies in the industries and markets in which the Group operates, exchange rate fluctuations, perceptions of economic and political risk or speculation about the Group's business in the press, media or the investment community. The sale of shares in such circumstances is commonly known as "flowback". The price and liquidity of the Shares may also vary between the exchanges on which they are listed, including as a result of differences in the rates of applicable transfer taxes. Furthermore, the Group's operating results and prospects from time to time may be below the expectations of market analysts and investors. Any of these events or others could result in a decline in the market price of the Shares. Investors may not be able to sell their Shares at or above the Offer Price and shareholders may earn a negative or no return on their investment in the Companies.

The Companies may not be able to declare and make dividend payments now or in the future.

The Companies may not be able to, or may decide not to, pay dividends at a level anticipated by their Shareholders, which could reduce investors' return on shares.

The Companies' results could fluctuate and their ability to pay dividends is dependent on, among other things, the Companies achieving sufficient post-tax profits and free cash flow. The Companies may not pay dividends if the Directors believe that this would cause the Companies to be less than adequately capitalised or that there are otherwise insufficient distributable reserves or for various other reasons. The payment of dividends is at the discretion of the Directors and will be subject to, among other things, applicable law, regulations, restrictions in the Group's financing arrangements, financial position, regulatory capital requirements, working capital requirements, finance costs, general economic conditions and other factors that the Directors deem significant from time to time.

As holding companies, the Companies' ability to pay dividends in the future is affected by a number of factors, principally the Companies' ability to receive sufficient dividends from their subsidiaries. The payment of dividends by subsidiaries is, in turn, subject to restrictions, including regulatory non-objection or approval, the existence of sufficient distributable reserves and cash in those subsidiaries as well as certain restrictions in the Companies' debt financing arrangements. These restrictions could limit or prohibit the payment of dividends to the Companies by their subsidiaries, which could restrict the Companies' ability to pay dividends to their shareholders.

Future sales or new issuances of substantial numbers of Shares, or the perception that such sales or issues could occur, could adversely affect their market value.

Other than the proposed issue of Shares pursuant to the steps to implement the Demerger, the Companies have no current plans for an offering of Shares. In particular, the Companies may be subject to restrictions on the issue of new Shares from the date of this document until a certain date after Admission.

It is possible that the Companies may decide to issue additional Shares in the future and, if Shareholders do not take up any offer or are not eligible to participate, their proportionate ownership and voting interests in the Companies will be reduced and the percentage that their Shares will represent of the total share capital of the Companies will be reduced accordingly. A future equity issue or significant sale of Shares by major Shareholders could have a material adverse effect on the market price of the Shares as a whole.

The issue or sale of a substantial number of Shares in the public market after the lock-up restrictions in the Underwriting Agreement expire (or are waived by the Global Coordinator), or the perception that such an issue may occur, may depress the market price of the Shares and could impair the Group's ability to raise capital through the potential sale of additional equity securities.

Differences in exchange rates may have a material adverse effect on the value of shareholdings or dividends paid.

The Ninety One plc Shares are, and any dividends to be paid in respect of them will be, denominated in pounds sterling. The Ninety One Limited Shares are, and any dividends to be paid in respect of them will be, denominated in Rand. An investment in Ninety One plc Shares by an investor whose principal currency is not pounds sterling, or an investment in Ninety One Limited Shares by an investor whose principal currency is not Rand, exposes the relevant investor to foreign currency exchange rate risk. Any depreciation of pounds sterling or Rand (as relevant) in relation to such foreign currency will reduce the value of the investment in the relevant Shares or any dividends in foreign currency terms.

The issuance of additional Shares in connection with future acquisitions, any share incentive or share option plan or otherwise may dilute all other shareholdings.

The Companies may seek to raise financing to fund future acquisitions and other growth opportunities, invest in its business or for general corporate purposes. The Companies may, for these and other purposes, such as in connection with share incentive and share option plans, issue additional equity or convertible equity securities. As a result, the Companies' existing shareholders may suffer dilution in their percentage ownership and the price of the Shares may be adversely affected.

Payment of dividends to Ninety One plc's South African shareholders must comply with South African Exchange Control Regulations.

In terms of the inward listing approval by FinSurv in relation to the secondary listing of Ninety One plc on the JSE, all dividends and any other distributions declared and paid by Ninety One plc to its South African shareholders are required to be remitted by Ninety One plc to a specially designated account in South Africa and paid to South African shareholders in Rand, at the then prevailing exchange rate.

Any requests to issue Ninety One plc Shares or other foreign securities to South African shareholders or Ninety One plc in lieu of a cash dividend will be subject to the prior approval of FinSurv, and, if such prior approval is not obtained, then Ninety One plc's South African shareholders may not be entitled to participate in any such issue of Shares or other foreign securities.

Shareholders outside the United Kingdom and South Africa may not be able to participate in future equity offerings.

The Articles and MoI, respectively, provide for pre-emptive rights to be granted to shareholders in Ninety One plc and Ninety One Limited, unless these rights are disapplied by a shareholder resolution. However, securities laws of certain jurisdictions may restrict the ability of Ninety One plc and Ninety One Limited to allow participation by their respective shareholders in future offerings. In particular, shareholders in the United States may not be entitled to exercise these rights unless either the rights and Shares are registered under the US Securities Act, or the rights and Shares are offered pursuant to an exemption from, or the transaction is not subject to, the registration requirements of the US Securities Act.

The Companies expect to be classified as passive foreign investment companies ("PFICs") for US federal income tax purposes for their current taxable year and are likely to be so classified in future taxable years. Such classification could result in adverse US federal income tax consequences to US investors.

A non-US corporation will be a PFIC in any taxable year in which, after taking into account the income and assets of the corporation and certain subsidiaries pursuant to applicable "look-through rules", either: (i) at least 75 per cent. of its gross income is "passive income"; or (ii) at least 50 per cent. of the average value of its assets is attributable to assets which produce passive income or are held for the production of passive income. For this purpose, "passive income" generally includes interest, dividends, royalties, rents and gains from commodities and securities transactions. The Companies, through their subsidiary IAL, own a significant amount of financial assets in connection with IAL's linked insurance business. Such assets would be passive assets unless they are treated as held in connection with an active conduct of an insurance business by a qualified insurance corporation, or another exception applies. It is unlikely that IAL would be treated as engaging in the active conduct of an insurance business as a qualified insurance corporation. In addition, it is unlikely that any other exception would apply. Accordingly, the Companies expect to be classified as PFICs for their current taxable year and are likely to be so classified in future taxable years. Unless a US shareholder makes one of the elections described under paragraph 3 of Part XVI "*Taxation – United States*", which may or may not be available (and as to availability of which the Companies make no representations), such US investor who holds the Shares may be subject to adverse US federal income tax consequences on certain distributions and any gain with respect to the Shares. US investors in Shares should consult their own US tax advisers regarding the potential application of the PFIC rules. For a further discussion of the PFIC rules, see paragraph 3 of Part XVI "*Taxation – United States*".

PRESENTATION OF INFORMATION ON THE GROUP

1. **General**

Investors should only rely on the information in this document. No person has been authorised to give any information or to make any representations in connection with the Global Offer other than the information and representations contained in this document and, if any other information or representations is or are given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Companies, the Directors, Investec or any of the Banks. No representation or warranty, express or implied, is made by any of the Banks or any selling agent as to the accuracy or completeness of such information, and nothing contained in this document is, or shall be relied upon as, a promise or representation by any of the Banks or any selling agent as to the past, present or future.

Without prejudice to any obligation of the Companies to publish a supplementary prospectus pursuant to section 87G of the FSMA, Rule 3.4.1 of the Prospectus Regulation Rules and section 6.13 of the JSE Listings Requirements, neither the delivery of this document nor any sale made under this document shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Companies or of the Group taken as a whole since the date hereof or that the information contained herein is correct as of any time subsequent to its date.

The Companies do not accept any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media regarding the Global Offer or the Group. The Companies make no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

This document has been approved by the FCA as a prospectus prepared in accordance with the Prospectus Regulation Rules made under section 73A of the FSMA.

This document has been approved by the JSE as a pre-listing statement in accordance with the JSE Listings Requirements.

This document has been approved by the FCA, as competent authority under Regulation (EU) 2017/1129. The FCA only approves this document as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the Companies that are, or the quality of the Shares that are, the subject of this document. Investors should make their own assessment as to the suitability of investing in the Shares.

The Companies will update the information provided in this document by means of a supplement hereto if a significant new factor that may affect the evaluation by prospective investors of the Global Offer occurs prior to Admission or if this document contains any material mistake or inaccuracy. This document and any supplement thereto will be subject to approval by the FCA and the JSE, and will be made public in accordance with the Prospectus Regulation Rules and the JSE Listings Requirements. If a supplement to this document is published prior to Admission, investors shall have the right to withdraw their offer for Offer Shares made prior to the publication of the supplement. Such withdrawal must be done within the time limits set out in the supplement (if any) (which shall not be shorter than two days after publication of the supplement).

The contents of this document are not to be construed as legal, business or tax advice. Each prospective investor should consult his or her own lawyer, financial adviser or tax adviser for legal, financial or tax advice in relation to any purchase or proposed purchase of Offer Shares. In making an investment decision, each investor must rely on his or her own examination, analysis and enquiry of the Companies and the terms of the Global Offer, including the merits and risks involved.

In connection with the Global Offer, each of the Joint Bookrunners and any of their respective affiliates may take up a portion of the Offer Shares in the Global Offer as a principal position and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for its own account in the Offer Shares, any other

securities of the Companies or other related investments in connection with the Global Offer or otherwise. Accordingly, references in this document to the Offer Shares being offered, acquired, placed or otherwise dealt with should be read as including any offer, acquisition or placement of the Offer Shares to, or dealing by, the Joint Bookrunners and any of their respective affiliates acting in such capacity. In addition, certain of the Joint Bookrunners or their affiliates may enter into financing arrangements (including swaps, warrants or contracts for differences) with investors in connection with which the Joint Bookrunners (or their respective affiliates) may from time to time acquire, hold or dispose of Shares. Such persons do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

None of the Companies, the Directors, Investec or the Banks is making any representation to any offeree or purchaser of the Offer Shares regarding the legality of an investment by such offeree or purchaser.

Apart from the responsibilities and liabilities, if any, which may be imposed on the Banks by the FSMA or the regulatory regime established thereunder, the JSE Listings Requirements or the FMA, 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 the Banks accepts any responsibility or liability whatsoever for the contents of this document, including its accuracy, completeness or verification, or for any other statement made or purported to be made by it, or on its behalf, in connection with the Companies, the Group, the Offer Shares or the Global Offer. Each of the Banks accordingly disclaims all and any liability whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise have in respect of this document or any such statement.

No representation or warranty, express or implied, is made by any of the Banks as to the accuracy or completeness of information contained in this document, and nothing in this document is, or shall be relied upon as, a promise or representation by any of the Banks.

The Banks and any of their respective affiliates may have engaged in transactions with, and provided various investment banking, financial advisory and other services for, the Companies and Investec for which they would have received customary fees.

This document is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Companies, the Directors, Investec, any of the Banks or any of their affiliates or representatives that any recipient of this document should subscribe for or purchase the securities of the Companies. Prior to making any decision as to whether to purchase the Offer Shares, prospective investors should read this document in its entirety and should not just rely on key information or information summarised within it. In making an investment decision, prospective investors must rely upon their own examination of the Companies and the terms of this document, including the risks involved.

Investors who purchase Offer Shares in the Global Offer will be deemed to have acknowledged that: (a) they have not relied on any of the Banks or any person affiliated with any of them in connection with any investigation of the accuracy of any information contained in this document or their investment decision; and (b) they have relied on the information contained in this document, and no person has been authorised to give any information or to make any representation concerning the Group or the Offer Shares (other than as contained in this document) and, if given or made, any such other information or representation should not be relied upon as having been authorised by the Companies, the Directors, Investec or any of the Banks.

2. Presentation of financial information and non-financial operating data

2.1 Presentation of financial information

The Group's combined historical financial information included in Part XIV: "*Historical Financial Information*" has been prepared in accordance with the requirements of the Prospectus Regulation and the JSE Listings Requirements and comprises the following:

- Section A1 – *Accountant's Report on the Combined Historical Financial Information of the Ninety One Business, included for the purposes of the Listing Rules*;
- Section A2 – *Independent Reporting Accountant's report on the Combined Historical Financial Information of the Ninety One Business, included for the purposes of the JSE Listings Requirements*;
- Section A3 – *Basis of preparation of the Combined Historical Financial Information of the Ninety One Business*;

- Section A4 – *Combined Historical Financial Information of the Ninety One Business*;
- Section B1 – *Independent Reporting Accountant's Report on the Historical Financial Information of Ninety One Limited, included for the purposes of the JSE Listings Requirements*;
- Section B2 – *Basis of preparation for the Historical Financial Information of Ninety One Limited as at incorporation*;
- Section B3 – *Historical Financial Information of Ninety One Limited as at incorporation included for the purposes of the JSE Listings Requirements*;
- Section C1 – *Accountant's report on the Historical Financial Information of Ninety One plc, included for the purposes of the Listing Rules*;
- Section C2 – *Independent Reporting Accountant's Report on the Historical Financial Information of Ninety One plc, included for the purposes of the JSE Listings Requirements*;
- Section C3 – *Basis of preparation of the Historical Financial Information of Ninety One plc as at incorporation*;
- Section C4 – *Historical Financial Information of Ninety One plc as at incorporation*;
- Section D1 – *Accountant's report on the compilation of pro forma financial information of the Group included for the purposes of the Listing Rules*;
- Section D2 – *Independent Reporting Accountant's assurance report on the compilation of pro forma financial information of the Group included for the purposes of the JSE Listings Requirements*;
- Section D3 – *Pro forma financial information of the Group*;
- Section E – *Independent Reporting Accountant's report on the Non-IFRS Measures, included for the purposes of the JSE Listings Requirements*; and
- Section F – *Independent Reporting Accountant's report on the policyholders' and shareholders' information, included for the purposes of the JSE Listings Requirements.*

Of these sections:

- Sections A2, A3 paragraphs 1 and 3 and A4 jointly form the Report of Combined Historical Financial Information of the Ninety One Business for JSE Listings Requirements purposes; and
- Sections A1, A3 paragraphs 1 and 2 and A4 jointly form the Historical Financial Information of the Ninety One Business for Listing Rules purposes.

Although the independent reporting accountant's report and basis of preparation required to comply with the JSE Listings Requirements is different to that required to comply with the Prospectus Regulation, no adjustments have been required to Section A4 under the two regimes.

Sections B, E and F have been prepared for the purposes of the JSE Listings Requirements only.

2.2 **Currency presentation**

The Group prepares its financial information in British pounds sterling ("**£**" or "**pounds sterling**"). The abbreviation "**£million**" represents millions of pounds sterling, and references to "**pence**" and "**p**" represent pence in the United Kingdom.

The Group's results of operations and the financial condition of individual companies are reported in the local currencies of the countries in which they are domiciled, including Rand, euros and US dollars.

These results are then translated into pounds sterling at the applicable foreign currency exchange rates for inclusion in the Combined Historical Financial Information of the Ninety One Business. The following table sets out the movements in certain relevant exchange rates against pounds sterling over the 12-month periods from 31 March 2017 to 31 March 2019 and for the six months ended 30 September 2018 and 2019:

	30 September 2019		30 September 2018		31 March 2019		31 March 2018		31 March 2017	
	Period end	Average	Period end	Average	Period end	Average	Period end	Average	Period end	Average
Rand	18.68	18.28	18.45	17.76	18.79	18.04	16.62	17.21	18.28	18.42
US dollar	1.23	1.26	1.30	1.33	1.30	1.31	1.40	1.33	1.30	1.31

2.3 **Rounding**

The financial information presented in a number of tables in this document has been rounded to the nearest whole number or the nearest decimal place. Therefore, the sum of the numbers in a column may not conform exactly to the total figure given for that column. In addition, certain percentages presented in the tables in this document reflect calculations based upon the underlying information prior to rounding, and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

2.4 **Basis of preparation**

During the periods under review, the operations and activities of the Group were operated through a number of subsidiaries of Investec and associates of those entities. Prior to the Demerger, those subsidiaries did not form a group and, therefore, it is not possible to prepare consolidated historical financial information in respect of the Ninety One Business in accordance with International Financial Reporting Standards ("**IFRS**") and the interpretations of the IFRS Interpretations Committee ("**IFRIC**") as adopted by the EU, which comply with IFRS as issued by the International Accounting Standards Board ("**IASB**"). Accordingly, the combined historical financial information relating to the Ninety One Business has been prepared for the purposes of presenting financial information of the Group in accordance with the basis of preparation set out in Section A3 paragraphs 1 and 2, for the purposes of the Listing Rules and in accordance with the basis of preparation set out in Section A3 paragraphs 1 and 3 for the purposes of the JSE Listings Requirements.

Ninety One plc was incorporated on 4 October 2019. Ninety One Limited was incorporated on 18 October 2019. As part of the Demerger, the Ninety One Business will be acquired by the Companies through the acquisition of IAM UK and IAM SA (and their respective subsidiaries) to form the Group and, as a result, the operations of the Group at Admission will comprise the historical activities of the Ninety One Business. Further details of the Demerger are set out in paragraph 5 of Part XVIII: *"Additional Information – Detailed terms and conditions of the Demerger*".

The Combined Historical Financial Information of the Ninety One Business contained in Section A4 of Part XIV: "*Historical Financial Information*" has been prepared in accordance with the basis of preparation set out in Section A3 paragraphs 1 and 3 of Part XIV, for the purposes of the JSE Listings Requirements, and has been audited, for the years ended 31 March 2019, 31 March 2018 and 31 March 2017 and reviewed for the six months ended 30 September 2019, by KPMG Inc.

KPMG Inc.'s independent reporting accountant's report is included as Section A2 of Part XIV: "*Historical Financial Information*".

The Combined Historical Financial Information of the Ninety One Business set out in Section A4 of Part XIV: "*Historical Financial Information*", and the related UK basis of preparation set out in Section A3 paragraphs 1 and 2 of Part XIV: "*Historical Financial Information*", for the purposes of the Listing Rules, has been audited by KPMG LLP.

KPMG LLP's accountant's report is included as Section A1 of Part XIV: "*Historical Financial Information*".

The historical financial information of Ninety One Limited as at incorporation, contained in Section B2 of Part XIV: "*Historical Financial Information*" has been prepared in accordance with IFRS as issued by the IASB, for the purposes of the JSE Listings Requirements only, and audited by KPMG Inc.

KPMG Inc.'s Independent Reporting Accountant's Report on the Historical Financial Information of Ninety One Limited, for the purposes of the JSE Listings Requirements only, is included as Section B1 of Part XIV: "*Historical Financial Information*".

The historical financial information of Ninety One plc as at incorporation, contained in Section C4 and the related basis of preparation set out in Section C3 of Part XIV: "*Historical Financial Information*" has been prepared in accordance with International Financial Reporting Standards for use in the European Union and audited by KPMG LLP and KPMG Inc.

KPMG LLP's Accountant's Report on the Historical Financial Information of Ninety One plc, for the purposes of the Listing Rules, is included as Section C1 of Part XIV: "*Historical Financial Information*".

KPMG Inc.'s Independent Reporting Accountant's Report on the Report of Historical Financial Information of Ninety One plc, for the purposes of the JSE Listings Requirements, is included as Section C2 of Part XIV: "*Historical Financial Information*".

2.5 ***Pro forma* financial information**

This document presents certain *pro forma* financial information of the Group ("***Pro forma* Financial Information**") to illustrate the effect of the Demerger, reduction of share capital and implementation of the Ninety One Share Plans (collectively, the "Transactions") on the Ninety One Business' financial position and results of operations, which is included in Section D of Part XIV: "*Historical Financial Information*".

The *Pro Forma* Financial Information is based on the audited, for the purposes of the Listing Rules, and reviewed, for the purposes of the JSE Listings Requirements, combined historical financial information of the Ninety One Business for the six months ended 30 September 2019 as set out in Section A4 of Part XIV: "*Historical Financial Information*", prepared in accordance with the basis of preparation set out in Section A3 paragraphs 1, 2 and 3 of Part XIV: "*Historical Financial Information*" and assumes that the *pro forma* adjustments were processed with effect from 1 April 2019 for the Group *pro forma* combined statement of comprehensive income purposes and as at 30 September 2019 for the Group *pro forma* combined statement of financial position purposes.

The *Pro Forma* Financial Information has been prepared to illustrate the effect of the following *pro forma* adjustments arising as a consequence of the Transactions:

- recognition of the issued shares and merger reserve arising as a result of the Demerger;
- reduction of capital to convert its share premium into distributable reserves upon the Demerger; and
- recognition of the new employee share schemes, namely Ninety One Share Plans, which will be implemented subsequent to, and on, the Admission Date.

The *Pro Forma* Financial Information has been prepared for illustrative purposes only and because of its nature addresses a hypothetical situation and therefore does not represent Ninety One's actual financial position or results. It may not, therefore, give a true picture of the Group's financial position or results nor is it indicative of the results that may, or may not, be expected to be achieved in the future. The Directors are responsible for the *Pro Forma* Financial Information.

KPMG LLP's independent reporting accountant's report on the *Pro Forma* Financial Information is set out in Section D1 of Part XIV: "*Historical Financial Information*". This report is included solely to comply with the Prospectus Delegated Regulation.

KPMG Inc.'s independent reporting accountant's report on the *Pro forma* Financial Information is set out in Section D2 of Part XIV: "*Historical Financial Information*". This report is included solely to comply with the JSE Listings Requirements.

In addition, this document includes certain non-IFRS financial measures that are considered to be *pro forma* financial information for purpose of JSE Listings Requirements, as described in Section 2.7 "*Non-IFRS and other alternative performance and non-financial operating measures*" below. These measures are separately defined in that section, and an accountant's report in respect of this requirement is set out in Section E of Part XIV: "*Historical Financial Information*".

2.6 **Assurance customer policy-linked assets and liabilities**

Under IAS32 and IFRS9, as described in note 1 to Section A4 of Part XIV: "*Historical Financial Information*", the Group is required to show policy-linked assets and liabilities in relation to long-term insurance services provided by Investec Assurance Limited ("IAL") on the Group's combined statement of financial position. However, since these policy-linked assets and liabilities broadly offset one another, they do not have a material net impact on the Group's consolidated net assets as at any

combined statement of financial position date. In addition, the activities of IAL require, in the ordinary course of its business, the purchase and sale of these policy-linked assets on behalf of policyholders, and settlement of related liabilities, which are reflected in the Group's combined statement of financial position. These cash movements relate solely to policyholders' entitlements, and they do not have any net impact on the Group's consolidated underlying cash position. For the sake of clarity, IAL does not take on any insurance risk. IAL is used to co-mingle client assets in South Africa, where in certain circumstances, it may be more efficient and appropriate for the client to comingle in this manner, for example, via unit trusts.

2.7 **Key performance measures**

Certain key performance indicators and other operating measures have been presented in this document, to assist in the comparison of the Group's combined historical financial and operating performance from period to period. These performance indicators are presented in Part XII: "*Operating and Financial Review*".

Management of the Group considers these metrics when evaluating growth trends, establishing budgets and assessing operational performance and efficiencies, on the basis that they provide an enhanced understanding of the Group's results and related trends, therefore, increasing transparency and clarity into the core results of its business.

2.8 **Non-IFRS and other alternative performance and non-financial operating measures**

In addition to the audited combined historical financial information of the Ninety One Business for the years ended 31 March 2019, 2018 and 2017, the audited or reviewed, as applicable, combined historical financial information of the Ninety One Business for the six months ended 30 September 2019 and the unaudited and unreviewed combined historical financial information of the Ninety One Business for the six months ended 30 September 2018, prepared in accordance with the basis of preparation detailed in Section A3 paragraphs 1, 2 and 3, respectively, of Part XIV: "*Historical Financial Information*" this document includes certain non-IFRS financial information (listed below) and other alternative performance measures ("**APMs**") as defined in the guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority on 5 October 2015 (ESMA/2015/1415) (the "**ESMA guidelines**"). The ESMA guidelines define an APM as a financial measure of historical or future performance, financial position or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework.

Purpose of non-IFRS financial information and applicable metrics

The Group uses these measures to present a better understanding of its financial performance and financial condition. In particular, these non-IFRS measures have been prepared to illustrate certain financial metrics absent the impact of the revenue and expense items excluded therefrom. These measures are considered additional disclosures and in no case are intended to replace the financial information prepared in accordance with the basis of preparation detailed in Section A3 paragraphs 1, 2 and 3, respectively, of Part XIV: "*Historical Financial Information*". Moreover, the way in which the Group defines and calculates these measures may differ from the way in which these or similar measures are calculated by other companies. Accordingly, they may not be comparable to measures used by other companies in the Group's industry. All measures that are calculated in accordance with the basis of preparation detailed in Section A3 paragraphs 1, 2 and 3, respectively, of Part XIV: "*Historical Financial Information*" are considered not to be APMs. Due to its nature, the Non-IFRS Financial Information may not fairly present the results of operations of the Ninety One Business.

In accordance with the ESMA guidelines, the following is a list of non-IFRS financial measures that the Group believes to be useful indicators of its operating performance and financial condition. The Group believes that the following non-IFRS measures are widely used by analysts and are helpful in understanding its financial position as they reflect items that the Group believes are not substantially related to its underlying operating performance:

- adjusted net interest income, which the Group calculates as net interest income for the relevant period less interest income arising from Silica operations (a South Africa-based fund administration business wholly-owned by the Group), interest expenses from lease liabilities for the Group's office premises, other interest expenses and rounding for that period;
- adjusted operating revenue, which the Group calculates as net revenue for the relevant period, adjusted for Silica third-party revenue, foreign exchange gains/losses, other income/expense and rounding for that period;

- adjusted operating expenses, which the Group calculates as operating expenses for the relevant period less Silica expenses and deferred employee benefit scheme expenses, but including interest expense on lease liabilities and rounding for that period;
- adjusted operating profit, which the Group calculates as adjusted operating revenue for the relevant period less adjusted operating expenses for that period; and
- adjusted operating profit margin, which the Group calculates as adjusted operating profit for the relevant period divided by adjusted operating revenue for that period.

For further detail on the calculation of these non-IFRS measures, including reconciliations to their nearest combined historical financial information equivalents, in accordance with the basis of preparation detailed in Section A3 paragraphs 1, 2 and 3, respectively, of Part XIV: "*Historical Financial Information*" please see Part XI: "*Selected Financial Information – Non-IFRS Measures*". These measures are considered to be *pro forma* financial information for the purpose of the JSE Listings Requirements, an accountant's report in respect of which is set out in Section E of Part XIV: "*Historical Financial Information*". The non-IFRS financial information has been prepared with reference to JSE Guidance Letter: Presentation of *pro forma* financial information dated 4 March 2010 and in accordance with paragraphs 8.15 to 8.33 in the JSE Listings Requirements, the Revised SAICA Guide on *Pro forma* Financial Information (issued September 2014) and International Standard on Assurance Engagement ("**ISAE**") 3420 – Assurance Engagements to Report on the Compilation of *Pro forma* Financial Information included in a Prospectus, to the extent applicable given the Non-IFRS Financial Information's nature.

The Directors are responsible for the non-IFRS financial information included in this document.

Other alternative performance and operational measures

In addition, this document contains the following operational measures, which the Group evaluates as indicators of its operating capabilities and performance:

- assets under management, which the Group defines as the aggregate assets managed on behalf of clients as at the relevant date. For some private markets investments, the aggregate value of assets managed is based on committed funds by clients; this is changed to the lower of committed funds and net asset value, in line with the fee basis. Where cross investment occurs, assets and flows are identified and the duplication is removed. Assets under management excludes assets administered for third-party clients by Silica;
- average fee rate, which is expressed in basis points and the Group calculates as the management fee revenue for the relevant period divided by the average assets under management for that period (annualised for six-month periods);
- net flows, which are measured as the increase from assets under management received from clients, less the decrease from assets under management withdrawn by clients, during a given period; and
- torque ratio, which signifies the relative scale of net flows in relation to the overall size of the business, is expressed as a percentage and is calculated as net flows for the relevant period divided by assets under management as at the first day of that period (annualised for six-month periods).

The way in which the Group defines and calculates these measures may differ from the way in which these or similar measures are calculated by other companies.

2.9 **Service of process and enforcement of civil liabilities**

Ninety One plc is incorporated under English law and Ninety One Limited is incorporated under South African law. Many of the Directors are citizens of the United Kingdom, South Africa or other non-US jurisdictions, and a majority of the Companies' assets are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Directors or to enforce against them in the US courts judgments obtained in US courts predicated upon the civil liability provisions of the US federal securities laws. There is doubt as to the enforceability in England or South Africa, in original actions or in actions for enforcement of judgments of the US courts, of civil liabilities predicated upon US federal securities laws.

3. **Market, economic and industry data**

This document includes economic, industry and market data and forecasts, and statements regarding the industry in which the Group operates that was prepared and published by third parties. Where such third-party information has been used in this document, the source of such information has been identified. Such third-party information includes the Alexander Forbes Group survey "Assets Under Management" as at June 2019 ("**Alexander Forbes 'Assets under Management'**"); the Boston Consulting Group report "Global Asset Management 2019: Will These '20s Roar?" published on 31 July 2019 ("**BCG 'Global Asset Management 2019'**"); the Boston Consulting Group report "Global Asset Management 2018: The Digital Metamorphosis?" published on 19 July 2018 ("**BCG 'Global Asset Management 2018'**"); the McKinsey & Company report "State of the European asset management industry: Adapting to a new normal" published on 15 November 2019 ("**McKinsey 'State of the European asset management industry'**"); the McKinsey & Company article "Will the good times keep rolling for Asia's asset managers?" published in October 2018 ("**McKinsey 'Will the good times keep rolling for Asia's asset managers?'**"); and the Willis Towers Watson Thinking Ahead Institute report "Global Pension Assets Study 2019" published on 10 February 2019 ("**Willis Towers Watson** '**Global Pension Assets Study 2019'**").

In addition, this document includes certain industry data regarding the Group's business and market position that has been prepared by the Group. Such information is based on the Group's analysis of customer feedback and internal surveys, third-party market research and reports, and government and other publicly available information, including information sourced from Boston Consulting Group, Mercer Consulting, the Bank of England, the UK Office for National Statistics, the LSE and the International Monetary Fund ("**IMF**") ("**Market Data**"). The Directors believe this Market Data is useful for investors to gain a better understanding of the specific industry sectors and geographic regions in which the Group operates.

Industry publications and market research generally state that the information that they contain has been obtained from sources that the Directors believe to be reliable, but that the accuracy and completeness of such information is not guaranteed and any estimates or projections that they contain are based on a number of significant assumptions.

In some cases, there is no readily available external information (whether from trade and business organisations and associations, government bodies or other organisations) to validate market-related analyses and estimates, requiring the Group to rely on internally developed estimates. The Group does not intend, and does not assume any obligation, to update industry or market data set forth in this document. Market behaviours, preferences and trends are subject to change and, as such, prospective investors should be aware that market and industry information in this document and estimates based on any data therein may not be reliable indicators of future market performance or the Group's future results of operations.

The Companies confirm that all third-party information contained in this document has been accurately reproduced where relevant from the Market Data, and, so far as the Companies are aware and able to ascertain from information published by that third party, no facts have been omitted that would render the reproduced information inaccurate or misleading.

4. **Information regarding forward-looking statements**

This document and the documents incorporated by reference into it contain statements about the Group that are or may be forward-looking statements. All statements other than statements of historical facts included in this document may be forward-looking statements. Without limitation, any statements preceded or followed by or that include the words "targets", "plans", "believes", "expects", "aims", "intends", "will", "may", "anticipates", "estimates", "projects" or words or terms of similar substance or the negative thereof are forward-looking statements. Forward-looking statements include statements relating to the following: (a) future capital expenditures, expenses, revenues, earnings, synergies, economic performance, indebtedness, financial condition, dividend policy, losses and future prospects; (b) business and management strategies and the expansion and growth of the Companies' operations; and (c) the effects of government regulation on the Group's business.

Such forward-looking statements involve risks and uncertainties that could significantly affect expected results and are based on certain key assumptions. Many factors could cause actual results to differ materially from those projected or implied in any forward-looking statements. Due to such uncertainties and risks, readers are cautioned not to place undue reliance on such forward-looking statements, which speak only as of the date hereof.

These statements are further qualified by the risk factors disclosed in or incorporated by reference in this document that could cause actual results to differ materially from those in the forward-looking statements. See Part II: "*Risk Factors*".

These forward-looking statements speak only as at the date of this document. Except as required by the FCA, the LSE, the Prospectus Regulation Rules, the Listing Rules, the Disclosure and Transparency Rules, the MAR, the JSE Listings Requirements or applicable law, the Group does not have any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, further events or otherwise. Except as required by the FCA, the LSE, the Prospectus Regulation Rules, the Listing Rules, the Disclosure and Transparency Rules, the MAR, the JSE Listings Requirements or applicable law, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this document might not occur.

5. **Information not contained in this document**

No person has been authorised to give any information or make any representation other than those contained in this document and, if given or made, such information or representation must not be relied upon as having been so authorised. Neither the delivery of this document nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Group since the date of this document or that the information in this document is correct as of any time subsequent to the date hereof.

6. **Definitions**

Certain terms used in this document, including all capitalised terms and certain technical and other terms, are defined and explained in Part XIX: "*Definitions*".

7. **No incorporation of website information**

The contents of the Companies' website, any website mentioned in this document or any website, directly or indirectly, linked to these websites have not been verified and are not incorporated into and do not form part of this document, and investors should not rely on such information.

DIRECTORS, COMPANY SECRETARIES, REGISTERED OFFICES AND ADVISERS

The following table lists the names and positions of the Directors. The business address for each of the Directors and the Company Secretaries are: (i) 55 Gresham Street, London EC2V 7EL, United Kingdom, in respect of Ninety One plc; and (ii) 36 Hans Strijdom Avenue, Foreshore, Cape Town, 8001, Republic of South Africa, in respect of Ninety One Limited.

Directors	Title
Gareth Peter Herbert Penny	Chairman (Independent)
Colin Denis Keogh	Senior Independent Director
Idoya Fernanda Basterrechea Aranda	Non-Executive Director (Independent)
Victoria Susan Cochrane	Non-Executive Director (Independent)
Busisiwe Abigail Mabuza	Non-Executive Director (Independent)
Fani Titi	Non-Executive Director
Hendrik Jacobus du Toit	Chief Executive Officer
Kim Mary McFarland	Finance Director

Ninety One Limited Company Secretary	IAM SA
Ninety One plc Company Secretary	Paula Mary Watts
Registered Offices	**Ninety One plc** 55 Gresham Street London EC2V 7EL United Kingdom **Ninety One Limited** 36 Hans Strijdom Avenue Foreshore Cape Town, 8001 Republic of South Africa
Financial Advisers to Investec (in connection with the Demerger)	**J.P. Morgan Securities plc** 25 Bank Street, Canary Wharf London E14 5JP United Kingdom
UK Sponsor, Global Coordinator and Joint Bookrunner	**J.P. Morgan Securities plc** 25 Bank Street, Canary Wharf London E14 5JP United Kingdom
Joint Bookrunner	**Merrill Lynch International** 2 King Edward Street London EC1A 1HQ United Kingdom
Joint Bookrunner	**Investec Bank plc** 30 Gresham Street London EC2V 7QP United Kingdom

Financial Advisers to Investec and the Companies	**Fenchurch Advisory Partners LLP** 110 Bishopsgate London EC2N 4AY United Kingdom
JSE Sponsor	**J.P. Morgan Equities South Africa Proprietary Limited** 1 Fricker Road, Cnr Hurlingham Road Illovo Johannesburg 2196 South Africa
Legal Advisers to the Companies and Investec *As to English and US law*	**Linklaters LLP** One Silk Street London EC2Y 8HQ United Kingdom
Legal Advisers to the Companies and Investec *As to South African law*	**Edward Nathan Sonnenbergs Inc.** The MARC Tower 1, 129 Rivonia Road, Sandton, Johannesburg 2196 South Africa
Legal Advisers to the UK Sponsor *As to English and US law*	**Allen & Overy LLP** One Bishops Square London E1 6AD United Kingdom
Legal Advisers to the JSE Sponsor *As to South African law*	**Allen & Overy (South Africa) LLP** 6th Floor, 90 Grayston,90 Grayston Drive Sandton Johannesburg 2196 South Africa
Auditors and Reporting Accountant to Ninety One plc	**KPMG LLP** 15 Canada Square London E14 5GL United Kingdom
Auditors and Reporting Accountant to Ninety One Limited	**KPMG Inc.** 85 Empire Road Parktown 2193 Republic of South Africa
UK Registrar	**Computershare Investor Services plc** The Pavilions, Bridgwater Road Bristol BS99 6ZZ United Kingdom
SA Registrar	**Computershare Investor Services (Pty) Ltd** Rosebank Towers 15 Biermann Avenue Johannesburg 2001 South Africa

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Expected timetable of principal events

Event	Time (London Time) and Date[1] [2]
Publication of this document	Monday, 2 March 2020
Latest time and date for receipt of indications of interest under the Global Offer	12:00 p.m. on Friday, 13 March 2020
Announcement of Offer Price and Offer Size, publication of the Pricing Statement and notification of allocations of Offer Shares[3]	Monday, 16 March 2020
Admission of the Ninety One plc Shares and the Ninety One Limited Shares to the JSE and commencement of unconditional dealings in Ninety One plc Shares and Ninety One Limited Shares on the JSE	7:00 a.m. on Monday, 16 March 2020
Admission of the Ninety One plc Shares to the LSE and commencement of unconditional dealings in Ninety One plc Shares on the LSE	8:00 a.m. on Monday, 16 March 2020
Crediting of Ninety One plc Shares to CREST accounts	As soon as possible after 8:00 a.m. on Monday, 16 March 2020
Crediting of Ninety One plc Shares and Ninety One Limited Shares and fractional entitlement to CSDP or broker accounts in the Strate System	Thursday, 19 March 2020
Despatch of definitive share certificates (where applicable)	By Friday, 20 March 2020

Notes:

(1) Times and dates set out in the timetable above and mentioned throughout this document that fall after the date of publication of this document are indicative only and may be subject to change without further notice. In particular, the dates and times of the announcement of the Offer Price and Offer Size and commencement of unconditional dealings in Shares on the LSE and the JSE may be accelerated or extended by agreement between the Global Coordinator, Investec and the Companies.

(2) All references to time in this timetable are to London time. The time in South Africa will be two hours ahead of London time.

(3) The Offer Price and Offer Size will be set out in the Pricing Statement. The Pricing Statement will not necessarily be sent to persons who receive this document but it will be available (subject to certain restrictions) at www.investec.com/demerger and www.investecassetmanagement.com/disclosure (and with a link also available via www.ninetyone.com). If: (i) the Ninety One plc Offer Price is set above the Price Range or the Price Range is revised higher; and/or (ii) the number of Ninety One plc Shares to be sold by Investec plc is set above the Ninety One plc Offer Size Range, then the Companies will make an announcement via a Regulatory Information Service and prospective investors will have a statutory right to withdraw their application for Ninety One plc Shares pursuant to Article 17 of the Prospectus Regulation. In such circumstances, the Pricing Statement will not be published until the period for exercising such withdrawal rights has ended. The expected date of publication of the Pricing Statement will be extended and the arrangements for withdrawing offers to purchase Ninety One plc Offer Shares will be made clear in the accompanying announcement. The withdrawal rights available to a prospective investor who has applied to purchase Ninety One Limited Offer Shares in the Global Offer will be as described in the relevant contract for purchase entered into by the prospective investor in respect of the Ninety One Limited Offer Shares.

GLOBAL OFFER STATISTICS[1]

Ninety One plc Global Offer statistics

Price Range per Ninety One plc Share[2]	190 pence to 235 pence
Number of Offer Shares in the Global Offer[3]	
Minimum	nil
Maximum	51,853,198
Number of Ninety One plc Shares in issue following the Global Offer	622,624,622
Expected market capitalisation of Ninety One plc at the Offer Price[4] [5]	£1,323 million
Estimated net proceeds of the Global Offer receivable by Ninety One plc[6]	nil
Estimated net proceeds of the Global Offer receivable by Investec plc[4] [7]	£90 million

Ninety One Limited Global Offer statistics

Price Range per Ninety One Limited Share[2]	190 pence to 235 pence[8]
Number of Offer Shares in the Global Offer[3]	
Minimum	nil
Maximum	44,365,424
Number of Ninety One Limited Shares in issue following the Global Offer	300,089,454
Expected market capitalisation of Ninety One Limited at the Offer Price[4] [5]	R12,812 million[8]
Estimated net proceeds of the Global Offer receivable by Ninety One Limited[6]	nil
Estimated net proceeds of the Global Offer receivable by Investec Investments[4] [7]	R1,545 million[8]

Notes:

(1) Global offer statistics included in this section assume the Demerger has been completed in full.

(2) It is currently expected that the Offer Price will be within the Price Range. It is expected that the Pricing Statement containing the Offer Price and the number of Shares which are comprised in the Global Offer will be published on or about 16 March 2020 and will be available (subject to certain restrictions) at www.investec.com/demerger and www.investecassetmanagement.com/disclosure (and with a link also available via www.ninetyone.com). Any Rand amounts included in the Pricing Statement will be calculated using the GBP:ZAR foreign currency exchange mid-rate produced by Bloomberg as at 4:00 p.m. (London time) on Friday, 13 March 2020 (being the latest practicable date prior to the publication of the Pricing Statement). If the Offer Price is set above the Price Range, or the Price Range is revised higher, the Companies will make an announcement via a Regulatory Information Service and prospective investors will have a statutory right to withdraw their application for Ninety One plc Shares pursuant to Article 17 of the Prospectus Regulation.

(3) The Offer Size Range has been set by Investec in consultation with the Global Coordinator and the Companies. The Offer Size may be set above or below the Offer Size Range.

(4) Assuming the Offer Price is set at the mid-point of the Price Range.

(5) The market capitalisation of the Companies at any given time will depend on the market price of the Shares at that time. There can be no assurance that the market price of a Share will be equal to or exceed the Offer Price.

(6) The Companies will not receive any of the net proceeds from the sale of the Offer Shares (if any) in the Global Offer by Investec plc and/or Investec Investments.

(7) The estimated net proceeds receivable by Investec plc and Investec Investments assume that the Offer Price is set at the mid-point of the Price Range, that the number of Offer Shares sold is set at the mid-point of the Offer Size Range and an exchange ratio of R1.00 being equal to £0.050, and are stated after deduction of the estimated underwriting commissions and other fees and expenses of the Global Offer (including VAT) payable by Investec, which would be approximately £37,105,258 (R745,474,323), excluding VAT or equivalent tax outside the UK.

(8) Based on a conversion rate of R1.00 being equal to £0.050, the mid-rate as produced by Bloomberg at 4:00 p.m. (London time) on 28 February 2020, being the latest practicable date prior to publication of this document.

INFORMATION ON THE GROUP

In this Part VII, the operations of the Group, giving effect to the Demerger, are discussed. Further details of the Demerger are set out in paragraph 5 of Part XVIII: "Additional Information – Detailed terms and conditions of the Demerger". Unless otherwise stated, financial information in this section has been extracted without material adjustment from Part XIV: "Historical Financial Information".

1. Overview

The Group comprises the Ninety One Business, a founder-led independent global asset manager, established in South Africa in 1991 with £121 billion in assets under management, as at 30 September 2019. Ninety One primarily offers a range of high-conviction, active strategies to its sophisticated global client base with over 1,600 employees across the world.

The Group's investment proposition for clients centres on its range of differentiated strategies managed by its specialist investment teams, providing access to a diverse range of asset classes and regions globally. Founded as an emerging market-focused South African asset management business, the Group now operates and invests globally and has established a long-term growth track record, reflecting a resilient ability to grow through market cycles across both emerging and established market investments.

Today, the Group serves its client base via five regional teams (known as "**Client Groups**") – Africa, the United Kingdom, Asia Pacific, the Americas and Europe. Clients are served across two distribution channels: Institutional and Advisor. Institutional clients include some of the world's largest private and public sector pension funds, sovereign wealth funds, insurers, corporates, foundations and central banks, while Advisor clients include large retail groups, wealth managers, private banks and intermediaries serving individual investors.

The Group has grown assets under management from £40 million in 1991 to £121 billion as at 30 September 2019, with approximately £83.3 billion managed on behalf of non-South African clients. For the six months ended 30 September 2019, the Companies had net inflows of £3.2 billion and operating profit before exceptional items of £97.3 million, and for the year ended 31 March 2019 it had net inflows of £6.1 billion and operating profit before exceptional items of £179.4 million.

The leadership team that founded the Ninety One Business has played a central role in the firm's growth over the last 28 years and continues to manage the Group today. As a result, the Group's employee ownership culture and purpose-led business approach underpins its investment proposition. The Group operates in line with strategic principles centred around patient and organic growth, driven by long-term client demand and alignment with stakeholders.

2. History

Ninety One plc was incorporated in the United Kingdom on 4 October 2019 and Ninety One Limited was incorporated in South Africa on 18 October 2019. As part of the Demerger, the historical operations of the Ninety One Business will be acquired by the Companies prior to Admission, through the acquisition of IAM UK (and its subsidiaries) by Ninety One plc and the acquisition of IAM SA (and its subsidiaries) by Ninety One Limited, to form the Group.

Investec's senior management established the Ninety One Business in South Africa in 1991, as part of Investec Group. The business has expanded primarily through organic growth since that time, together with the acquisitions of Guinness Flight Hambro Asset Management in 1998 (based in London) and the asset management business of Fedsure Holdings Limited in 2001 (which owned several asset management entities in Africa).

The Ninety One Business opened offices in New York, Sydney and Singapore in 2006, 2008 and 2012, respectively, to meet growing demand in the Americas and the Asia Pacific regions.

Until 2013, the Ninety One Business was 100 per cent. owned by Investec. In 2013, the senior management of the Ninety One Business acquired a 15 per cent. equity shareholding (through shareholdings in each of IAM UK and IAM SA), with options to acquire up to a further five per cent. of

the business over time. This investment was structured through a long-term Ninety One employee share ownership vehicle called the Marathon Trust. Ninety One's senior management and key employees have continued to invest via the Marathon Trust through the exercise (in full, less one share) of these options, with completion of the share transfer for the options in respect of the final two per cent. (less one share) taking place on 14 December 2018, taking the total shareholding of Marathon Trust's wholly-owned subsidiary Forty Two Point Two to 20 per cent. (less one share).

3. Key strengths

3.1 Unique employee ownership and culture

Since inception in 1991, the Group has built upon a foundation of entrepreneurship, and it continues to operate with this founder-owner mindset. This unique culture is evidenced by the significant experience of the senior leadership team, with an average tenure of the Executive Committee members of approximately 20 years, as at 30 September 2019. The Group has been further strengthened by significant experience throughout its business, including an average tenure of approximately 17 years for operations heads, 15 years for investment heads (including Chief Investment Officers), and 14 years for Client Group heads, in each case, as at 30 September 2019.

The business seeks to reinforce its culture and values through the commitment of its employees and by rewarding their passion, energy and dedication to support longevity and stability. As a result, the Group has an average tenure of seven years across the business, comprising 250 personnel in investment and investment support roles, 402 personnel in Client Group roles and 495 personnel in operations roles, as at 30 September 2019. The longevity of its personnel across the organisation reinforces the Group's entrepreneurial, collaborative and team-oriented culture.

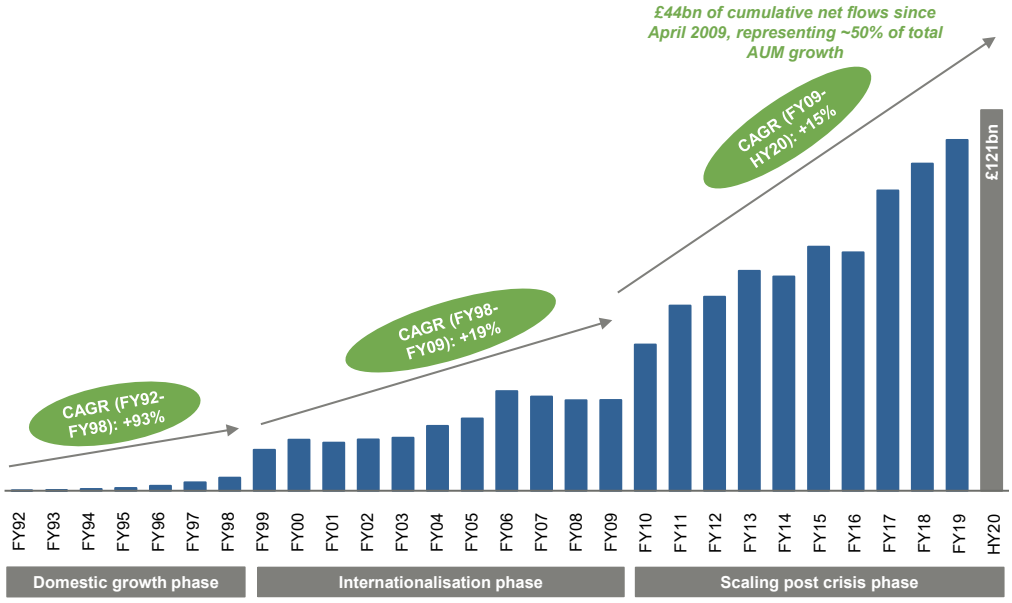
As described above, through their participation in the Marathon Trust, certain senior management and key employees collectively have invested in the Ninety One Business to acquire a shareholding of 20 per cent. (less one share). Forty Two Point Two is seeking to acquire, as part of the Global Offer, further Ninety One Shares at the Offer Price, details of which are set out in paragraph 14 of Part XVIII "*Additional Information – Significant Shareholdings*". At the same time as the Global Offer, the Investec EBT also intends to sell a number of Shares to the EBT. Accordingly, employee ownership of the Ninety One Business is expected to increase in connection with the Global Offer and will continue to remain an important feature of the Group's future, supporting long-term stability and alignment among its leadership, personnel, shareholders and clients.

3.2 Organically and sustainably built

The Group has established a long-term track record in growing assets under management in a largely organic manner and across market cycles, broadly corresponding to the following three phases:

- a domestic growth phase up to March 1998, during which the business was primarily focused on activities in South Africa and grew assets under management by a compound annual growth rate ("**CAGR**") of approximately 93 per cent.;
- an internationalisation phase between March 1998 and March 2009, during which the business expanded operations in the United Kingdom, Asia Pacific, the Americas and Europe and grew assets under management by a CAGR of approximately 19 per cent.; and
- a scaling phase following the global financial crisis, during which the business was able to gain significant market share and grew assets under management by a CAGR of approximately 15 per cent. From April 2009 to 30 September 2019, the business generated approximately £44 billion of cumulative net flows, representing approximately 50 per cent. of its total growth in assets under management over that period.

The following chart shows the Ninety One Business' growth in assets under management during these periods:

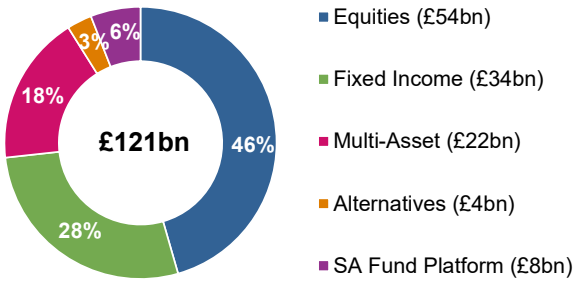


The Group's approach to growth has always emphasised sustainability, which it seeks to achieve by prioritising medium- to long-term client demand rather than pursuing short-term trends in investment preferences. This long-term outlook has underpinned the Group's sustainable business model since inception.

3.3 Distinctive specialist active strategies

The Group has developed a differentiated and diversified set of sustainably-built active investment strategies with a long-term focus. These strategies have been developed organically and support a suite of investment solutions that appeal to sophisticated investors and meet long-term client demand for specialist/high alpha and outcome-based products.

This long-term approach is integral to the investment philosophy across the Group's four core asset class offerings, with £54 billion invested in Equities, £34 billion invested in Fixed Income, £22 billion invested in Multi-Asset and £4 billion invested in Alternatives, as at 30 September 2019, each as described below:



The Group operates three investment strategies within the Equities asset class (4Factor, Quality and Value) and dedicated investment strategies for each of Fixed Income, Multi-Asset and Alternatives.

In addition to the assets that it manages on a discretionary basis across these four asset classes, the Group also operates a South African fund platform, Investec Investment Management Services (IMS), for intermediary clients. IMS had approximately £8 billion of third party assets under administration (which excludes approximately £2 billion of the Group's own products on the platform) as at 30 September 2019.

The Group's investment expertise has delivered robust, long-term investment performance for its clients, with a consistent track record of investment outperformance across multiple market cycles. The percentage of the Group's strategies which have outperformed their benchmarks are as follows (each calculated on the basis set out in paragraph 5.4 "*Investment performance*" below):

- over the 10-year period to 30 September 2019: 93 per cent.;
- over the five-year period to 30 September 2019: 64 per cent.;
- over the three-year period to 30 September 2019: 75 per cent.; and
- over the one-year period to 30 September 2019: 54 per cent.

The Group aims to continue to deliver long-term sustainable investment performance for its clients, underpinned by a committed and focused investment team.

3.4 **Emerging market heritage underpins growth and credentials as an emerging markets investor**

According to the IMF, between 1991 and 2019, GDP per capita grew at a CAGR of approximately six per cent. in emerging markets and developing economies compared to approximately three per cent. in advanced economies. However, developed market institutional allocations to emerging markets are typically underweight relative to global market capitalisation and global indices. The Group believes that its heritage provides it with an ideal position to help clients face the structural flow of capital from developed to emerging markets. In addition, the Group has deliberately developed a range of global investment capabilities and sought to diversify its client base by seeking similar clients across many jurisdictions. As a result, the Group is now a diversified global business, with emerging markets remaining both an important investment strategy and a significant source of client assets. Of the Group's £121 billion of assets under management, approximately 57 per cent. represents investments in emerging market strategies, as at 30 September 2019.

3.5 **Superior global reach given scale**

The Group is geographically well diversified, with increasing local penetration in its chosen markets. The business has grown in recent years, broadening its reach across markets worldwide while maintaining experienced and well-established local teams. This strategy has led to growth in assets under management in each geography where the Group operates.

The following table shows the Group's assets under management growth by region as compared to the relevant industry average, for the period from 2010 to 2018, and headcount supporting its operating activities:

	Ninety One Business assets under management *(£ billions)*	**Ninety One Business Client Group headcount[(1)]**	**Assets under management CAGR 2010 – 2018**	
			Ninety One Business *(%)*	**Regional industry *(%)***
Africa	43.2	231[(2)]	2	2
Americas	17.0	28	30	6
Asia Pacific	20.7	26	22	8
Europe	15.8	21	20	5
United Kingdom	24.1	31	8	4
Total	**120.8**	**337**	**10**	**6**

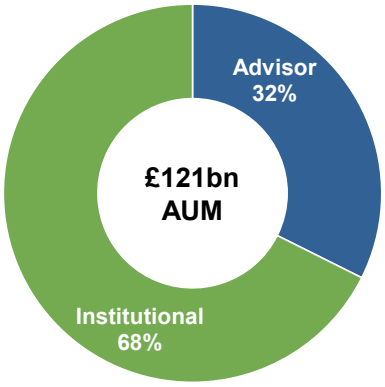
Notes:

(1) As at 30 September 2019, excluding marketing and support staff included in total Client Group headcount.

(2) The Africa Client Group includes 172 employees who are dedicated to the SA Fund Platform (IMS) as at 30 September 2019.

3.6 **Sophisticated Institutional and Advisor client base**

The Group has built a diversified client base across its two core distribution channels, comprising Institutional clients, which accounted for 68 per cent. of assets under management, and Advisor clients, which accounted for 32 per cent. of assets under management, as at 30 September 2019, as set out below:



Within its Institutional clients, the Group's largest client category is pension and other retirement funds, which together made up 39 per cent. of assets under management from Institutional clients, followed by public bodies (including sovereign wealth funds), which made up 21 per cent. of assets under management from Institutional clients, as at 30 September 2019. The remainder of Institutional clients were broadly split between insurers, corporate entities and institutional investors invested in mutual funds, which made up 14 per cent., 12 per cent. and 12 per cent., respectively, of assets under management from Institutional clients as at that date, with the 2 per cent. remainder of clients categorised as "other".

The Group's assets under management from Advisor clients are predominantly from large retail groups and from wealth managers and private banks, which comprised 35 per cent. and 38 per cent. of assets under management from Advisor clients, respectively, as at 30 September 2019. The Advisor channel is an important area of growth for the Group as it brings diversity to the client base and supports attractive fee rates.

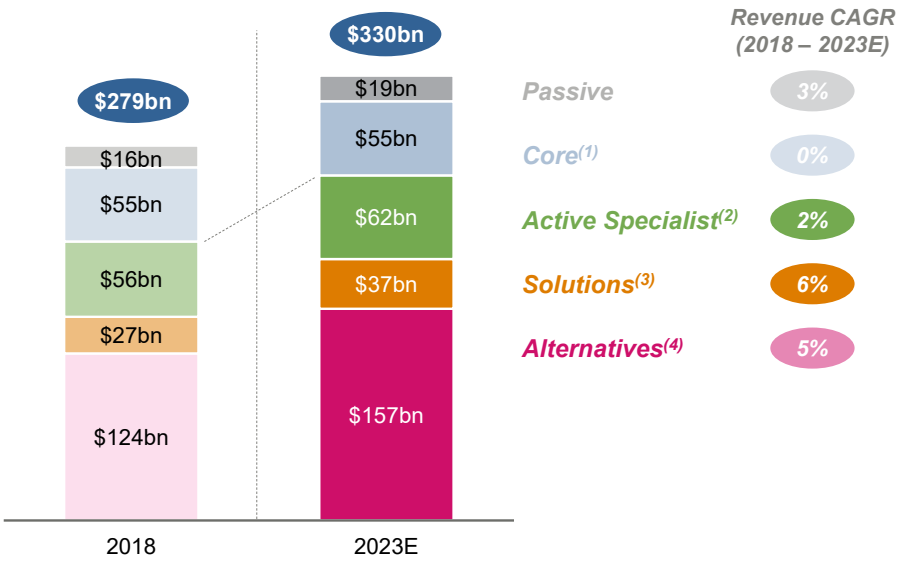
Deep-rooted relationships across this diverse client base support the continued growth of the Group. There is very limited reliance on Investec for client relationships, with less than 2 per cent. of assets under management having been sourced from Investec, as at 30 September 2019.

3.7 **Significant growth potential across existing investment strategies**

The global investment management industry has been characterised by growth in recent years, which has led to increases in global assets under management and revenues, and these trends are projected to continue going forward. Global revenue growth is projected to be strongest in active specialist, solutions and alternative asset classes (source: BCG 2019). This is expected to continue to provide an attractive market for future growth potential.

The following chart shows projected industry growth by asset class for the periods indicated (source: BCG 2019):

Global industry revenue by asset class



Notes:

(1) "Core" includes actively managed domestic large cap equity, domestic government and corporate debt, money market and structured products.

(2) "Active Specialist" includes equity specialities (foreign, global, emerging market, small- and mid-capitalisation sectors) and fixed income specialities (emerging market, global, high yield, convertibles).

(3) "Solutions" includes target dated, global asset allocation, flexible, income, liability driven investment and traditional balanced.

(4) "Alternatives" includes hedge funds, private equity, real estate, infrastructure and commodity funds, liquid alternative mutual funds (e.g. absolute returns, long/short, market neutral, volatility). Private equity and hedge fund revenues exclude performance fees.

Source: BCG 2019

The Group's established investment capabilities provide it with a stable platform to continue serving clients and targeting increases in assets under management within these high-growth asset classes. In particular, the Group has a well-established position in active management strategies, with over 240 investment professionals across these strategies as at 30 September 2019.

The Group anticipates continuing to leverage its existing investment strategies to meet the growing demand across its Institutional and Advisor relationships and to continue to support its diversity of revenues in the coming years.

3.8 Attractive financial profile with track record of strong cash generation

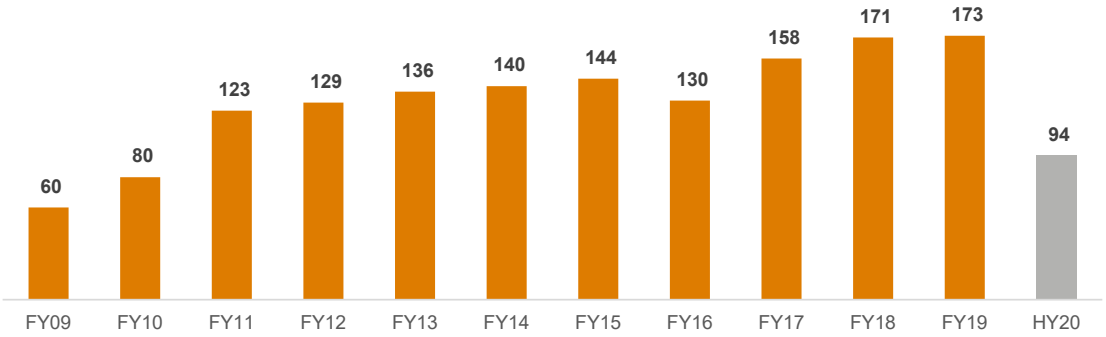
The Group has a long track record of profitable growth, driven by increases in assets under management and cost discipline. Between 31 March 2009 and 30 September 2019, the Group has grown its assets under management at a CAGR of 15 per cent., from £29 billion to £121 billion, which has, alongside relative stability in management fee levels, supported adjusted operating revenue growth from £190 million in the year ended 31 March 2009 to £541 million in the year ended 31 March 2019.

The Group has adopted a global operations platform, underpinned by stable outsourcing relationships (which include partnering with global service providers for back- and middle-office services, such as administrative, support and fund accounting services, transfer agent services, and services process retail investor applications and manages fund shareholder registers) and supported by a globally integrated operations team. This operating model, along with a focus on cost discipline, has improved the Group's operating leverage, laying the foundation to support enhanced scale.

During this period, the Group has achieved stable operating margins of between approximately 31 per cent. and 37 per cent., leading to consistent growth in adjusted operating profit from £60 million in the

year ended 31 March 2009 to £173 million in the year ended 31 March 2019, as well as £94 million for the six months ended 30 September 2019, as shown in the following chart:

Adjusted operating profit (£ millions)



This operating model has supported high cash conversion across the Group, which has facilitated paying out a high proportion of earnings as dividends, with approximately £1.3 billion paid in dividends during the eleven-year period ended 30 September 2019. The Group has also delivered consistently high returns on equity.

4. Strategy

The Group operates according to the following core strategic principles:

- offering organically developed investment capabilities through active segregated mandates or mutual funds to sophisticated clients;
- operating globally in both the Institutional and Advisor space through five geographically defined Client Groups; and
- having an approach to growth that is driven by structural medium- to long-term client demand and competitive investment performance.

The Group aims to deliver long-term, profitable growth guided by four strategic priorities:

- **Capture the growth inherent in the Group's current capability set** – the Group's specialist skillsets are aligned with global trends. Industry assets under management and revenue pools across the Group's capabilities, including active specialist, solutions and alternatives strategies, are expected to see continued structural growth. Ninety One's diversified, competitive and client-relevant investment capabilities across global and regional equities, fixed income, multi-asset and alternatives asset classes provide a platform for further growth potential.
- **Develop differentiated strategies, anticipating client needs** – the Group has a demonstrable track record of expanding its product offering across asset classes to meet future client demand. For example, the development of the 4Factor and Quality equities platforms and the early provision of dedicated emerging markets fixed income strategies, resulting in a substantial position in emerging markets local currency strategies.
- **Focus on growth in professionally intermediated channels (Advisor and Institutional)** – the Group has two core distribution channels, serving both large institutional and sophisticated advisory clients, and the Group's client base is increasingly diversified across these channels. In the Advisor channel, the Group has access to key portfolio assemblers and financial institutions across all its Client Groups, and its outcomes-based offerings (such as Multi-Asset) are ideally positioned to capture flows from intermediaries and end investors who increasingly seek solutions products. In the Institutional channel, the Group's differentiated emerging markets capabilities and strong traction with investment consultants enable unique entry to globalising capital pools, with investors in large markets, such as the US, increasingly seeking more specialist international products. Europe and Asia also remain important Institutional markets for the Group.
- **Ensure sustainability is at the core of its business** – the rising importance of the sustainability agenda for society, investors and business places an obligation on investment managers. The Group is an active steward of capital with environmental, social and governance ("**ESG**") investment considerations and sustainability factors integrated across its strategies, helping to mitigate risks and enhance value for clients. Continuous progress in this area is core to its organisational purpose.

More recently, the firm has launched dedicated positive-inclusion strategies such as global environment. It is also building within the impact space on the back of its well-proven infrastructure credit offering.

In addition to growing its assets under management and developing its client reach through these strategic growth drivers, the Group is committed to improving efficiency to meet the challenges of a maturing and ever-more competitive industry. To deliver consistent profitability across market cycles, the Group aims to maintain its simple business model, with high cash conversion and no long-term debt on the balance sheet, and by avoiding capital-intensive activities. The Group's platform is long established and well invested to support continued AUM growth, led by client demand. The Group's intention is to use the strength of this business model and internal discipline to deliver consistent dividends to Shareholders.

5. Business overview

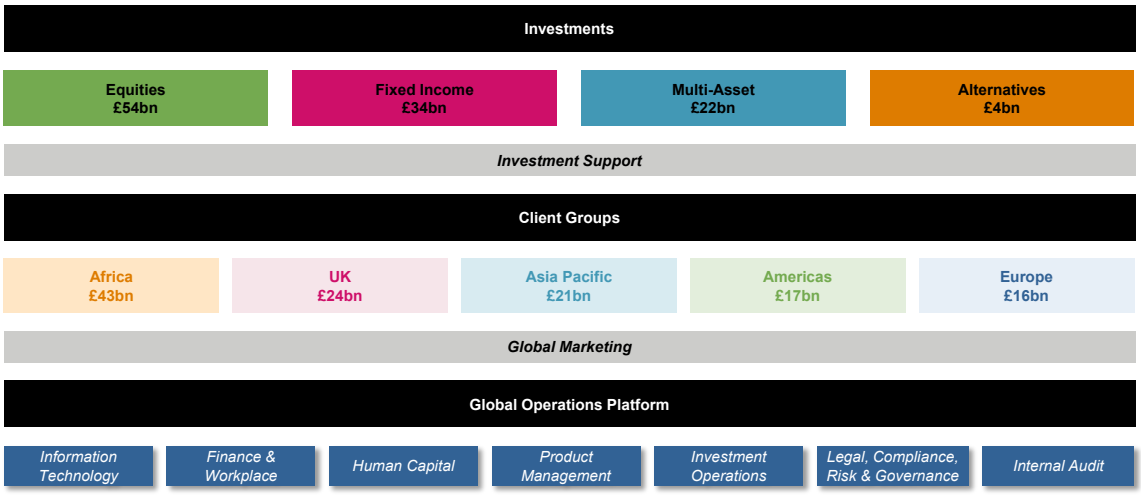
5.1 Overview

The Group is an active asset manager, primarily offering a range of specialist and outcome-orientated strategies to its sophisticated global client base.

The Group's management of assets focuses on four core asset classes: Equities, Fixed Income, Multi-Asset and Alternative strategies, as described in detail below. The Group aims to implement its specialist approach through clearly articulated investment philosophies and well-defined investment processes within the context of the team with clear leadership. The Group prefers to develop investment strategies organically, over time.

With an emerging market heritage and global reach, the Group targets clients across five Client Groups (Africa, the United Kingdom, Asia Pacific, the Americas and Europe) and through two core distribution channels (Institutional and Advisor). Institutional clients include some of the world's largest private and public sector pension funds, sovereign wealth funds, insurers, corporates, foundations and central banks, while Advisor clients include large retail groups, wealth managers, private banks and intermediaries serving individual investors.

The high-level organisational structure of the Group by asset class and Client Group is set out in the chart below, including assets under management as at 30 September 2019, and is underpinned by the Group's global operations platform:



The Group operates through 21 offices in 13 countries, with its largest offices and key investment centres being in London and Cape Town.

The Group's London and Cape Town offices perform investment, distribution, client relationship management and operational functions. It has a further portfolio management presence in Hong Kong, New York, Singapore, Gaborone and Windhoek, and a global distribution reach with 19 Client Group offices (out of 21 offices) around the world. The remaining two offices, in Guernsey and Luxembourg, focus on operational functions.

The Group's South African fund platform, IMS (becoming Ninety One Investment Platform Proprietary Limited), was established in 1994 and built in partnership with independent financial advisers. The

investment platform offers both offshore and local investment solutions, predominantly comprising third-party products and selected Group funds.

The Group's South African fund administration business, Silica, is a 100 per cent. owned subsidiary that was established in 1999, at a time when no other suitable local outsourcing platforms were available in South Africa. Today, it is an established industry service provider, with more than £100 billion of predominantly third-party assets under administration as at 30 September 2019.

The Group operates across an integrated global operations platform, utilising an operational model that utilises an outsourcing business model for certain functions by partnering with global service providers for back- and middle-office services, such as administrative, support and fund accounting services, which are provided under an agreement with State Street Bank & Trust Co., as well as transfer agent services as provided by RBC Investor Services Bank S.A., DST Financial Services Europe Limited and Silica Financial Administration Solutions Proprietary Limited to process retail investor applications and manage fund shareholder registers. It also has various in-house operations functions, including finance and workplace, information technology, human capital, fund operations, internal audit and legal and compliance. The Group seeks to leverage this outsourcing approach where it supports operations and profitability across its operations. This approach allows the Group to operate from a global platform, enabling it to scale across markets and products.

Following completion of the Demerger, the Group will receive a limited amount of continued support from Bank and Wealth under the Demerger Agreements, as described in further detail in paragraph 21.1 of Part XVIII: *"Additional Information – Demerger Agreements*".

5.2 Fees

The Group generates revenues through management fees, which are typically calculated daily or monthly for each client on an *ad valorem* basis as a proportion of the client's assets under management. Fee rates vary by investment strategy, client type and geography.

In certain instances, the Group also charges performance fees, from certain investment strategies and clients, where investment performance exceeds agreed benchmarks or other measures.

5.3 Investments

The Group applies differentiated investment processes across four core asset classes: Equities, Fixed Income, Multi-Asset and Alternatives.

The Group's business is supported across its core asset class offerings by six specialist teams with distinctive capabilities that invest according to distinct investment strategies. Within its Equity strategies, these teams are 4Factor (53 investment professionals), Quality (20 investment professionals) and Value (11 investment professionals); this is followed by Fixed Income strategies (55 investment professionals), Multi-Asset strategies (14 investment professionals) and Alternative strategies (24 investment professionals), all as at 30 September 2019.

The Group has developed its specialist teams and capabilities organically over time, resulting in experienced and stable personnel supporting long-term strategies. It values diversity, and its operations are built on a culture of collaborating to generate long-term value for its clients.

Equities

The Group's "Equity" asset class offerings comprise its range of investment strategies covering global and regional equities markets. They are managed by focused, specialist investment teams using proprietary developed and disciplined investment processes. All of its strategies are managed in an active manner that seek out either market-relative returns or total return outcomes for clients. Its global Equity offerings comprise three different investment styles: 4Factor, Quality and Value.

The Group's "4Factor" strategies focus on value, quality, earnings and technical factors. These strategies are momentum-oriented and follow an active, evidence-based, bottom-up investment style, which marries alpha-generating factors from traditional financial theory and behavioural finance.

"Quality" strategies aim to apply a bottom-up research process, which is focused on seeking to identify businesses with strong and consistent track records with embedded identifiable strategies, low levels of leverage, strong management teams and good governance structures.

"Value" strategies target a value/contrarian approach focusing on companies that are considered under-priced. These strategies seek to understand why conventional wisdom might be wrong and is based on the belief that the most predictable behavioural response of investors is their overreaction to negative news. Investments are typically held on a long-term basis and realised at the point of fundamental profit improvement or shift in long-term market outlook.

Fixed Income

The Group's "Fixed Income" asset class offering comprises its actively managed strategies investing in both developed and emerging markets across a range of debt opportunities including sovereign bonds, corporate credit, money markets and private debt. Its range of strategies, both global and regional, look to provide both market-relative returns as well as total return outcomes for clients.

In terms of developed market strategies, the Group focuses on the active management of global interest rates, currencies and credit strategies. From an emerging market perspective, the Group offers a range of global and regional emerging market debt strategies investing in local and hard currency debt, as well as corporate debt. This includes a wide range of South African fixed income strategies. It further manages a strategy that takes a blended approach to emerging market debt.

The Group also offers multi-strategy fixed income solutions and a range of strategies spanning the credit spectrum.

Multi-Asset

The Group's multi-asset class offering comprises a range of actively managed global and regional strategies, including emerging market multi-asset solutions aimed at growth or income exposure. The Multi-Asset strategies are driven by analyses of fundamental factors, valuation and market price behaviour. Performance of these strategies is predominantly measured on an absolute return basis. These strategies invest around the world in a mix of different assets, including bonds, money market instruments, equities, convertible securities, alternatives and other funds.

Alternatives

The Group's "Alternatives" asset class offering comprises a range of investment solutions. These include natural resource equities that provide exposure to broad and specialist sectors, such as gold and energy. It also offers sustainable investing solutions to clients that encompass investing in renewable energy and environmental transition strategies focused on sustainability.

Furthermore, through the Alternative offering, the Group offers a comprehensive range of direct investment strategies, including investing in African real estate, infrastructure debt and private equity.

5.4 Investment performance

All of the investment capabilities of the Group are managed with the simple aim of delivering performance which meets or exceeds its clients' expectations around agreed, well-defined return and risk parameters. The Group measures its investment performance relative to peer groups and against benchmarks over one-, three-, five- and 10-year periods, and since inception.

The following table presents investment performance in terms of outperformance and underperformance, which is defined as the sum of total market values for the portfolios presented that have positive (in the case of outperformance) or negative (in the case of underperformance) returns relative to the respective external benchmarks of each fund, expressed as a percentage of total assets under management, to 30 September 2019:

	1 year	3 year	5 year	10 year	Since inception[1]
Outperformance[1]	54%	75%	64%	93%	77%
Underperformance[1]	46%	25%	36%	7%	23%

Note:

(1) Outperformance and underperformance are calculated as the sum of the total market values for individual portfolios that have positive relative returns (negative relative returns), gross of fees, expressed as a percentage of total assets under management. The Group's percentage of fund outperformance and underperformance is reported on the basis of current assets under management for funds that have been active for the entire length of the time period being measured as at 30 September 2019, and, therefore, does not include funds which were terminated or otherwise wound down during these periods. Total assets under management exclude double-counting of pooled products (where clients are invested in IAM funds as opposed to being directly invested) and third-party assets administered on the Group's IMS fund platform. Benchmarks used for the analysis include cash, peer group averages, inflation and market indices as specified in client mandates or fund prospectuses. For all periods shown, market value are as at the period end date.

The following table presents the Group's mutual fund investment performance for certain periods from inception by quartile:

	1 year[1]	3 year[1]	5 year[1]	10 year[1]
First quartile	38%	29%	40%	61%
Second quartile	15%	43%	23%	16%
Third quartile	37%	16%	27%	15%
Fourth quartile	10%	12%	10%	8%

Note:

(1) Fund performance and ranking are as per Morningstar data using primary share classes net of fees to 30 September 2019. Peer group universes are either UK Investment Association ("**IA**"), Global Investment Fund Sector or Association for Savings and Investment South Africa sectors as classified by Morningstar. Cash or cash-equivalent funds are excluded from chart.

5.5 Client Groups

The Group's client coverage is organised across five geographically defined Client Groups, comprising Africa, the United Kingdom, Asia Pacific, the Americas and Europe. This model provides the Group with access and proximity to its clients across the Advisor and Institutional channels globally.

The Client Groups are responsible for two main activities: distribution and client relationship management. The regional Client Groups cover the business' full range of investment strategies and services to the distribution channels and geographies across which the Group operates. The respective client groups are also responsible for all aspects of client service, acting as a conduit for all information to and from clients and drawing upon the resources of the business to provide the highest standard of service to all clients.

As at 30 September, reflecting the composition of the Group's assets, the headcount supporting these Client Groups was 59 in Africa, 31 in the UK, 28 in the Americas, 26 in Asia Pacific and 21 in Europe. The Africa Client Group consists of a further 172 employees who are dedicated to the SA Fund Platform (IMS), as at 30 September 2019.

The following table presents a breakdown of assets under management by Client Group as at 30 September 2019 and 31 March 2019, 2018 and 2017 and net flows for the applicable periods then ended:

	As at and for the six-month period ended 30 September		As at and for the years ended 31 March					
	2019		2019		2018		2017	
	AUM[1]	Net flows[2]	AUM[3]	Net flows[4]	AUM[3]	Net flows[4]	AUM[3]	Net flows[4]
				(£ billions)				
Africa	43.2	1.1	40.6	2.9	39.2	0.2	37.4	1.4
United Kingdom	24.1	0.1	22.8	1.7	19.5	1.6	17.9	0.4
Asia Pacific	20.7	0.3	19.1	(0.1)	17.7	1.4	15.3	(1.3)
Americas	17.0	0.8	15.1	0.6	14.7	2.7	11.8	(0.7)
Europe	15.8	0.9	13.8	1.0	12.8	(0.5)	12.9	(0.4)
Total	**120.8**	**3.2**	**111.4**	**6.1**	**103.9**	**5.4**	**95.3**	**(0.6)**

Notes:

(1) As at 30 September.

(2) For the six-month period ended on 30 September.

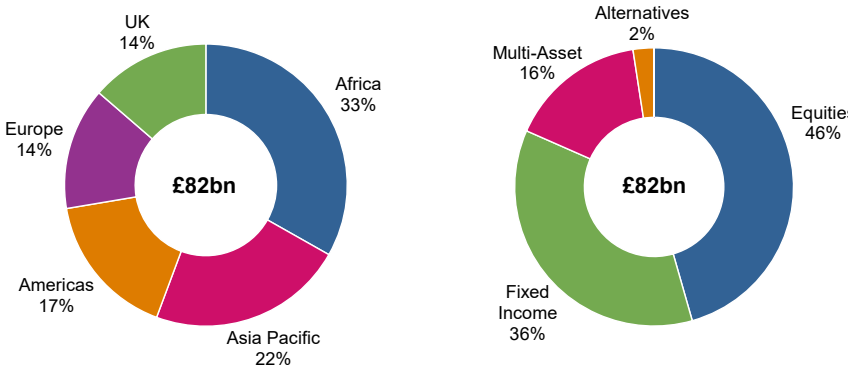
(3) As at 31 March of the relevant year.

(4) For the 12-month period ended on March 31 of the relevant year.

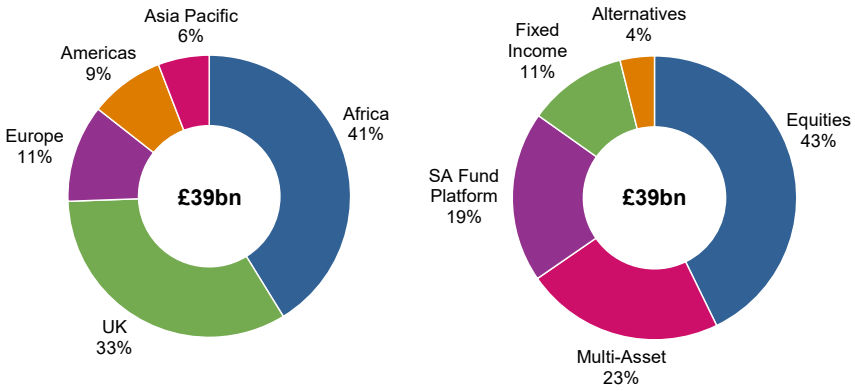
5.5.1 **Clients**

The Group puts clients at the centre of its business, aiming to provide them with competitive and differentiated investment opportunities and services. The Group services a growing broad range of clients globally, through its two core distribution channels: Institutional and Advisor.

As at 30 September 2019, the Group managed £82.1 billion (or 68 per cent. of total assets under management) for Institutional clients that comprised some of the world's largest private and public sector pension funds, sovereign wealth funds, insurers, corporates, foundations and central banks. The following charts show the Group's assets under management from Institutional clients by geography and asset class as at 30 September 2019:



As at 30 September 2019, the Group managed £38.7 billion (or 32 per cent. of total assets under management) for Advisor clients, which range from private and retail banks to discretionary wealth managers, sub-advised clients and financial advisers. The Group also offers a market leading retail fund platform (IMS) to financial advisers and retail clients in South Africa. The Group's Advisor clients are intermediated in nature and, therefore, the Group does not interact directly with retail clients. The following charts show the Group's assets under management from Advisor clients by geography and asset class as at 30 September 2019:



The Group has built its client credentials with great care and it remains mindful that it operates as a long-term business. The Group's longest-standing client relationship spans over two decades. Alignment of interests matters, and clients always come first at the Group with the intention to build client advocacy over time.

In addition to its client relationships, the Group has long-established relationships with a variety of institutional investment consultants and independent financial advisers globally. These relationships support the Group's ongoing efforts to acquire new clients and retain existing ones.

5.5.2 **Product types and fund ranges**

As at 30 September 2019, the Group's assets under management are generally classified as mutual funds and segregated mandates.

As at September 2019, the Group has 219 individual funds and 1,129 share classes, across a well-structured product platform which enables it to serve clients globally. A well-established fund infrastructure is in place to support future global fund launches. The Group's existing funds include the following:

- United Kingdom: OEICs and investment trusts;
- Europe and International Cross-Border: SICAVs (UCITS and AIFs) and Limited Partnerships;
- Guernsey: protected cell companies and Limited Partnerships;
- Asia Pacific: unit trusts (Australia);
- Africa:
  - South Africa: unit trusts, pooled life funds and hedge funds;
  - Namibia: unit trusts;
  - Botswana: unit trusts; and
  - Mauritius: GBC1 company; and
- in the Americas, pooled investment vehicles offered by registered investment companies (as defined in the Investment Companies Act of 1940) and limited liability companies.

5.6 **Marketing**

The Group's marketing activities are co-ordinated by its global marketing team, within the central Client Group operations, which comprises 62 personnel, as at 30 September 2019. The global marketing team's responsibilities include preparing materials in response to existing and potential client request for proposals, strategic marketing, marketing campaigns, branding, communications (including the website), investor education and client events.

6. Global Operations Platform

The Group operates across an integrated global operations platform, utilising an operating model that focuses on investment and client service that aims to ensure consistent levels of standards, efficiency and flexibility. This is achieved by partnering with global service providers across the value chain and targeted cost-savings through operations in low-cost locations, supported by globally integrated in-house operations teams. This model provides a platform to support future growth and enable the Group's investment capabilities and technologies across its operations, as described in paragraph 5 above.

The in-house functions can be categorised as those aligned with strategy and change which includes the information technology, human capital and product management functions and those aligned with finance and firm oversight which includes finance and workplace, legal, operational risk, company secretarial and compliance, and vendor management and operations oversight. The operations team consists of 495 staff, as at 30 September 2019, based primarily in London and Cape Town. The Group's locations strategy is managed by taking time zone and cost into account, with Cape Town being utilised as the offshoring lower cost base for global operations. This approach allows the Group to operate from a unified global investment infrastructure, allowing it to scale across markets and products.

The Group has a globally integrated Information Technology (IT) team, which supports all aspects of its technology requirements. The team is structured to support the business through Investment Technology, Client Technology and Central Services Technology teams. These teams are further supported by Shared Technology, IT Operations and Infrastructure, and IT Risk and Information Security. All IT teams operate on a globally integrated basis. The Group's integrated platform uses established third-party systems, including FactSet and thinkFolio investment management systems, IHSMarkit enterprise data management systems and Salesforce client management systems. The Group's main investment administration process is underpinned by its long-term relationship with State Street Bank & Trust Co, which provides investment administration and fund accounting services across the Group's operations.

The Group has undertaken a number of initiatives in recent years to further harness the benefits of operating across a single platform. This has included centralising its data architecture, automating client reporting and marketing processes, performing regular updates of key systems and introducing end user productivity measures through a Digital Workplace programme. Current technology priorities include

enhancing the Group's ability to act as a "round the clock" operational model to better enable the Group to expedite processes in one region by utilising personnel and systems in other time zones and offices, evolving the investment risk platform, improving access to data and information globally, further improving scalability and efficiency, and introducing intelligent security.

Following the Demerger, the Group will continue to rely on Bank and Wealth for a limited range of services for a transitional period, as set out in paragraph 21.1 of Part XVIII: "*Additional Information – Demerger Agreements*". These include a limited range of software and trademarks, certain IT, operational and other services, and facilities space predominantly in South Africa.

7. Brand and intellectual property

7.1 Brand

The Group's current name, brand identity and tools have all been built upon the Investec Group's brand. The Group will rebrand immediately upon the Demerger to Ninety One. Building the new brand is a key aspect of the Group's plans prior to and post the Demerger.

The Companies have worked with external branding and naming experts to create a company name and brand positioning that is differentiated in the Group's industry while conveying its values and principles which are not changing as a result of the Demerger. The Group is proud of its heritage and plans to maintain a link to this in its new name and positioning. It remains a business-to-business (B2B) and business to business-to-consumer (B2B2C) company, with its asset management clients being institutional investors or intermediaries. In addition, the Group is aware the brand needs to consider new audiences such as investors in the Group, policy makers and other influences.

A key aspect of the rebrand across all audiences is to ensure that the Group remains consistent with how existing clients and investors see the firm – its values, principles, product capabilities and growth aspirations. The Group has chosen a name with a strong connection to its heritage, that feels authentic to who it is and will stand out in a competitive market, while reflecting its heritage from South Africa during a time of transformative change, which taught it the power of active investing to help create a better future. Although the Group is changing its name upon Demerger, what it is and what it stands for remain unchanged.

7.2 Intellectual property

Trademarks applications for the words and images used by the companies within the Group have been filed in the countries in which they are located. The Group has worldwide trademark applications and registrations in place in relation to the name "Ninety One". Moreover, the Group is the owner of the main domain names containing "Ninety One", and the Group's companies own several domain names for the ".com", ".co.uk" and "co.za" domains. The Directors believe that the Group's core intellectual property rights will be adequately protected following the Demerger.

8. Culture and sustainability

8.1 Culture

The Group's culture is one of the most important aspects of the firm to understand – whether as an employee, prospective employee, client or shareholder. The Group is a people business and its culture is a vital element of its long-term success. It is the foundation for enduring investment performance and client service, informs the brand and is a source of competitive advantage. The culture of the Group, originally a reflection of the founders, still guides the firm today. The central tenet of the "owner" culture is the notion of "the freedom to create" within the clear parameters of values, team and strategy. The Group encourages direct, honest and open discussion, ensuring diversity of thought and perspective. The employees of the Group have the freedom to be themselves which facilitates the combination of individual expression with collective ambition and team discipline. The Group insists on results but not at the expense of the human spirit. Relationships matter and the Group balances relentless drive with decency.

A cornerstone of the culture is "Do the Right Thing". This refers to how the Group engages clients, community and team. The Group and its employees are acutely aware of their responsibility to ensure that its clients are always treated fairly, not merely to meet regulatory requirements, but as it is a core part of the culture and values of the Group. It is all about the drive to be better.

8.2 Sustainability

From the start, the Group has been committed to investing for a better tomorrow and sustainability is a key part of its purpose as an active asset manager. The Group is a long-term focused business allocating capital on a global basis to meet the future needs of society. The Group aims to deliver on this commitment through three pillars:

8.2.1 Invest

The Group invests responsibly for a more sustainable future on behalf of its clients. As a global asset manager, the essential purpose of the Group's work is to preserve and grow the real purchasing power of its clients' assets over the long term in accordance with their mandates. However, it also involves acting with stewardship, as an active asset manager.

The Group believes that active management has a unique role in facilitating the allocation of capital in a responsible manner and supporting the shift to a more sustainable future. It does this by building capabilities that invest in areas which will improve global sustainability, which take an integrated approach to ESG considerations, based on the view that considering material ESG risks and opportunities should be integral to the investment process and embedded in all investment strategies.

The Group actively supports industry organisations advocating for deeper sustainability within investments. This includes the Principles for Responsible Investment, the UK Stewardship Code and the Code for Responsible Investing in South Africa. The Group is also involved with specialised groups that focus on themes such as carbon (Institutional Investors Group on Climate Change and the Carbon Disclosure Project) and corporate governance (The UK Investor Forum, the UK Impact Investing Institute, the International Corporate Governance Network, the Asia Corporate Governance Association and Chartered Insurance Institute). The Group's support for these organisations and initiatives does not mean that it simply follows what is prescribed. True to its commitment to active management, the Group applies judgement and careful thought in this field, always guided by the interest of its clients and society at large.

8.2.2 Engage

The Group generates insight and thought leadership to shape the global imperatives for sustainable development. The Group believes that it is important not only to manage clients' assets in a responsible manner but also to proactively engage with clients and stakeholders about sustainability. The Group recognises that the sustainability imperative means that there is an opportunity to lead the conversation around sustainable development and encourage clients on their journey towards more sustainable long-term investing.

Leadership across the Group is fully engaged and participating with a series of global organisations committed to the advancement and implementation of sustainable development. Through the work of executive leadership with the Business and Sustainable Development Commission, the Coalition for Inclusive Capitalism, the Impact Investing Institute, the SDG Centre for Africa, the Sustainable Development Solutions Network and the UN Principles for Responsible Investment, dialogue with international business, governments, labour and civil society leaders aims to articulate and quantify the case for participation in moving towards sustainable development.

8.2.3 Inhabit

The Group believes that change starts at home and, therefore, takes direct responsibility for its environmental and social impact ensuring that it behaves in line with its principles. The Group takes on the responsibility for "inhabiting" its ecosystem in a manner that ensures a sustainable future for all by supporting sustainability in the communities in which it operates. From the Group's Green Team at its offices through to its work in conservation and communities, the Group supports the preservation of the natural world. The guiding principle is to contribute to a better tomorrow.

The corporate sustainability strategy is focused on five areas, from energy, waste and water to travel and responsible procurement, driving towards the reduction and lessening of its carbon footprint.

The Group remains deeply aware of its broader responsibility to society at large and, more specifically, to the communities in which the Group has an investment footprint. Diversity continues to be part of the fabric of the firm, given its long-standing commitment to racial transformation in South Africa, with the Group also signing up as a founder member of The Diversity Project in the United Kingdom as one continuation of this aspect of its culture.

9. Risk management and internal controls

The Boards are ultimately responsible for risk management and for establishing systems of risk management and control that are appropriate for the size and complexity of the Group.

Risk management is achieved through a combination of the Group's risk management framework and governance structure and its business culture. It is a continuous function of the Group's management process. The Boards and Executive Committee have created and fostered a risk awareness culture throughout the organisation that encourages open and honest dialogue at all levels of seniority.

Where appropriate, the Boards delegate certain responsibilities for risk management to specialist committees; such delegations are under formal arrangements and with defined terms of reference.

9.1 Risk management framework

The Group has established an enterprise-wide risk management framework that is designed to provide the business with the appropriate tools and process to identify, assess, manage and escalate risks in line with the Group's risk appetite.

Risk appetite sets the tone from the top and is demonstrable throughout the risk management framework. It provides the basis for defining parameters against which events, business activities, and decisions can be assessed to ensure that they are appropriate, and appropriately monitored and controlled.

The risk management framework is underpinned by a suite of policies that provide parameters within which the Group, and its employees, must operate or behave. Employees must attest adherence to key policies annually.

In line with industry best practice, and as expected by global regulators, the Companies operate a "three lines of defence" model, comprising:

- First Line: business teams (specifically management);
- Second Line: investment risk, operational risk, compliance; and
- Third Line: internal audit.

9.1.1 First Line

Risk is inherent in most business activities; therefore, the design and operation of controls by owners acts as the first line of defence against risks manifesting. As such, all employees have responsibilities in respect of risk management and compliance, which are detailed in their job descriptions and in the Group's various policies. Management is responsible for the controls in areas of the business it oversees and for liaising with the various risk management teams.

9.1.2 Second Line

Specialist, independent "second line" functions assist the Boards in the design of risk management systems, oversee the implementation and operation of the risk management framework on a day-to-day basis and ensure the ongoing adequacy and effectiveness of risk management processes and controls. The second line functions provide advice and challenge to the business on risk matters and will escalate any risks, events, findings or concerns to the appropriate management or committee (including, where appropriate, the Boards and/or Audit and Risk Committee).

The second line functions are independent of the teams and processes that they oversee and their reporting lines ensure that their independence is not compromised. The Investment Risk function reports to the Chief Investment Officers, while the Operational Risk and Compliance functions report to the General Counsel (both of whom have unfettered access to senior management and the Board).

9.1.3 **Third Line**

The Internal Audit function, representing the third line of defence, acts under the sole direction of the firm's Audit and Risk Committee. The Internal Audit function follows a risk-based audit review programme but can be directed to undertake targeted and thematic reviews where necessary.

In addition to the deployment of various internal functions representing "lines of defence", the Group employs third-party professional services firms to conduct independent assessments of the adequacy and effectiveness of the Group's control environment at least annually.

9.2 **Internal control environment**

The Group's internal control environment is designed to ensure that:

- client assets are appropriately identified and segregated, and managed within agreed parameters, and that investment transactions and decisions are recorded and reported accurately and in a timely manner;
- client assets are appropriately valued and that fees are accurately calculated and collected;
- the activities of the firm, including its management decisions, are in the best interests of its stakeholders and are appropriately and accurately recorded and reported (where necessary), including in relation to the firm's own financial records;
- appropriate steps are taken to protect client and proprietary information and intellectual property;
- appropriate steps are taken to protect clients and the Group from financial crime, including the fraudulent misappropriation of assets;
- appropriate steps are taken to ensure that the Group meets its legal, contractual and regulatory obligations; and
- conflicts of interest are identified and appropriately assessed, recorded and monitored.

The Group's teams, processes and systems (including system permissions) are arranged to ensure that appropriate segregation of duties is maintained, both in terms of responsibilities and reporting lines.

Employees have formal job descriptions setting out their responsibilities in respect of their roles and wider obligations in respect of risk management and compliance; these are reviewed annually for accuracy and completeness.

9.3 **Regulatory compliance**

The Group has an independent, dedicated compliance function that is responsible for ensuring ongoing compliance with regulatory obligations in each jurisdiction where it has operations.

The compliance function comprises a compliance advisory team which identifies regulatory rules, monitors any changes in the regulatory environment, and advises the Group on how best to implement and adhere to regulations on an ongoing basis. The compliance advisory team also liaises with regulators on behalf of the business.

A separate compliance monitoring team operates a review programme to ensure that the Group adheres to all applicable financial services regulation, and that controls designed to meet these regulatory obligations are appropriately designed and operated. Both teams provide formal reports to key governance committees and the Board and have direct access to senior management.

The Group also has a dedicated tax function. The tax function is responsible for ensuring compliance with existing tax rules in jurisdictions in which the Group operates, identifying any changes in tax regulations, and advising the Group on how best to implement and meet the rules on an ongoing basis. The Group has established an enterprise-wide risk management framework that is designed to provide the business with the appropriate tools and process to identify, assess, manage and escalate risks in line with the Group's risk appetite.

10. **Silica**

The Group owns and operates Silica, a South Africa-based fund administration business. Silica provides administration, outsourcing and technology solutions to the Group and other third-party asset managers and other financial advisers within Southern Africa and the United Kingdom. Silica was formed by the Group in 1999, as management considered it to be more practical and cost efficient to establish its own provider rather than to outsource. Silica has subsequently grown to provide services to a number of third-party clients.

The business consists of a small group of companies which operate autonomously, with new strategies and the on-boarding of new clients requiring board approval from Silica Holdings. The scope of services provided to each client is negotiated on a client-by-client basis, and Silica earns revenue based on fixed systems fees and variable transactional fees. Services include STP (straight-through processing) automation, liability administration, quality checking, legal administration and outbound call centre operations, as well as the building of bespoke systems for clients.

Although Silica is wholly-owned by the Group, third-party revenues and costs of the Silica business are excluded from the Group's adjusted operating performance metrics on the basis that Silica is an independent business that is not core to the Group's underlying performance. See paragraph 4 of Part XI: "*Selected Financial Information – Non-IFRS Measures*".

11. **Employees**

The Group had 1,632 employees as at 30 September 2019. The following table sets forth a breakdown of employees across the Group's divisions as at 30 September 2019 and 31 March 2019, 2018 and 2017:

	As at 30 September 2019	**As at 31 March 2019**	**2018**	**2017**
Investments	250	246	230	228
Client Groups	402	405	381	342
Operations	495	488	448	421
Silica	485	490	533	663
Total	1,632	1,629	1,592	1,654

12. **Information technology**

The Group maintains a technical environment tailored to its own needs, as well as industry-standard settlement and portfolio management systems which allow the business to operate efficiently. The Group's IT systems are designed to support its business with a focus on delivering customer value and to serve the business in an effective and efficient manner.

13. **Insurance**

In order to protect the Group against major financial losses arising from the risks in performing the Group's activities and services, the Group carries (and will carry by the point of Admission) insurance policies, which the Directors believe, as at the date of this document, are customary for the industry, to cover certain risks associated with its activities and services. Broadly, these policies are a combination of directors' and officers' liability insurance, comprehensive crime and civil liability insurance, property damage, business interruption and terrorism insurance, public liability insurance, employer liability insurance and various other liability and accident insurance policies. The Directors confirm that, upon Admission, the Group will have appropriate insurance policies in place.

INDUSTRY OVERVIEW

The information in the following section has been provided for background purposes. The information has been extracted from a variety of sources released by public and private organisations as described in Part III: "Presentation of Information on the Group".

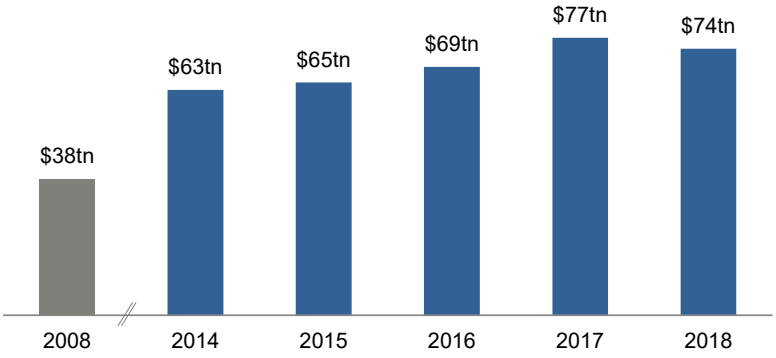
The Companies confirm that the information in this section has been accurately reproduced from these sources and, as far as the Companies are aware and are able to ascertain from information published by these sources, no facts have been omitted which would render the reproduced information inaccurate or misleading. Industry publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. The Companies believe that these industry publications, surveys and forecasts are reliable but the Companies have not independently verified them and cannot guarantee their accuracy or completeness.

The projections and forward-looking statements in this section are not guarantees of future performance and actual events and circumstances could differ materially from current expectations. Numerous factors could cause or contribute to such differences. See Part II: "Risk Factors" and paragraph 4 of Part III: "Presentation of Information on the Group – Information regarding forward-looking statements".

1. Assets under management and flows

Assets under management across the global asset management industry have grown significantly since the financial crisis, from US$38 trillion in 2008 to US$74 trillion in 2018 (source: BCG 'Global Asset Management 2019'). The 4 per cent. year-on-year decline experienced in 2018 reversed some of the strong growth in 2017, when global assets under management increased by 12 per cent. (source: BCG 'Global Asset Management 2019'). In 2018, the global economy experienced weakening financial market sentiment, increasing trade policy uncertainty and a slowdown in global growth projections. This global market volatility created headwinds for the asset management industry, compounded by structural pressures including the rise of passive investing, increased regulatory scrutiny and further fee pressure.

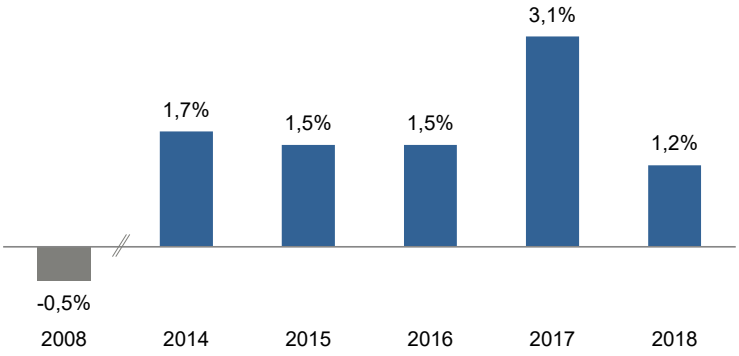
The following chart shows global assets under management from 2008 to 2018:



Source: BCG 'Global Asset Management 2019'

While global assets under management decreased in 2018, structural industry growth is expected to continue in the medium term, underpinned by global demographic factors such as increasing household wealth, the shift from defined benefit to defined contribution pension schemes and the resulting greater penetration of retirement savings products, and increasing capital flows into emerging market economies. The global asset management market is estimated to grow by approximately 6 per cent. annually, reaching US$101 trillion of assets under management by 2023 (source: BCG 'Global Asset Management 2019').

Notwithstanding market volatility in 2018, asset flows into the industry have been consistently positive. The following chart shows global net flows as a percentage of global assets under management at the start of the relevant period:

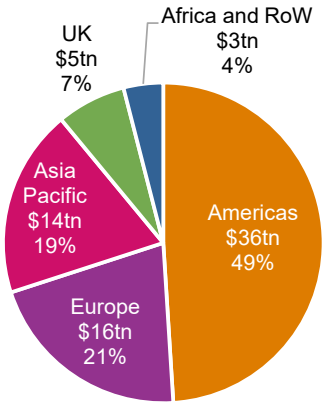


Source: BCG 'Global Asset Management 2019'

Following above-average net inflows in 2017, global net flows reverted to the long-term average in 2018, equating to 1.2 per cent. of opening assets under management (source: BCG 'Global Asset Management 2019'). Particularly strong flows in 2017 reflected three key trends: the bull market run encouraging greater retail investment; the growth of wealth in emerging markets, especially China; and the continued flow into pension products. By contrast, more modest flows in 2018 reflected the slowdown in equity market growth and reduced investor confidence in the face of market volatility driven by various factors, including increasing trade policy uncertainty and a slowdown in global growth projections.

1.1 **Analysis by region**

The following chart shows global assets under management by region as at 31 December 2018:



Source: Market Data

The Americas remained the largest market in 2018, with US$36 trillion of assets under management (almost half of the global total) having grown at a CAGR of 6 per cent. since December 2010 (source: Market Data). Although North America has experienced a pronounced shift towards passive asset management in recent years, the scale of this market still presents a very significant opportunity for active asset managers, particularly those with specialist and/or non-US investment strategies. Institutional investors in North America have steadily increased their weighting to international equity investment strategies to 38 per cent. of total exposure in 2018 up from 16 per cent. in 1998 (source: Willis Towers Watson 'Global Pension Assets Study 2019').

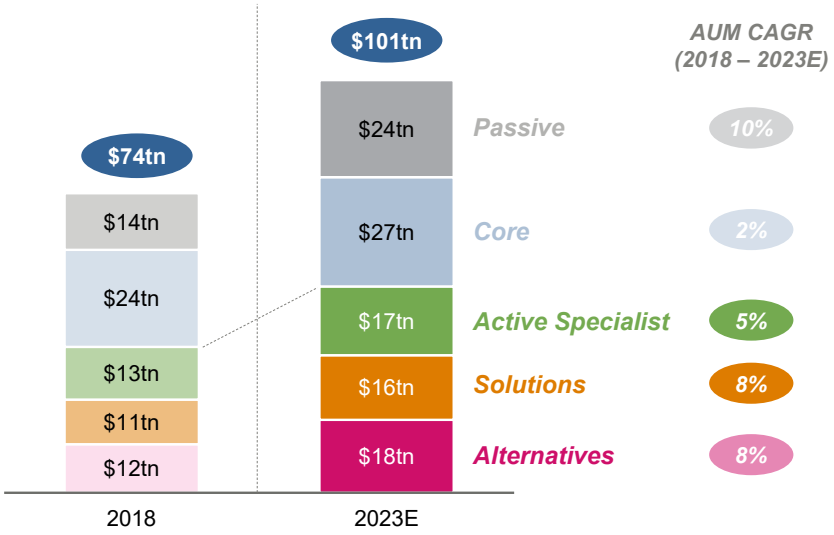
Europe represented the second largest market, with US$16 trillion of assets under management, having grown at a CAGR of 5 per cent. since December 2010 (source: Market Data). In addition, the UK has experienced a steady CAGR of 4 per cent. since December 2010, with US$5 trillion of assets under management at the end of 2018 (source: Market Data). While the UK and Europe have been affected by Brexit uncertainty and increased regulatory pressure, particularly following MiFID II, these markets have continued to experience steady organic growth, with positive net flows of 1.5 per cent. forecast for Western Europe in 2019, representing a recovery compared to net flows of 0.2 per cent. in 2018 (source McKinsey 'State of the European asset management industry'). The UK and Europe have also experienced a relatively slower shift from active to passive strategies than in North America and other geographies.

Assets under management in Asia Pacific stood at US$14 trillion at the end of 2018, growing at a CAGR of 8 per cent. since December 2010 (source: Market Data). Asia Pacific wealth pools, including private banks and retail intermediaries, are expected to grow at 14 per cent. between 2018 and 2022, creating a significant opportunity in this market (source: McKinsey 'Will the good times keep rolling for Asia's asset managers?'). In addition to expanding Asia Pacific wealth pools, growth has also been driven by the Chinese market, which has been characterised by the rapid development of digital distribution and new product development designed to access customers, improve customer experience and further enhance demand, as well as increased access for foreign asset managers. However, the Chinese market is still subject to restrictions on its capital outflows and therefore presents short-term limitations on the ability of international managers to service Chinese clients.

The South African economy recorded assets under management of US$0.4 trillion as at June 2019, with a CAGR of 2 per cent. since December 2010 (source: Alexander Forbes 'Assets Under Management'). South Africa remains the most developed African market and is supported by the largest African stock exchange and by favourable insurance and pensions regulations. The adoption of the Retail Distribution Review in South Africa is expected to improve the quality of financial advice, which may be expected to lead to greater demand for high-quality specialist and/or outcomes-based products. However, the current macro-economic challenges in the market are constraining local wealth creation, thus inhibiting opportunities for asset managers to acquire more assets to manage in the region.

1.2 **Analysis by investment strategy types**

Core strategies, representing traditional active strategies, including actively managed domestic large cap equity, domestic government and corporate debt, money market and structured products, represents the biggest category of investment strategies globally with US$24 trillion of assets under management as at 31 December 2018, as illustrated by the graph below:



Source: BCG 'Global Asset Management 2019'

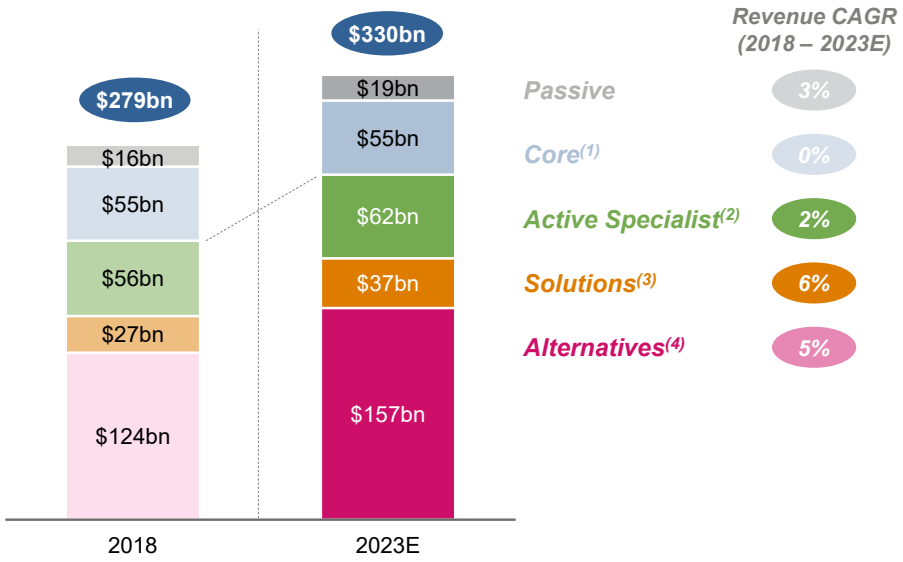
Globally, there continues to be rebalancing of assets under management from traditional active products to active specialist, solutions, alternative and passive asset classes (active core assets under management decreased from 46 per cent. of total global assets under management in 2008 to 33 per cent. in 2018) (source: BCG 'Global Asset Management 2019').

This shift represents an opportunity for global asset managers with differentiated investment processes and high-conviction strategies, managed by specialist investment teams.

2. Revenues and profitability

The increase in global assets under management described above has driven strong revenue growth since the financial crisis, and total revenues globally were US$279 billion in 2018, up from US$167 billion in 2008 (source: BCG 'Global Asset Management 2019'). Going forward, global industry revenues are expected to grow at a slower rate than assets under management at approximately 3.4 per cent. (annually), as fees are expected to be impacted globally, particularly in more traditional active and passive strategies (source: BCG 'Global Asset Management 2019').

While there is forecast to be a continuing shift in industry revenue mix away from traditional active products towards active specialist, solutions and alternatives, this is less pronounced than the trend in headline assets under management, as illustrated by the graph below:



Source: BCG 'Global Asset Management 2019'

Despite their increasing share of assets under management, passive strategies accounted for less than six per cent. of global revenues in 2018, highlighting the very significant competitive pressures for managers operating in the passive space (source: BCG 'Global Asset Management 2019'). Similarly, traditional active strategies are not forecast to grow their revenue pool over the next four years.

This underlines the strong revenue opportunity that exists for differentiated asset managers focused on specialist high alpha, solutions and alternatives. Across all asset classes, there is also increasing importance placed on sustainable investing, for example, incorporating the use of environmental, social and governance factors.

It is estimated that the global profit pool remained relatively flat from 2017 to 2018 (source: BCG 'Global Asset Management 2019'), having expanded by 13 per cent. from 2016 to 2017 (in absolute terms) to a record high (source: BCG 'Global Asset Management 2018'). Global profit margins fell slightly in 2018 from 36 per cent. to 35 per cent. of net revenues, driven by continuing fee compression, increased investment in areas such as information technology and increasing fixed costs (for example, in areas related to regulations such as MiFID II) (source: BCG 'Global Asset Management 2019').

3. Summary

Historically, the asset management industry has been relatively high margin and capital light compared to other industries, with an attractive return on equity. More recently, margins have been under pressure with the shift towards lower-cost passive managers, fee compression and increasing operating costs. Although the industry is becoming more competitive owing to these factors, there remains a significant opportunity for differentiated, active asset managers who are able to capture and retain market share.

DIRECTORS AND CORPORATE GOVERNANCE

1. Directors and Company Secretaries

The following table lists the names, positions and ages of the Directors. The business address for each of the Directors and the Company Secretaries is: (i) 55 Gresham Street, London EC2V 7EL, in respect of Ninety One plc; and (ii) 36 Hans Strijdom Avenue, Foreshore, Cape Town, 8001, Republic of South Africa, in respect of Ninety One Limited.

					Date appointed as Director	
Name	**Age**	**Date of Birth**	**Nationality**	**Position**	**Ninety One plc**	**Ninety One Limited**
Gareth Peter Herbert Penny	57	24 December 1962	South African & British	Chairman (*Independent*)	19 November 2019	19 November 2019
Colin Denis Keogh	66	27 July 1953	British	Senior Independent Director	19 November 2019	19 November 2019
Idoya Fernanda Basterrechea Aranda	60	30 May 1959	Spanish	Non-Executive Director (*Independent*)	19 November 2019	19 November 2019
Victoria Susan Cochrane	63	3 July 1956	British	Non-Executive Director (*Independent*)	19 November 2019	19 November 2019
Busisiwe Abigail Mabuza	56	1 December 1963	South African	Non-Executive Director (*Independent*)	19 November 2019	19 November 2019
Fani Titi	57	25 June 1962	South African	Non-Executive Director	19 November 2019	19 November 2019
Hendrik Jacobus du Toit	58	4 November 1961	South African & British	Chief Executive Officer	4 October 2019	18 October 2019
Kim Mary McFarland	55	15 June 1964	South African & British	Finance Director	4 October 2019	18 October 2019

In addition, the Company Secretary of Ninety One Limited is IAM SA and the Company Secretary of Ninety One plc is Paula Mary Watts. The Boards have satisfied themselves on the competence, qualifications and experience of IAM SA and Paula for their respective roles as Company Secretaries.

The management expertise and experience of each Director and the Company Secretaries are set out in his/her biography below.

Gareth Peter Herbert Penny (*Independent Non-Executive Director and Chairman*)

Gareth is Chairman of Norilsk Nickel, or Nornickel, the world's leading producer of nickel and palladium. Nornickel, Russia's largest diversified mining and metals company, is listed on the Moscow Exchange, with ADRs traded in London and New York.

Gareth is Chairman of the Edcon Group, a private company and Southern Africa's largest non-food retailer.

For 12 years, until April 2019, Gareth served as a Non-Executive Director (and Remuneration Committee Chairman) of Julius Bär Group, a listed Swiss bank focused on wealth management.

Gareth has worked in various forms of mining over the past three decades. For 22 years, he was with De Beers and Anglo American, the last five of which he was group Chief Executive Officer of De Beers.

In 2016, Gareth was awarded Russian Chairman of the Year, with reference to his contribution to improvements in corporate governance.

Gareth has had considerable experience in chairing both public and private boards and has a deep understanding of governance processes and risk management. He has had significant exposure to developing markets, wealth management, private equity and the financial sector.

Colin Denis Keogh (*Senior Independent Director*)

Colin has spent his career in financial services, principally at Close Brothers Group plc, where he worked for 24 years and was Chief Executive Officer from 2002 until 2009.

Colin is Senior Independent Director and chairs the Remuneration Committee of Hiscox Limited. He is also Chairman of the specialist financial services business Premium Credit Limited and a Non-Executive Director of M&G Group Limited.

He was previously a Non-Executive Director of Virgin Money Holdings (UK) plc.

Idoya Fernanda Basterrechea Aranda (*Independent Non-Executive Director*)

Idoya is the Senior Partner for strategy and business development at Fidentiis Gestion SGIIC, an independent asset manager headquartered in Madrid, Spain. It was established in 2007 as a boutique provider of unconstrained investment products and strategies on the Iberian equity markets and, latterly, global macro, financial and ESG strategies have been added to Fidentiis' offering.

Idoya's prior experience includes being a founding member, Chief Investment Officer and Deputy General Director of Norbolsa SVB (the investment arm of the Basque Savings Banks) from 1989 to 2013, a member of the international equity sales team at Swiss Bank Corporation and Legal Counsel at Basque Government.

Idoya has been a member of the Bizkaia Bar Association since 1984.

Idoya has a law degree from Deusto University (Bilbao) and a MSc in European Studies from the London School of Economics.

Victoria Susan Cochrane (*Independent Non-Executive Director*)

Victoria started her career as a solicitor, training with Beale & Co, before joining Cameron Markby which then merged with McKenna & Co to create what is now known as CMS Cameron McKenna. She spent 10 years in private practice, working on litigation across a range of sectors, including banking, reinsurance and professional services. It was her litigation experience that led to her joining Ernst & Young as their first UK General Counsel in 1991. She was a partner for 20 years and for the last five was Global Executive Board Member and Global Managing Partner for Risk.

Victoria currently serves as Senior Independent Director at Integrafin Holdings plc, which provides platform services to UK financial advisers and their clients. She also serves as a Non-Executive Director and Chair of the Audit and Risk Committee at Euroclear Bank SA/NV and at Perpetual Income and Growth Investment Trust plc and Senior Independent Director and Chair of the Audit & Risk Committee at HM Courts & Tribunals Service.

Victoria's prior experience includes serving as a Non-Executive Director at Gloucester Insurance Ltd and Senior Adviser to Bowater Industries Limited.

Busisiwe Abigail Mabuza (*Independent Non-Executive Director*)

Busisiwe is Chair of the Board of Directors of Industrial Development Corporation of South Africa, a self-financing development finance institution established to promote sustainable economic growth and industrial development in South Africa. Industrial Development Corporation of South Africa is the largest development finance institution in sub-Saharan Africa.

Busisiwe is also Lead Independent Director of Tsogo Sun Gaming Limited, a South African gaming and entertainment group listed on the JSE. She has held several other Non-Executive Directorships, including appointments as Chair of the Board of Directors of Airports Company South Africa Limited and the Central Energy Fund Proprietary Limited.

For five years until March 2010, Busisiwe was a partner at Ethos Private Equity Proprietary Limited. For the decade prior to this, she held several positions at several South African investment firms working in both listed and non-listed investment environments.

Fani Titi (*Non-Executive Director*)

Fani has been a member of the Boards of Investec plc and Investec Limited since January 2004, has been Non-Executive Chairman of the Boards of Investec plc and Investec Limited from November 2011, and is currently Joint Chief Executive Officer of the Investec Group. Following the Demerger, Fani will remain as Chief Executive Officer of the Investec Group.

Fani has also been a member of the Investec Bank Limited Board from July 2002 and he has Chaired its Board since June 2007. He has been a member of the Investec Bank plc Board from August 2011, and its Chairman since August 2014. He served on the Boards of Investec Asset Management Holdings Proprietary Limited and Investec Asset Management Limited from May 2005 and November 2013, respectively, until May 2019.

Fani was a founding member of the private investment group Kagiso Trust Investments Limited (now Kagiso Tiso Holdings), and later co-founded and led the public offering of Kagiso Media Limited on the JSE Limited as its Chief Executive Officer. Fani was subsequently the founding Executive Chairman of the private investment firm the Tiso Group, which subsequently merged with Kagiso Trust Investments to form Kagiso Tiso Holdings. Fani stepped down from the Tiso Group in 2008 to concentrate his time on his duties at the Investec Group, while also looking after his private investment portfolio. Fani has over two decades of investment banking experience and has sat on the boards of different investee companies and JSE listed companies.

Hendrik Jacobus du Toit (*Chief Executive Officer*)

Hendrik is Joint Chief Executive Officer of the Investec Group. Hendrik entered the asset management industry in 1988 and joined Investec in 1991 as founding member of the Group. He assumed the role of Joint Chief Executive Officer of the Investec Group on 1 October 2018. Upon completion of implementation of the Demerger and Admission, Hendrik will step down from his current role and leave the Boards of Investec plc and Investec Limited to focus on Ninety One plc and Ninety One Limited.

Hendrik is a Non-Executive Director of Naspers Limited and its European subsidiary, Prosus. In 2019, Hendrik joined the Advisory Boards of the UN Business and Human Security Initiative and the Impact Investing Institute. Previously, Hendrik served as a Non-Executive Director of the Industrial Development Corporation of South Africa. He has also served on the Advisory Board of the Sustainable Development Solutions Network, the Expert Board of HM Treasury's Belt and Road initiative and as Commissioner of the Business and Sustainable Development Commission which authored the report "Better Business Better World" in 2017.

Hendrik holds an MPhil in Economics and Politics of Development from Cambridge University, as well as an MCom in Economics from Stellenbosch University.

Kim Mary McFarland (*Finance Director*)

Kim is the Finance Director of the Group, and is an Executive Director of Investec plc and Investec Limited. She joined the Group in 1993 as its Chief Financial Officer and Chief Operating Officer to manage the financial and operational growth of the business. In October 2018, Kim was appointed as an Executive Director of Investec plc and Investec Limited. Upon completion of the implementation of the Demerger and Admission, Kim will leave the Boards of Investec plc and Investec Limited to focus on her role on the Boards of Ninety One plc and Ninety One Limited.

Prior to joining the Group, Kim served as Financial and Operations Manager at two South African life insurance companies. Kim has been a Non-Executive Director of the Investment Association (UK) since September 2015.

Kim graduated from University of the Witwatersrand (Johannesburg) with degrees in Commerce and Accounting and subsequently qualified as a Chartered Accountant with Price Waterhouse in 1987. She also holds an MBA degree from the University of Cape Town. Among other awards, Kim has been named Business Woman of the Year in South Africa and has been named in multiple years as one of the top 100 most influential women in finance (Financial News).

IAM SA (*Ninety One Limited Company Secretary*)

Further details relating to IAM SA are contained in Part VII: "*Information on the Group*" and elsewhere in this document. The Boards have satisfied themselves on the competence, qualifications and experience of IAM SA.

Paula Mary Watts (*Ninety One plc Company Secretary*)

Paula was appointed as the Ninety One plc Company Secretary on 29 January 2020. She joined the Group initially as a consultant company secretary in June 2019. Paula is a seasoned Company Secretary with over 25 years of experience working mainly in public limited companies. She has spent the last 12 years working in the financial services sector in both senior permanent and interim company secretary roles. Her most recent publicly listed company role was as Interim Company Secretary for Hargreaves Lansdown plc.

Paula is a Fellow of the Institute of Chartered Secretaries and Administrators.

2. Corporate governance

2.1 UK Corporate Governance Code and King IV

Ninety One plc, as an unlisted English incorporated company, is not currently subject to the UK Corporate Governance Code (and, therefore, the principle of "comply or explain" does not apply to it). Similarly, Ninety One Limited, as an unlisted South African incorporated company, is not currently subject to King IV.

The Boards are committed to the highest standards of corporate governance. On and following Admission, the Boards and the Companies will be fully compliant with all applicable requirements of the UK Corporate Governance Code and King IV save as described in the following sentence. King IV recommends that the nomination committee's members are all Non-Executive Directors with the majority thereof being independent and that the Chief Executive Officer shall not sit on the nomination committee, however; from Admission Hendrik du Toit will be a member of the Companies' Nominations and Directors Affairs Committee.

On and following Admission: (i) Ninety One plc will report to the Shareholders on its compliance with the UK Corporate Governance Code in accordance with the Listing Rules; and (ii) Ninety One Limited will report to the Shareholders on its compliance with King IV to the extent required by the JSE Listings Requirements.

2.2 Boards composition

As of the date of this document, the Boards consist of six Non-Executive Directors and two Executive Directors. The Directors expect the Companies' current composition of the Boards to be identical to their composition as at Admission.

The UK Corporate Governance Code recommends that at least half the board of directors of a UK-listed company, excluding the chairman, 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, the director's judgement. The Companies regard all of the Non-Executive Directors, other than Fani Titi, as "Independent Non-Executive Directors" within the meaning of the UK Corporate Governance Code and free from any business or other relationship that could materially interfere with the exercise of their independent judgement. The UK Corporate Governance Code further recommends that directors should be subject to annual re-election. The Companies intend to comply with these recommendations on and following Admission.

The Companies have also adopted a Board Charter setting out the functions, obligations, rights, responsibilities and powers of the Boards. In preparing and adopting the Board Charter, the Boards have taken account of the applicable provisions of the UK Corporate Governance Code, King IV, the UK Companies Act and the SA Companies Act.

2.3 Committees

As at the date of this document, the Boards have established four common committees under the DLC Structure: an Audit and Risk Committee, a Nominations and Directors Affairs Committee, a Sustainability, Social and Ethics Committee and a Human Capital and Remuneration Committee. Further information on the four committees is set out below. As envisaged by the UK Corporate Governance Code, the Directors expect these four committees to remain in place on and following Admission, with additional appropriate committees set up should the need arise.

2.3.1 Audit and Risk Committee

The Audit and Risk Committee operates on a Group-wide basis and has responsibility for, among other things, the monitoring of the financial integrity of the financial statements of the Companies, and the involvement of the Auditors in that process, as well as reviewing the Companies' internal control and risk management systems. The Audit and Risk Committee shall also ensure compliance with its duties as set out in, *inter alia*, section 94 of the SA Companies Act and the JSE Listings Requirements.

The UK Corporate Governance Code recommends that all members of the audit committee should be independent non-executive directors and should include one member with recent and relevant financial experience. King IV recommends that all members of the audit committee should be independent, non-executive directors and that the members of the audit committee should, as a whole, have the necessary financial literacy, skills and experience to execute their duties effectively. The Audit and Risk Committee is chaired by Victoria Cochrane, and its other members are Colin Keogh and Idoya Basterrechea Aranda. The Audit and Risk Committee will meet at least three times a year.

The Audit and Risk Committee's terms of reference cover such issues as membership and the frequency of meetings, together with requirements for the quorum and the right to attend meetings, reporting responsibilities and the authority of the Audit and Risk Committee to carry out its duties.

The Audit and Risk Committee has satisfied itself as to the appropriateness of the expertise and experience of the Finance Director, Kim McFarland.

2.3.2 Nominations and Directors Affairs Committee

The Nominations and Directors Affairs Committee operates on a Group-wide basis and is responsible for considering and making recommendations to the Boards in respect of appointments to the Boards, the Boards' committees and the chairmanship of the Boards' committees. It is also responsible for keeping the structure, size and composition of the Boards under regular review, and for making recommendations to the Boards with regard to any changes necessary, which shall be in line with its policies on gender and racial diversity at Board level. The Nominations and Directors Affairs Committee also considers succession planning, taking into account the skills and expertise that will be needed by the Boards in the future.

The UK Corporate Governance Code recommends that a majority of the members of a nomination committee should be independent non-executive directors. King IV recommends that all members of the nomination committee should be non-executive directors, and the majority should be independent. The Nominations and Directors Affairs Committee is chaired by Gareth Penny, and its other members are Idoya Basterrechea Aranda and Hendrik du Toit. The Nominations and Directors Affairs Committee will meet not less than twice a year.

The Boards and the Nominations and Directors Affairs Committee recognise the benefits of having diverse Boards and view increasing diversity in this regard as an essential element in maintaining a competitive advantage. As such, the terms of reference of the Nominations and Directors Affairs Committee require account to be taken of the Boards' gender and racial mix in order to represent the demographics of the markets in which it operates and to promote diversity.

The Nominations and Directors Affairs Committee's terms of reference also cover such issues as membership and the frequency of meetings, together with requirements for the quorum for and the right to attend meetings, reporting responsibilities and the authority of the Nominations and Directors Affairs Committee to carry out its duties.

2.3.3 Sustainability, Social and Ethics Committee

The Sustainability, Social and Ethics Committee operates on a Group-wide basis, assisting the Boards with ensuring that the Companies comply with their obligations in respect of social development, good corporate citizenship and environmental, health and public safety matters.

King IV recommends that the sustainability, social and ethics committee should, subject to legal provisions, be made up of both executive and non-executive directors, with a majority being non-executive directors.

The Sustainability, Social and Ethics Committee is chaired by Busisiwe Mabuza, and its other members are Gareth Penny and Hendrik du Toit.

The Sustainability, Social and Ethics Committee's terms of reference cover such issues as membership and the frequency of meetings, together with requirements for the quorum and the right to attend meetings, reporting responsibilities and the authority of the Sustainability, Social and Ethics Committee to carry out its duties.

2.3.4 Human Capital and Remuneration Committee

The Human Capital and Remuneration Committee operates on a Group-wide basis, assisting the Boards in determining their responsibilities in relation to remuneration, including making recommendations to the Boards on the Companies' policy on executive remuneration, for example, setting the overarching principles, parameters and governance framework of the Group's remuneration policy and determining the individual remuneration and benefits package of each of the Companies' Executive Directors. The Human Capital and Remuneration Committee will also ensure compliance with the UK Corporate Governance Code in relation to remuneration and workforce engagement.

The UK Corporate Governance Code provides that a remuneration committee should comprise at least three members who are independent non-executive directors. The UK Corporate Governance Code further recommends that the chair of the board may only be a member if they were independent on appointment, but should not chair the remuneration committee. King IV recommends that all members of a remuneration committee should be non-executive directors, with the majority being independent non-executive directors, and the chairman should be an independent non-executive director. The Human Capital and Remuneration Committee will be chaired by Colin Keogh, and its other members are Idoya Basterrechea Aranda and Busisiwe Mabuza. The Human Capital and Remuneration Committee will meet not less than twice a year.

The Human Capital and Remuneration Committee's terms of reference cover such issues as membership and frequency of meetings, together with the requirements for the quorum for and the right to attend meetings, reporting responsibilities and the authority of the Human Capital and Remuneration Committee to carry out its duties.

2.4 Share dealing

The Companies have adopted, with effect from Admission, a DLC Share Dealing Policy in relation to the Shares (and any debt instruments or other instruments related to the Shares or any debt instruments, as well as interests in Forty Two Point Two) which reflect the requirements of the MAR, the FMA and the JSE Listings Requirements. The DLC Share Dealing Policy adopted will apply to the Directors and other relevant employees of the Companies with effect from Admission.

2.5 Relationship Agreement

On 29 November 2019, the Companies entered into the Relationship Agreement with Investec, pursuant to which (among other things) Bank and Wealth has the right to appoint a Non-Executive Director to the Boards. Fani Titi is the initial Investec Group appointee. Although the Relationship Agreement is not required pursuant to the Listing Rules (given Investec's proposed shareholding in Ninety One plc on Admission), it has been entered into on a voluntary basis. Please see paragraph 21.1.3 of Part XVIII: "*Additional Information – Relationship Agreement*" for a more detailed description of the Relationship Agreement.

2.6 Conflicts of interest

Hendrik du Toit and Kim McFarland are Directors of Forty Two Point Two. Therefore, potential conflicts of interest may arise between the duties owed by such Directors to the Companies and their duties to Forty Two Point Two. There are no other potential conflicts of interest between any duties owed by the Directors to the Companies and to their private interests or other duties.

See paragraph 13 of Part XVIII: "*Additional Information – Forty Two Point Two and the Marathon Trust*" for further details regarding Forty Two Point Two.

2.7 **Borrowing powers**

The borrowing powers of the Directors and the directors of the Group's Major Subsidiaries have not been exceeded during the past three years and there have not been any exchange control or other restrictions on the borrowing powers of the Companies or any of its Major Subsidiaries, other than those imposed by law.

The business of the Companies shall be managed by the Boards which may exercise all the powers of the Companies.

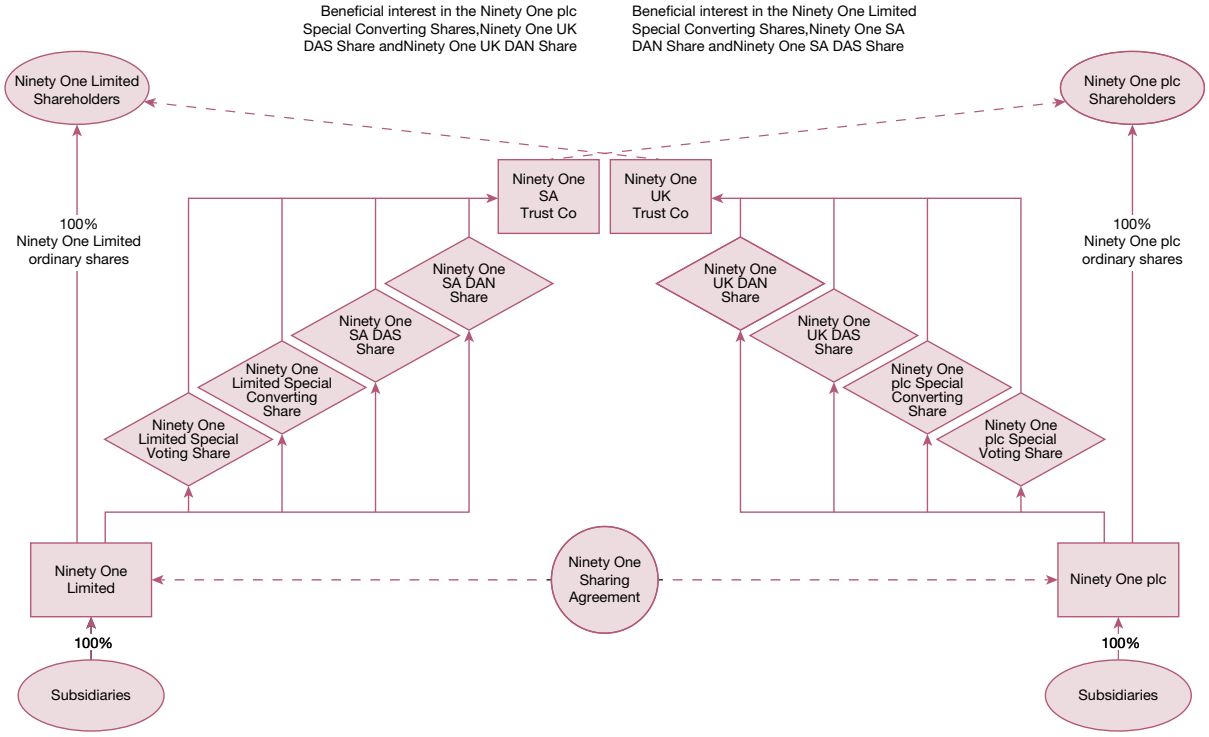
The directors of each Major Subsidiary may exercise all powers of that Major Subsidiary to borrow or raise money, and to grant any mortgage or charge over its undertakings, property and uncalled capital, or any part thereof, and subject to the provisions of the SA Companies Act or Companies (Guernsey) Law (as applicable), to issue debentures, debenture stock and other securities whether outright or as a security for any debt, liability or obligation of the Major Subsidiary or of any third party (including any member).

DETAILS OF THE DLC STRUCTURE

A summary of the DLC Structure, as it will exist and operate following the establishment of the structure, and the DLC Agreements is set out in this Part X: "*Details of the DLC Structure*".

1. Illustration of the DLC Structure

The following is a simplified illustration of the DLC Structure:



2. Key features of the DLC Structure

2.1 Separate entities and listings

Ninety One plc and Ninety One Limited will have separate corporate identities and separate stock exchange listings.

Following Admission, Ninety One plc will be eligible for inclusion in the FTSE indices. In South Africa, it is expected that Ninety One plc and Ninety One Limited will be considered together, as a single enterprise, for the purposes of index inclusion.

2.2 Holdings of ordinary shares in Ninety One plc and Ninety One Limited

Following implementation of the DLC Structure, any ordinary share held in either Ninety One plc or Ninety One Limited gives the holder an equivalent effective economic interest in the Group.

2.3 Unified Boards and management

The Companies will operate as a single corporate group. As Ninety One plc and Ninety One Limited will be separate corporate entities, they will each continue to have a board of directors, but the Ninety One plc Board and Ninety One Limited Board will be comprised of the same persons. The Ninety One plc Board and the Ninety One Limited Board will, in addition to their duties to the respective companies, have regard to the interests of both the Ninety One plc Shareholders and the Ninety One Limited Shareholders as if the two companies were a single economic enterprise.

Details of the proposed membership of the Boards are set out in paragraph 1 of Part IX: "*Directors and Corporate Governance – Directors and Company Secretaries*".

2.4 **Equivalent economic interests**

Both Ninety One plc Shareholders and Ninety One Limited Shareholders will have equivalent economic and voting interests in the Companies. The economic and voting interests represented by an ordinary share in one company relative to the economic and voting interests of an ordinary share in the other company will be determined by reference to a ratio known as the "**Equalisation Ratio**".

Following the Demerger, the economic and voting interests attached to each Ninety One plc Share and each Ninety One Limited Share are the same, on the basis that the initial Equalisation Ratio is 1:1.

This means, for example, that the amount of any cash dividend paid in respect of each Ninety One plc Share will normally be matched by an equivalent cash dividend in respect of each Ninety One Limited Share, and *vice versa*. To facilitate such matching dividends being paid, Ninety One plc and Ninety One Limited will each issue Dividend Access Shares to UK Trust Co and SA Trust Co, respectively.

For further information in relation to equalisation, and the payment of dividends, see paragraphs 5 and 6 of this Part X.

2.5 **Voting arrangements**

Under the terms of the DLC Agreements, the Ninety One plc Articles and the Ninety One Admission Limited MoI, special voting arrangements are in place so that the ordinary shareholders of both companies effectively vote together as a single decision-making body on matters affecting the shareholders of each company in similar ways ("**Joint Electorate Actions**"), which are described in paragraph 7.2 of this Part X. For so long as the Equalisation Ratio remains 1:1, each Ninety One plc Share will effectively have the same voting rights as each Ninety One Limited Share on Joint Electorate Actions.

In the case of certain actions in relation to which the two bodies of Shareholders may have divergent interests ("**Class Rights Actions**" which are described in paragraph 7.3 of this Part X), the company wishing to carry out the Class Rights Action would require the prior approval of the Shareholders in the other company voting separately and the approval of its own Shareholders voting separately.

These voting arrangements will be secured through the constitutional documents of the two companies, the Sharing Agreement, the Voting Agreement and the rights attaching to the specially created special voting shares ("**Special Voting Shares**") issued by Ninety One plc and Ninety One Limited, respectively, and held, in each case, by the relevant Trust Company.

For more information about the voting arrangements, see paragraph 7 of this Part X.

2.6 **Restrictions on takeovers of one company only**

The Ninety One plc Articles and the Ninety One Limited MoI ensure that a person cannot gain control of one company without having made an offer to the shareholders of the other company on equivalent terms.

Further details in relation to these provisions are set out in paragraph 11 of this Part X.

2.7 **Termination**

On termination of the DLC Structure (for whatever reason), it will be necessary to ensure that the structure is unwound so that, immediately following termination of the DLC Structure, the economic interest of a holder of one Ninety One plc Share relative to the economic interest of a holder of one Ninety One Limited Share is in proportion to the Equalisation Ratio at the moment of termination of the DLC Structure.

To ensure that this is the case, each of Ninety One plc and Ninety One Limited will issue to UK Trust Co and SA Trust Co, respectively, a new class of special converting shares ("**Special Converting Shares**"). Prior to termination of the DLC Structure, the Special Converting Shares will have only limited rights. The Special Converting Shares issued by Ninety One plc will be held on trust for the Shareholders in Ninety One Limited, and *vice versa*. Following termination of the DLC Structure (and save for in specific circumstances set out in the Sharing Agreement), the Special Converting Shares will be redesignated as ordinary shares in the relevant company, with the same rights as the existing ordinary shares in that company, and the Shareholders that are the beneficiaries of the trust arrangements, with certain exceptions, will be entitled to have the converted shares transferred to them.

Further details on termination of the DLC Structure, and the Special Converting Shares and the transfer thereof, are set out in paragraph 14 of this Part X.

2.8 **The Trust Companies**

As set out above, UK Trust Co holds the Ninety One plc Special Voting Share, the Ninety One plc Special Converting Shares, the UK DAN Share and the UK DAS Share and SA Trust Co holds the Ninety One Limited Special Voting Share, the Ninety One Limited Special Converting Shares, the SA DAN Share and the SA DAS Share. Further details of the UK DAN Share, the UK DAS Share, the SA DAN Share and the SA DAS Share are set out in paragraph 6.4 of this Part X.

SA Trust Co holds the SA DAN Share and the SA DAS Share on trust for the benefit of the non-South African resident Ninety One plc Shareholders and the South African resident Ninety One plc Shareholders, respectively. The Ninety One Limited Special Converting Shares are also held on trust for the Ninety One plc Shareholders.

UK Trust Co holds the UK DAN Share and the UK DAS Share on trust for the benefit of the non-South African resident Ninety One Limited Shareholders and the South African resident Ninety One Limited Shareholders, respectively. The Ninety One plc Special Converting Shares are also held on trust for the Ninety One Limited Shareholders.

UK Trust Co also holds a "special rights share" in Ninety One plc and SA Trust Co holds a "special rights share" in Ninety One Limited. The purpose of these shares, which carry limited other rights, is to facilitate the issue to the relevant Trust Company of Ninety One plc Special Converting Shares or Ninety One Limited Special Converting Shares, as applicable, including in the event of any such Special Converting Shares being required to be issued in the future in order to ensure that the Ninety One plc Equivalent Number or the Ninety One Limited Equivalent Number, as the case may be, is in issue, and to facilitate the issue of the Dividend Access Shares. Further details in relation to the Special Rights Shares are set out in paragraph 6.6 of this Part X.

The rights and obligations of the Trust Companies in relation to these shares are set out in the DLC Agreements (see paragraph 9 of this Part X), the Ninety One plc Articles and the Ninety One Limited MoI (see paragraph 8.1 of this Part X).

UK Trust Co is incorporated in England and Wales and SA Trust Co is incorporated in South Africa. The shares in the Trust Companies will be held by a subsidiary of one of the two Trust Corporations.

The Trust Corporations will have responsibility for the administration of the Trust Companies pursuant to the Administration Agreement (which is summarised in paragraph 10 of this Part X).

3. **DLC Structure Principles**

The Sharing Agreement provides that the relationship between Ninety One plc and Ninety One Limited will be underpinned by the DLC Structure Principles which are as follows:

(a) the Ninety One plc group and the Ninety One Limited group must operate as if they were a single corporate group, with Ninety One plc and Ninety One Limited having boards of directors comprised of the same individuals;

(b) the directors of Ninety One plc and Ninety One Limited will, in addition to their duties to the company concerned, have regard to the interests of Ninety One plc Shareholders and Ninety One Limited Shareholders as if the two companies were a single unified economic enterprise, and for that purpose the directors of each company will take into account, in the exercise of their powers, the interests of the Shareholders of the other company; and

(c) the DLC Equalisation Principles (see paragraph 5.1 of this Part X) must be observed.

In the Sharing Agreement, Ninety One plc and Ninety One Limited agree, subject to applicable regulation (including the FinSurv conditions set out in paragraph 15 of this Part X), to pursue the DLC Structure Principles.

4. Ninety One management

Each of Ninety One plc and Ninety One Limited has a board of directors and each board comprises the same individuals.

4.1 Board meetings

The Ninety One plc Board and the Ninety One Limited Board will hold regularly scheduled meetings each year. Board meetings will generally be combined meetings of the Ninety One plc Board and the Ninety One Limited Board. Meetings of either the Ninety One plc Board or the Ninety One Limited Board on a standalone basis to discuss matters relating specifically to the business of either Ninety One plc or Ninety One Limited (as the case may be) will be held from time to time as required. It is expected that the two companies will be managed such that Ninety One plc is resident in the United Kingdom and Ninety One Limited is resident in South Africa. This will impact the location of board meetings.

Resolutions of the Ninety One plc Board and/or the Ninety One Limited Board may, provided that the Directors consider that it is consistent with preserving the tax residence status of each of Ninety One plc and Ninety One Limited, be effected by way of written resolution of the Directors.

4.2 Board responsibility

The Ninety One plc Board and the Ninety One Limited Board will, respectively, pursue the DLC Structure Principles (see paragraph 3 of this Part X).

Meetings which comprise meetings of both the Ninety One plc Board and the Ninety One Limited Board, or (where the Directors consider it necessary in order to preserve the tax residence status of Ninety One plc and Ninety One Limited) separate meetings of the Ninety One plc Board and the Ninety One Limited Board at which matters which do not relate specifically to the business of the company concerned are discussed, will consider the overall direction of the businesses of the Group, including major policy and strategic decisions of the Group. For example, the following types of matters which would affect the Companies will be considered at such meetings:

(a) setting overall strategy and direction of the businesses;

(b) taking decisions on integrating or separating major businesses on a global scale;

(c) approving acquisitions and disposals and debt financing;

(d) declaring dividends; and

(e) approving the Group accounts and appointing and removing the Auditors of the Group.

Where, in the circumstances described above, separate meetings of the Ninety One plc Board and the Ninety One Limited Board consider the overall direction of the business of the Group, the Directors present at each of such meetings will take decisions acting only in the capacity as Directors of the relevant Board, although, consistent with the DLC Structure Principles, in taking such decisions they will have regard to the interests of the Shareholders as a whole. For practical reasons, having regard to the different locations of such separate meetings, at each such meeting the individual Directors present may not in all respects be identical, although the Directors do not believe that this would result in any departure from the application of the DLC Structure Principles.

Meetings which comprise meetings of either the Ninety One plc Board only or the Ninety One Limited Board only will (in addition to the circumstances where such separate meetings are required to be held, as described in paragraph 4.1 of this Part X) be responsible among other things for taking decisions regarding corporate and administrative functions relating exclusively to that company.

4.3 Board members

The composition of the Boards following implementation of the DLC Structure is set out in paragraph 1 of Part IX: "*Directors and Corporate Governance – Directors and Company Secretaries*".

5. **Equalisation of voting and economic rights**

5.1 **DLC Equalisation Principles**

The principles to be observed in relation to the rights of the Ninety One plc Shares and the Ninety One Limited Shares are set out below:

(a) The Equalisation Ratio will define the economic benefits of one Ninety One plc Share relative to one Ninety One Limited Share (and vice versa) and the relative voting rights of one Ninety One plc Share and one Ninety One Limited Share on Joint Electorate Actions, so that:

(i) where the Equalisation Ratio is 1:1, a holder of one Ninety One plc Share and a holder of one Ninety One Limited Share will, as far as practicable:

(A) receive equivalent economic benefit (as to capital and dividends); and

(B) enjoy equivalent rights as to voting in relation to Joint Electorate Actions; and

(ii) where the Equalisation Ratio is not 1:1, such economic benefits and such voting rights as between a Ninety One plc Share and a Ninety One Limited Share will be in proportion to the prevailing Equalisation Ratio.

For the purposes of the DLC Equalisation Principles, the economic benefit of a Ninety One plc Share or a Ninety One Limited Share will include any rights or benefits accruing to the Shareholders by way of payments made or other actions taken in respect of the Dividend Access Shares, being any distribution or any action affecting the amount or nature of or economic benefit derived from issued equity share capital, including any cash dividend, distribution *in specie*, offer by way of rights, bonus issue or capitalisation issue, repayment or reduction of capital, sub-division or consolidation, share buy-back or amendment of the rights of any shares or a series of one or more of such actions, but excluding any change in the Equalisation Ratio (an "**Action**").

(b) If Ninety One plc or Ninety One Limited undertakes an Action which, having regard to the prevailing Equalisation Ratio, would have a disproportionate economic effect on the holders of ordinary shares in one company relative to its effect on the holders of ordinary shares in the other company, then, subject to paragraphs 5.2 and 5.3 of this Part X, an appropriate adjustment to the Equalisation Ratio will be made unless:

(i) a matching action, being, in relation to an Action in respect of either of Ninety One plc Shareholders or Ninety One Limited Shareholders (the "Initial Action"), an Action in respect of the Shareholders in the other company in relation to which the Ninety One plc Board and the Ninety One Limited Board resolve that it has as far as is practicable an economic effect on the Shareholders of such other company equivalent, but not necessarily identical, to the economic effect of the Initial Action on the Shareholders of the company undertaking the Initial Action (a "**Matching Action**") has been or is to be undertaken; or

(ii) such Action has received approval as a Class Rights Action.

(c) The Ninety One plc Equivalent Number of Ninety One plc Special Converting Shares will at all times be in issue and the Ninety One Limited Equivalent Number of Ninety One Limited Special Converting Shares will at all times be in issue.

5.2 **Actions which do not have a disproportionate economic effect**

The following Actions will not be considered to have a disproportionate economic effect on the Shareholders in one company relative to its effect on the shareholders in the other company:

(a) any allotment and issue of shares or the granting of rights over shares by either Ninety One plc or Ninety One Limited at a price not less than the prevailing market value on the date of grant, pursuant to any employee share scheme;

(b) any allotment and issue of shares in either Ninety One plc or Ninety One Limited which is not an issue on a pre-emptive basis;

(c) any buy-back, repurchase or redemption of any ordinary shares of either company (including a share cancellation in connection with a reduction of capital):

(i) on market in compliance with the rules of the relevant stock exchange and listing rules; or

(ii) at or below market value; or

(iii) pursuant to a general offer to shareholders in both Ninety One plc and Ninety One Limited which (applying the Equalisation Ratio) is made on equivalent terms;

(d) any allotment and issue of shares *in lieu* of the payment of the whole or any part of a cash dividend where (on a per ordinary share basis) the quantum of the discount offered to the Shareholders in respect of the subscription price for further ordinary shares in the issuing company is less than the greater of: (x) 5 per cent. of the market value of an ordinary share of the issuing company at the date of declaration of the relevant dividend; and (y) the tax that would be saved by the issuing company by effecting such issue rather than paying a cash dividend;

(e) arrangements entered into by Ninety One plc or Ninety One Limited for the purchase of Shares under a dividend re-investment plan, the costs of which will be borne by the shareholder; and

(f) any suspension or curtailment of the dividend, voting or other rights of any shareholder of Ninety One plc and/or Ninety One Limited pursuant to any provision of the Ninety One plc Articles or Ninety One Limited MoI.

5.3 **Unadjusted Actions**

In addition to the above, there is no requirement for an adjustment to the Equalisation Ratio, a Matching Action or approval as a Class Rights Action where an Action (an "**Unadjusted Action**") is taken in circumstances where the Boards consider that the effect of such Action upon a Ninety One plc Shareholder relative to its effect on a Ninety One Limited Shareholder is not material. For this purpose, an effect is taken to be "not material" if:

(a) the costs to Ninety One plc and Ninety One Limited of taking a Matching Action or seeking approval as a Class Rights Action would be, in the opinion of the Boards, disproportionate to the economic benefit conferred by such Action upon the Ninety One plc Shareholders or Ninety One Limited Shareholders (as the case may be) for whose benefit a Matching Action would otherwise (in the absence of an adjustment to the Equalisation Ratio or approval as a Class Rights Action) be required; and

(b) the adjustment that would be required to be made to the Equalisation Ratio would result in an adjustment to the relevant element of the Equalisation Ratio of less than 0.5 per cent.

However, in considering the application of the DLC Equalisation Principles to any subsequent Actions, the Ninety One plc Board and the Ninety One Limited Board will take into account the effect of all prior Unadjusted Actions in deciding whether a Matching Action, an adjustment to the Equalisation Ratio or approval as a Class Rights Action is appropriate.

5.4 **Tax, exchange rates and market fluctuations**

In relation to any Action, when calculating any economic effect on Ninety One Limited Shareholders or Ninety One plc Shareholders:

(a) any tax payable by or on behalf of, or tax benefit arising to, such Shareholders will be disregarded; and

(b) in relation to any cash dividend, the amount of such dividend will be calculated before the deduction of any withholding taxes (and paid net of any such withholding taxes) and no account will be taken of any obligation on the company making such distribution to pay any tax in relation to such distributions (such tax being payable in addition to the dividend).

The Ninety One plc Board and the Ninety One Limited Board will not be required to take into account any fluctuations in exchange rates or in the market value of any securities or any other changes in circumstances arising after the date on which they make a determination as to the form and value of any Matching Action or the calculation of any adjustment to the Equalisation Ratio.

5.5 **Timing of Action and Matching Action**

A Matching Action will be implemented as soon as practicable after or, if possible, simultaneously with the Action giving rise thereto.

5.6 **Applicable regulation**

Ninety One plc and Ninety One Limited must not take any Action which would cause any Ninety One entity to be in breach of any applicable regulation.

5.7 **Suspension of rights**

There will be no need to make any adjustment to the Equalisation Ratio or to do or omit to do any other thing as a result of the dividend, voting or other rights of any Shareholder being suspended or curtailed pursuant to any provision of the Ninety One plc Articles or the Ninety One Limited MoI.

6. Cash dividends

6.1 **Currency**

Ninety One plc will declare and pay its dividends and other distributions in pounds sterling. Ninety One plc Shareholders will receive dividends in pounds sterling. Ninety One Limited will declare and pay its dividends and other distributions in Rand. If Ninety One plc is to pay a dividend to the Ninety One Limited Shareholders via its Dividend Access Shares, the Ninety One Limited Shareholders will be paid such dividend in Rand and, if Ninety One Limited is to pay a dividend to the Ninety One plc Shareholders via its Dividend Access Shares, the Ninety One plc Shareholders will be paid such dividend in pounds sterling as appropriate.

6.2 **Ninety One matching dividends**

If it is proposed that the Shareholders of one company should receive a cash dividend, then (subject to paragraph 6.3 of this Part X) the Shareholders of the other company must receive, as nearly as practicable to the same time, a matching cash dividend (a "**Matching Dividend**") of an equivalent cash amount per Share having regard to the then prevailing Equalisation Ratio and the applicable exchange rate. The applicable exchange rate used in applying the Equalisation Ratio will be the average of the ZAR/GBP buying and selling spot rates quoted by Bloomberg at 11:00 a.m. (South African time) on the date on which a dividend is declared by the later of Ninety One plc and Ninety One Limited to do so. The Boards have the power to agree a different basis for the exchange rate.

To effect the payment of Matching Dividends, Ninety One plc and Ninety One Limited will make payments on either their ordinary shares or their Dividend Access Shares or both. To enable payments to be made on their respective ordinary shares and Dividend Access Shares, Ninety One plc and Ninety One Limited will be entitled to enter into such transactions with each other or third parties as the Boards agree to be necessary or desirable and/or to arrange for payments to be made on the Equalisation Shares (if issued).

For further information in relation to Dividend Access Shares see paragraph 6.4 of this Part X and for further information on the Equalisation Shares see paragraph 6.5 of this Part X. The payment of Matching Dividends will not restrict either company's ability to offer to its Shareholders the ability to elect to subscribe for further shares of such company *in lieu* of the whole or any part of a cash dividend.

6.3 **No Matching Dividend to be paid**

If Ninety One plc or Ninety One Limited is prohibited by applicable regulation or is otherwise unable to declare, pay or otherwise make all or any portion of such a Matching Dividend or the directors of Ninety One plc and Ninety One Limited decide that it is not practicable or desirable to declare or pay a Matching Dividend, then Ninety One plc and Ninety One Limited will, so far as it is practicable to do so, take some other form of Matching Action and the DLC Equalisation Principles will apply.

6.4 **Dividend Access Shares**

To facilitate the payment of Matching Dividends, dividend access trust arrangements will be established as part of the DLC Structure.

Ninety One plc will issue two Dividend Access Shares, the UK DAS Share and the UK DAN Share to UK Trust Co. UK Trust Co will hold the UK DAS Share and the UK DAN Share separately on trust for the benefit of the South African resident Ninety One Limited Shareholders and the non-South African resident Ninety One Limited Shareholders, respectively. Ninety One plc will undertake on behalf of UK Trust Co the distribution of any dividend payments, made by Ninety One plc, to such Shareholders.

Similarly, Ninety One Limited will issue two Dividend Access Shares, the SA DAS Share and the SA DAN Share to SA Trust Co. SA Trust Co holds the SA DAS Share and the SA DAN Share separately on trust for the benefit of the South African resident Ninety One plc Shareholders and the non-South

African resident Ninety One plc Shareholders, respectively. Ninety One Limited will undertake on behalf of SA Trust Co the distribution of any dividend payments, made by Ninety One Limited, to such Shareholders.

The Dividend Access Shares enable, therefore, each company to pay dividends to the Shareholders in the other company. For example, in respect of any dividend declared or announced by the companies, a South African resident Ninety One plc Shareholder may receive part of their dividend entitlement via a payment made on his Ninety One plc Shares and the remainder via a payment on the SA DAS Share. This facility may be used by the Boards to address imbalances in the Companies' distributable reserves and/or to address the effect of South African exchange controls and/or if they otherwise consider it necessary or desirable.

6.5 Equalisation Shares

The Sharing Agreement provides that a share (a "**Equalisation Share**") may be allotted and issued by a member of each company's group to a member of the other company's group. Distributions may be made on these Equalisation Shares if the Boards consider it necessary or desirable, which may include a distribution to enable the payment of Matching Dividends. There is no current intention to issue such shares.

6.6 Special Rights Shares

To facilitate the issue of Ninety One plc Special Converting Shares following the Demerger, Ninety One plc will issue the Ninety One plc Special Rights Share to UK Trust Co. The Ninety One plc Special Rights Share will not have any rights to vote, except on a resolution either to vary the rights attached to such share or on a winding-up of Ninety One plc, nor any right to receive any dividend or other distribution by Ninety One plc. The Directors may, however, capitalise any sum standing to the credit of any of Ninety One plc's reserve accounts or any sum standing to the credit of the profit and loss account in circumstances where any such sum is appropriated to the holder of the Ninety One plc Special Rights Share and applied on behalf of such holder in or towards paying up in full unissued Ninety One plc Special Converting Shares if the issue of such Ninety One plc Special Converting Shares to the holder of the Ninety One plc Special Rights Share is necessary and expedient in order to maintain the Ninety One plc Equivalent Number.

To the extent required to facilitate the issue of the Ninety One Limited Special Converting Shares, the SA DAN Share, the SA DAS Share and the Ninety One Limited Special Voting Share, Ninety One Limited may, at the discretion of the directors, issue the Ninety One Limited Special Rights Share to SA Trust Co. The Ninety One Limited Special Rights Share will not have any rights to vote, except on a resolution either to vary the rights attached to such share or on a winding-up of Ninety One Limited, nor any right to receive any dividend or other distribution by Ninety One Limited. The Directors may, however, capitalise any sum standing to the credit of any of Ninety One Limited's reserve accounts or any sum standing to the credit of the profit and loss account in circumstances where any such sum is appropriated to the holder of the Ninety One Limited Special Rights Share and applied on behalf of such holder in or towards paying up in full:

(a) unissued Ninety One Limited Special Converting Shares if the issue of such Ninety One Limited Special Converting Shares to the holder of the Ninety One Limited Special Rights Share is necessary and expedient in order to maintain the Ninety One Limited Equivalent Number; and/or

(b) the SA DAS Share and the SA DAN Share.

7. Shareholder voting rights

7.1 Categories of Shareholder decisions

There will be four categories of matters or actions requiring Shareholder decisions:

(a) Joint Electorate Actions (described in paragraph 7.2 of this Part X);

(b) Class Rights Actions (described in paragraph 7.3 of this Part X);

(c) other actions: any action which is neither a Class Rights Action nor a Joint Electorate Action, but which, under applicable regulation, or under the Ninety One plc Articles or the Ninety One Limited MoI, requires Shareholder approval. Such actions require only the approval of the Shareholders of the company proposing to take the relevant action, unless the Boards decide that such action should be treated as a Joint Electorate Action or Class Rights Action; and

(d) procedural resolutions: procedural resolutions, where considered at a Shareholders' meeting at which the holder of the Ninety One plc Special Voting Share and/or the holder of the Ninety One Limited Special Voting Share is entitled to vote, may be voted on by the relevant holder either in person in accordance with the directions of the chair of the meeting or by proxy given to the chair of the meeting, who will cast such votes as they think fit.

7.2 Joint Electorate Actions

The Ninety One plc Shareholders and the Ninety One Limited Shareholders will vote together as a joint electorate on matters affecting them in similar ways ("**Joint Electorate Actions**"). The special voting procedure in respect of Joint Electorate Actions is described below.

7.2.1 Matters which require approval as Joint Electorate Actions

Matters which will require approval as a Joint Electorate Action are as follows:

(a) the appointment, removal or re-election of any director of Ninety One plc or of Ninety One Limited, or both of them;

(b) the receipt or adoption of the annual accounts of Ninety One plc or of Ninety One Limited, or both of them, or accounts prepared on a combined basis;

(c) a change of name by Ninety One plc or Ninety One Limited, or both of them;

(d) the appointment or removal of the Auditors of Ninety One plc or of Ninety One Limited, or both of them;

(e) any proposed acquisition, disposal or other transaction of the kinds referred to in the JSE Listings Requirements or the UK Listing Rules which (in any case) is required under those regulations to be authorised by holders of ordinary shares in either company;

(f) any matter considered at an annual general meeting of Ninety One plc or Ninety One Limited (or at a general meeting convened on the same day as an annual general meeting); and

(g) any other matter which the Boards decide (either in a particular case or generally) should be approved as a Joint Electorate Action.

7.2.2 Voting procedures for Joint Electorate Actions

Joint Electorate Actions must be submitted to both the Ninety One plc Shareholders and the Ninety One Limited Shareholders for approval at separate meetings but acting as a joint electorate. Parallel Shareholders' meetings will be held on the same date or as close together in time as practicable.

Procedure for Joint Electorate Actions	
The Ninety One plc meeting	**The Ninety One Limited meeting**
• At the Ninety One plc Shareholders' meeting, voting will be on a poll which will (as regards the Ninety One plc Special Voting Share) remain open for sufficient time to allow the parallel Ninety One Limited Shareholders' meeting to be held and for the votes attaching to the Ninety One plc Special Voting Share to be ascertained and cast on the poll.	• At the corresponding Ninety One Limited Shareholders' meeting, voting will be on a poll which will (as regards the Ninety One Limited Special Voting Share) remain open for sufficient time to allow the parallel Ninety One plc Shareholders' meeting to be held and for the Ninety One Limited Special Voting Share votes to be ascertained and cast on the poll.

• On the poll:
  • each fully paid Ninety One plc ordinary share (other than those that are subject to voting restrictions in respect of the relevant resolution) will have one vote; and
	• On the poll:
	  • each Ninety One Limited ordinary share (other than those that are subject to voting restrictions in respect of the relevant resolution) will have one vote; and

Procedure for Joint Electorate Actions	
The Ninety One plc meeting	**The Ninety One Limited meeting**
• UK Trust Co, as holder of the Ninety One plc Special Voting Share, will cast (if the Equalisation Ratio is 1:1) the same number of votes as were validly cast for and against the equivalent resolution at the parallel Ninety One Limited Shareholders' meeting (rounded up, if necessary to the nearest whole number).	• SA Trust Co, as holder of the Ninety One Limited Special Voting Share, will cast (if the Equalisation Ratio is 1:1) the same number of votes as were validly cast for and against the equivalent resolution at the parallel Ninety One plc Shareholders' meeting (rounded up, if necessary, to the nearest whole number).
• Under the Voting Agreement, UK Trust Co will be obliged to cast these votes for and against the relevant resolution in accordance with the votes cast for and against the equivalent resolution by Ninety One Limited ordinary shareholders on the poll at the parallel Ninety One Limited Shareholders' meeting.	• Under the Voting Agreement, SA Trust Co will be obliged to cast these votes for and against the relevant resolution in accordance with the votes cast for and against the equivalent resolution by Ninety One plc ordinary shareholders on the poll at the parallel Ninety One plc Shareholders' meeting.
• Through this mechanism, the votes of the Ninety One Limited ordinary shareholders at the Ninety One Limited Shareholders' meeting will be reflected at the Ninety One plc meeting by UK Trust Co casting the votes on the Ninety One plc Special Voting Share precisely to reflect voting at the parallel Ninety One Limited Shareholders' meeting.	• Through this mechanism, the votes of the Ninety One plc ordinary shareholders at the Ninety One plc Shareholders' meeting will be reflected at the Ninety One Limited Shareholders' meeting by SA Trust Co casting the votes on the Ninety One Limited Special Voting Share precisely to reflect voting at the parallel Ninety One plc Shareholders' meeting.

The results of the Joint Electorate Action will be announced after both polls have closed.

If the Equalisation Ratio at any stage ceases to be 1:1, the number of Ninety One Limited Special Converting Shares allotted and issued and the number of votes attaching to the Ninety One plc Special Voting Share will be adjusted to reflect the then prevailing Equalisation Ratio so as to ensure that each Ninety One plc Share and each Ninety One Limited Share carries appropriate voting rights in relation to Joint Electorate Actions.

7.2.3 **Voting threshold for Joint Electorate Actions**

A Joint Electorate Action will be taken to have been approved if it is approved by:

(a) an ordinary resolution (or a special resolution if required by applicable regulation or the Ninety One plc Articles) of the Ninety One plc Shareholders and UK Trust Co (as holder of the Ninety One plc Special Voting Share), voting as a single class; and

(b) an ordinary resolution (or a special resolution if required by applicable regulation or the Ninety One Limited MoI) of the Ninety One Limited Shareholders and SA Trust Co (as holder of the Ninety One Limited Special Voting Share), voting as a single class.

In this paragraph 7.2, ordinary resolution means any resolution of shareholders which requires a simple majority of votes cast to be in favour in order to be approved, and special resolution means any resolution which requires a 75 per cent. majority of votes cast to be in favour in order to be approved or such other affirmative vote or quorum prescribed by applicable regulation, the Ninety One plc Articles or the Ninety One Limited MoI which is greater than or different from that required for an ordinary resolution.

7.3 **Class Rights Actions**

Class Rights Actions are normally those matters on which Ninety One plc Shareholders and Ninety One Limited Shareholders may have divergent interests or which involve an amendment either to the DLC Agreements or the DLC Structure-specific provisions ("**entrenched provisions**") in either the Ninety One plc Articles or the Ninety One Limited MoI.

7.3.1 **Matters which require approval as Class Rights Actions**

Matters which will require approval as a Class Rights Action are as follows:

(a) the amendment or termination of the Sharing Agreement, the Voting Agreement, the SCS Trust Deeds or the DAT Deeds other than:

(i) any amendment which is formal or technical in nature and which would not be materially prejudicial to the interests of the Shareholders of either company or is necessary to correct any inconsistency or manifest error; or

(ii) any amendment to conform the terms of the Voting Agreement, the SCS Trust Deeds or the DAT Deeds with the terms of the Sharing Agreement,

in each case, as agreed between the Boards;

(b) the amendment to, removal or alteration of the effect of (including the ratification of any breach of) any entrenched provision in the Ninety One plc Articles or the Ninety One Limited MoI other than:

(i) any amendment which is formal or technical in nature and would not be materially prejudicial to the interests of any Shareholders of either company or is necessary to correct any inconsistency or manifest error; or

(ii) any amendment to conform such provisions with the Sharing Agreement,

in each case, as agreed between the Boards;

(c) any Action by one company which, having regard to the prevailing Equalisation Ratio, has a disproportionate economic effect on the Shareholders of one company, but in respect of which neither a Matching Action is to be taken nor an adjustment to the Equalisation Ratio made; and

(d) any action or matter which the Boards agree (either in a particular case or generally) should be treated as a Class Rights Action.

If a particular matter falls both within the list of matters which constitute Joint Electorate Actions (see paragraph 7.2 of this Part X) and the list of matters which constitute Class Rights Actions, such matter will be treated as a Class Rights Action.

7.3.2 **Voting threshold for Class Rights Actions**

Class Rights Actions of a kind described in:

(a) paragraphs 7.3.1(a) and 7.3.1(b) of this Part X will require approval by special resolution;

(b) paragraph 7.3.1(c) of this Part X will require approval by ordinary resolution unless either applicable regulation imposes a requirement on either company for a special resolution, in which case, that company will require a special resolution; and

(c) paragraph 7.3.1(d) of this Part X will require approval by ordinary resolution, unless either applicable regulation imposes a requirement on either company for a special resolution, in which case, that company will require a special resolution, or the Boards decide that it requires a special resolution.

The majority vote in favour required to approve such resolutions will be referred to as the "**Required Majority**".

Class Rights Actions will require approval by:

(a) an ordinary resolution or a special resolution (as the case may be) of the Ninety One plc Shareholders and UK Trust Co (as holder of the Ninety One plc Special Voting Share) voting as a single class; and

(b) an ordinary resolution or a special resolution (as the case may be) of the Ninety One Limited Shareholders and SA Trust Co (as holder of the Ninety One Limited Special Voting Share) voting as a single class.

7.3.3 **Voting procedures for Class Rights Actions**

The following voting arrangements apply in relation to Class Rights Actions:

Procedure for Class Rights Actions requiring approval of both companies	
Ninety One plc	**Ninety One Limited**
• Ninety One plc ordinary shareholder and the holder of the Ninety One plc Special Voting Share will vote as a single class at the general meeting of Ninety One plc. Voting will be on a poll with each fully paid Ninety One plc ordinary share (other than those that are subject to voting restrictions in respect of the relevant resolution) having one vote per share.	• The Ninety One Limited Shareholders' meeting will be held as close in time to the corresponding meeting of Ninety One plc ordinary shareholders as is practicable. The relevant resolution will be put to the Ninety One Limited ordinary shareholders and the holder of the Ninety One Limited Special Voting Share, voting as a single class at a general meeting of Ninety One Limited. Voting will be on a poll with each Ninety One Limited ordinary share (other than those that are subject to voting restrictions in respect of the relevant resolution) having one vote per share.
• UK Trust Co, as holder of the Ninety One plc Special Voting Share, will not vote unless the proposed action has not been approved by the Required Majority of the Ninety One Limited ordinary shareholders at the parallel Ninety One Limited Shareholders' meeting at the close of the poll at that meeting, in which case, UK Trust Co will vote to defeat the resolution at the Ninety One plc meeting (and the Ninety One plc Special Voting Share will, as a result of the rights attached thereto, carry sufficient votes to effect such defeat).	• SA Trust Co, as holder of the Ninety One Limited Special Voting Share, will not vote unless the proposed action has not been approved by the Required Majority of the Ninety One plc ordinary shareholders at the parallel Ninety One plc Shareholders' meeting at the close of the poll at that meeting, in which case, SA Trust Co will vote to defeat the resolution at the Ninety One Limited meeting (and the Ninety One Limited Special Voting Share will, as a result of the rights attached thereto, carry sufficient votes to effect such defeat).

7.3.4 **The Trust Companies**

The Trust Companies are obliged pursuant to the Voting Agreement, the Ninety One plc Articles and the Ninety One Limited MoI to exercise the votes attaching to the Ninety One plc Special Voting Share and the Ninety One Limited Special Voting Share so as to give effect to the voting arrangements set out above.

8. Constitutional documents

8.1 Ninety One plc Articles and Ninety One Limited MoI

A summary of the provisions of the Ninety One plc Articles and Ninety One Limited MoI is set out in paragraph 8.1 of Part XVIII: *"Additional Information – Ninety One plc Articles and Ninety One Limited MoI*".

8.2 Trust Companies

The articles of association of UK Trust Co and memorandum of incorporation of SA Trust Co authorise the respective Trust Companies to enter into, exercise their powers and perform their obligations under the Voting Agreement, the DAT Deeds and the SCS Trust Deeds.

9. DLC Agreements

The following comprise the DLC Agreements which come into effect on or before Admission and govern the ongoing relationship between Ninety One plc and Ninety One Limited and establish the relationship between Ninety One plc, Ninety One Limited and the Trust Companies:

(a) the Sharing Agreement;

(b) the Voting Agreement;

(c) the Ninety One plc SCS Trust Deed;

(d) the Ninety One Limited SCS Trust Deed;

(e) the UK DAS Share Trust Deed;

(f) the UK DAN Share Trust Deed;

(g) the SA DAS Share Trust Deed; and

(h) the SA DAN Share Trust Deed.

The DLC Agreements are summarised below. Each DLC Agreement other than the SA DAS Share Trust Deed, the SA DAN Share Trust Deed and the Ninety One Limited SCS Trust Deed (which are governed by South African law) is governed by English law.

9.1 **The Sharing Agreement**

The Sharing Agreement will be entered into between Ninety One plc and Ninety One Limited and is the primary agreement regulating the ongoing relationship of Ninety One plc and Ninety One Limited as dual-listed companies.

9.1.1 **Regulation of the DLC Structure**

Among other things, the Sharing Agreement regulates the following aspects of the DLC Structure:

(a) the DLC Structure Principles (see paragraph 3 of this Part X for further details);

(b) the DLC Equalisation Principles (see paragraph 5 of this Part X for further details);

(c) the circumstances under which the Equalisation Ratio may be adjusted (see paragraph 5.1 of this Part X for further details);

(d) the circumstances under which Matching Actions may not be required (see paragraphs 5.2 and 5.3 of this Part X for further details);

(e) the declaration and payment of cash dividends (see paragraph 6 of this Part X for further details);

(f) the scope of, and procedure in relation to, Class Rights Actions (see paragraph 7.3 of this Part X for further details);

(g) the scope of, and procedure in relation to, Joint Electorate Actions (see paragraph 7.2 of this Part X for further details);

(h) the obligation on each of Ninety One plc and Ninety One Limited to enforce the change of control provisions in their constitutional documents (see paragraph 11.5 of this Part X for further details);

(i) the issue of the Equalisation Shares (see paragraph 6.5 of this Part X for further details); and

(j) the obligations on each of Ninety One plc and Ninety One Limited in relation to the Special Converting Shares, including an obligation not to take any Action unless the Ninety One plc Equivalent Number and Ninety One Limited Equivalent Number (as the case may be) is maintained and the requirement to make an application for listing following a Conversion Event (see paragraph 14.2.2 of this Part X for further details).

9.1.2 **Termination and amendment**

The circumstances in which the Sharing Agreement may be terminated are set out in paragraph 14 of this Part X. The circumstances in which it may be amended are set out in paragraph 7.3 of this Part X.

9.1.3 **Relationship to the Ninety One plc Articles and Ninety One Limited MoI**

If there is a conflict between the Sharing Agreement on the one hand and either: (i) the Ninety One plc Articles; or (ii) the Ninety One Limited MoI on the other hand, Ninety One plc and Ninety One Limited are required to use their best endeavours to ensure that any required amendment to the Ninety One plc Articles or the Ninety One Limited MoI, as appropriate, is proposed at general meetings of Ninety One plc and/or Ninety One Limited in order to conform them with the provisions of the Sharing Agreement.

9.1.4 **Other transactions**

Subject to applicable regulation, the Sharing Agreement also obliges Ninety One plc and Ninety One Limited to enter into such further transactions or arrangements, and do such acts and things, as the other may reasonably require from time to time in the furtherance of the common interests of the Ninety One plc Shareholders and Ninety One Limited Shareholders or to give effect to the DLC Agreements.

9.2 **Voting Agreement**

The Voting Agreement will be entered into by Ninety One plc, Ninety One Limited, UK Trust Co (as holder of the Ninety One plc Special Voting Share) and SA Trust Co (as holder of the Ninety One Limited Special Voting Share).

9.2.1 **Voting procedures and the Trust Companies**

The Voting Agreement sets out, among other things, the following obligations:

(a) *Notification obligations*

The obligations of Ninety One plc and Ninety One Limited, respectively, to notify the Trust Companies:

(i) of the votes cast by Ninety One plc Shareholders and Ninety One Limited Shareholders at general meetings (in the case of Joint Electorate Actions); and

(ii) whether or not any resolution in relation to Class Rights Actions was passed by the Required Majority (as defined in paragraph 7.3.2 of this Part X) of Ninety One plc Shareholders or Ninety One Limited Shareholders.

(b) *Voting obligations*

The obligations of each of UK Trust Co and SA Trust Co to attend meetings and to vote, respectively, the Ninety One plc Special Voting Share and the Ninety One Limited Special Voting Share. Such obligations are to be carried out in accordance with the notification received from Ninety One plc or Ninety One Limited pursuant to paragraph (a) above.

(c) *Restrictions on transfer of the Ninety One plc Special Voting Share and the Ninety One Limited Special Voting Share*

There is a prohibition on the Trust Companies dealing in any way with the Ninety One plc Special Voting Share and the voting rights attaching to Ninety One Limited Special Voting Share or interests in or rights attaching to such shares unless approved as a Class Rights Action. UK Trust Co and SA Trust Co may, respectively, transfer the Ninety One plc Special Voting Share and the Ninety One Limited Special Voting Share by giving not less than 90 days' notice, provided that the transferee has been approved by Ninety One plc and Ninety One Limited, has agreed to be bound by the terms of the Voting Agreement and, in the case of a transfer by SA Trust Co, has agreed to be successor trustee under the Ninety One Limited SCS Trust Deed.

(d) *Provision of information*

The obligations of Ninety One plc and Ninety One Limited to provide each of the Trust Companies with such information as they reasonably require (other than information which is of a price-sensitive nature and not generally available) for the purpose of discharging the powers, duties and discretion vested in them under the Voting Agreement.

(e) *Confidentiality*

The obligation of the Trust Companies to maintain the confidentiality of such information provided to it.

(f) *Remuneration of the Trust Companies*

The remuneration, which will be agreed between the parties from time to time, and expenses payable to the Trust Companies.

(g) *Powers and discretions of the Trust Companies*

The Trust Companies will have:

(i) all requisite power to take actions contemplated by the Voting Agreement, the Ninety One plc Articles and the Ninety One Limited MoI; and

(ii) absolute uncontrolled discretion as to the exercise of such powers.

(h) *Exclusion of responsibilities*

Exclusion of responsibility on the part of the Trust Companies:

(i) in respect of the exercise of their voting rights where Ninety One plc and/or Ninety One Limited have failed to comply in all material respects with their obligations to provide notification as regards the convening of, the matters to be considered at and the results of any general meeting at which the Trust Companies are required to vote;

(ii) in respect of any discretion exercised reasonably and honestly;

(iii) in respect of actions taken by them on the opinion or advice of or on information obtained from any lawyer, valuer, banker, accountant, the share registrars of Ninety One plc or Ninety One Limited or other expert;

(iv) in circumstances where they have acted upon or have implemented or given effect to any resolution purporting to have been passed either as a resolution of Ninety One plc Shareholders or of Ninety One Limited Shareholders; and

(v) in respect of their having accepted or acted or relied upon notices given to them by Ninety One plc or Ninety One Limited.

Neither Trust Company is required to take steps to ascertain whether any breach of the Voting Agreement has occurred and the Trust Companies may refrain from acting if they have not been supplied with all information that they consider reasonably necessary to perform their obligations having requested the same.

(i) *Indemnities*

Subject to certain exceptions (such as fraud, gross negligence or wilful default), indemnities in favour of the Trust Companies (and their directors, officers, employees, etc.) against all liabilities or expenses incurred by them in the execution of their obligations under the Voting Agreement.

9.2.2 **Amendments**

The Voting Agreement may be amended by all the parties to it agreeing in writing.

The Trust Companies are generally required to concur with Ninety One plc and Ninety One Limited in amending the Voting Agreement, provided that the amendments are:

(a) formal or technical amendments which the Boards certify do not materially prejudice the interests of either Ninety One plc Shareholders or Ninety One Limited Shareholders;

(b) amendments necessary to correct manifest errors or inconsistencies between the Voting Agreement and the Sharing Agreement; or

(c) amendments approved by Ninety One plc Shareholders and Ninety One Limited Shareholders as a Class Rights Action, provided that such amendments do not affect the obligations or rights of the Trust Companies.

9.2.3 **Termination**

The Voting Agreement will terminate if:

(a) the Sharing Agreement is terminated; or

(b) UK Trust Co has transferred the Ninety One plc Special Voting Share and SA Trust Co has transferred the Ninety One Limited Special Voting Share, provided that, if only one of the Trust Companies has made such a transfer, the other Trust Company, Ninety One plc and Ninety One Limited will continue to be bound by the terms of the Voting Agreement.

9.3 **Ninety One Limited SCS Trust Deed**

The Ninety One Limited SCS Trust Deed has been entered into between Ninety One plc, Ninety One Limited and SA Trust Co and governs the rights and obligations of the parties thereto in respect of the Ninety One Limited Special Converting Shares prior to and following the occurrence of a Conversion Event.

Among other things, the Ninety One Limited SCS Trust Deed sets out the following:

9.3.1 **Trust funds**

SA Trust Co is to hold the Ninety One Limited Special Converting Shares on trust for the benefit of the Ninety One plc Shareholders. Each Ninety One plc Shareholder will be entitled to such proportion of the issued Ninety One Limited Special Converting Shares as corresponds to the proportion of the Ninety One plc Shares in issue held by such Ninety One plc Shareholders (referred to as an "**Entitlement**").

9.3.2 **Distribution of the converted Ninety One Limited Special Converting Shares following the occurrence of a Conversion Event**

(a) Ninety One Limited will inform SA Trust Co of the occurrence of a Conversion Event, provide details (including names, addresses, shareholdings and Entitlements) of each Ninety One plc Shareholder as at the Conversion Date and confirm whether or not SA Trust Co is to undertake the distribution or sale of the converted Ninety One Limited Special Converting Shares. The circumstances in which Ninety One Limited will confirm that no distribution or sale is to take place are likely to be where Ninety One Limited is the subject of a Liquidation Event or an Insolvency Event.

(b) SA Trust Co will procure that the Ninety One plc Shareholders are notified of the occurrence of the Conversion Event and their Entitlement as at the Conversion Date.

(c) If SA Trust Co is to effect distribution and/or sale of the converted Ninety One Limited Special Converting Shares, it will (unless Ninety One Limited notifies it to the contrary) cause to be sent to each of the Ninety One plc Shareholders a form of certification. By completing and returning the form of certification, the Ninety One plc Shareholders will confirm whether or not they reside in a Restricted Jurisdiction.

(d) Once the converted Ninety One Limited Special Converting Shares have been listed:

(i) in respect of any Ninety One plc Shareholder who has returned a form of certification confirming that they do not reside in a Restricted Jurisdiction (or if no form of certification is required), SA Trust Co will transfer to him his Entitlement as at the Conversion Date (less any shares which are sold to meet all fees, costs, taxes, duties and expenses arising out of the transfer); and

(ii) in respect of any Ninety One plc Shareholder who has returned a form of certification confirming that they do reside in a Restricted Jurisdiction, SA Trust Co will sell, or procure the sale of, the converted Special Converting Shares of such Ninety One plc Shareholder and remit the proceeds (less any fees, commissions, costs, taxes and duties payable in relation to such sale).

If, after the Conversion Date, a Ninety One plc Shareholder requests the transfer of the Special Converting Shares to which they are entitled, SA Trust Co shall be under no obligation to effect such transfer until such Shareholder has put SA Trust Co in funds for all fees, commissions, costs, taxes or duties relevant to such transfer.

9.3.3 **Dividends following a Conversion Event**

Where a dividend falls to be paid by Ninety One Limited in respect of the converted Ninety One Limited Special Converting Shares on or after the Conversion Date but before all such shares have been transferred or sold by SA Trust Co, Ninety One Limited will, on behalf of SA Trust Co, pay or procure the payment of such dividend to the relevant Ninety One plc Shareholders.

9.3.4 **Untraced shareholders**

If there are converted Ninety One Limited Special Converting Shares which have not been sold or distributed by SA Trust Co within 12 years of the Conversion Date, SA Trust Co will request that Ninety One Limited places an advertisement in a national daily newspaper and a newspaper circulating in the area of the last-known registered address of the relevant Ninety One plc Shareholders stating the intention to sell the shares. If any such shareholders have not made contact within three months of such advertisement being published, SA Trust Co will be entitled to sell the shares. The proceeds of sale will be paid to Ninety One Limited, SA Trust Co will be entered as a creditor in the Ninety One Limited books and the right to receive payment will become the trust property and will be held in trust for the relevant shareholders.

9.3.5 **Delegation of operation**

Ninety One plc and Ninety One Limited agree as a term of the trust that the trustee has delegated to Ninety One Limited and/or Ninety One plc responsibility for:

(a) the establishment of the identity of the Ninety One plc Shareholders and their Entitlements;

(b) the making of distributions on the Ninety One Limited Special Converting Shares and the mechanics of such distributions; and

(c) obtaining directions from Ninety One plc Shareholders.

In addition, the trustee shall have no responsibility for any funds paid or property delivered as part of a distribution to Ninety One plc Shareholders. Such funds or property will not be segregated or marked as belonging to the trustee or the shareholders and the trustee shall have no responsibility for monitoring such funds. Neither the trustee nor the shareholders shall have any entitlement to interest or income arising from such funds or property pending their application.

The trustee may require that any amounts paid as detailed above are held to its order and applied as it directs or that such amounts are paid to it directly. The trustee is entitled to apply any such amounts to pay any sums owed under the indemnity described in paragraph 9.3.12 of this Part X.

9.3.6 **Voting obligations**

Prior to the occurrence of a Conversion Event, the Ninety One Limited Special Converting Shares will only have voting rights in respect of variations of the rights attaching to such shares or on a winding-up of Ninety One Limited (see paragraph 14.2.2 of this Part X). If such a resolution is proposed, SA Trust Co must, if due notification has been given, vote in favour of or give its written consent to the resolution, where such resolution has been approved either as a Class Rights Action or a Joint Electorate Action (as the case may be), or vote against, or withhold its consent to, a resolution, where such resolution has been defeated as a Class Rights Action or a Joint Electorate Action (as the case may be).

9.3.7 **Restriction on dealings with the Ninety One Limited Special Converting Shares**

A prohibition on SA Trust Co from dealing with the Ninety One Limited Special Converting Shares other than in accordance with the provisions of the Ninety One Limited SCS Trust Deed.

9.3.8 **Furnishing of information**

The obligation of SA Trust Co to furnish Ninety One plc and/or Ninety One Limited with such information regarding the affairs of the trust as they may require. SA Trust Co will keep such books and records as are necessary or appropriate, commensurate with its duties in relation to the trust.

9.3.9 **Variations**

SA Trust Co will concur with Ninety One plc and Ninety One Limited in making changes to the Ninety One Limited SCS Trust Deed, provided that those changes:

(a) are formal or technical amendments which the Boards have certified are not materially detrimental to the interests of the Ninety One plc Shareholders;

(b) are necessary to correct any manifest error in the Ninety One Limited SCS Trust Deed or inconsistencies between its provisions and those of the Sharing Agreement; or

(c) have been approved by Ninety One plc Shareholders and Ninety One Limited Shareholders as a Class Rights Action.

9.3.10 **Redemption proceeds and the trustee's remuneration and expenses**

If the trustee receives the proceeds of the redemption of Ninety One Limited Special Converting Shares, it will retain such sums in a non-interest-bearing account. The trustee may use such sums to reimburse Ninety One plc and Ninety One Limited for any fees and expenses paid or to be paid by Ninety One plc and Ninety One Limited to the trustee for performing its services in relation to the trust. The fees of the trustee shall be agreed in writing between the parties. If any amounts remain in the bank account on the winding-up of the trust, these sums shall be paid to the trustee as a bonus payment.

9.3.11 **Liability of the trustee**

The exclusion of SA Trust Co's liability for any loss to any person as a result of any exercise of its power or discretion pursuant to the Ninety One Limited SCS Trust Deed unless such loss results from its own fraud, wilful default or negligence.

9.3.12 **Indemnity**

An indemnity in favour of SA Trust Co (and its directors, officers, employees, etc.), given by Ninety One plc and Ninety One Limited, against all liabilities (excluding those which arise from its own fraud, wilful default or negligence or that of its directors, officers, employees, etc.) incurred in the execution of its obligations under the Ninety One Limited SCS Trust Deed.

9.3.13 **Change of trustee**

Ninety One Limited has the power to appoint new and/or additional trustees and the transfer of such powers in full to Ninety One plc if Ninety One Limited goes into liquidation and SA Trust Co has the right to retire in accordance with the provisions of the Ninety One Limited SCS Trust Deed. Ninety One Limited may remove SA Trust Co as trustee if SA Trust Co has breached any term of the Ninety One Limited SCS Trust Deed or such removal has been approved as a Class Rights Action.

9.3.14 **Powers of the trustee**

SA Trust Co will be entitled to deal with the Ninety One Limited Special Converting Shares for the purposes of achieving the objects of the trust in accordance with the terms set out in the Ninety One Limited SCS Trust Deed and to do all such things lawful to facilitate the administration of the trust.

9.3.15 **Exclusion of responsibilities**

SA Trust Co will not be responsible for, among other things, the following:

(a) actions taken by it on the opinion or advice of or any information obtained from any lawyer, valuer, banker, accountant or other expert;

(b) anything done having accepted or acted or relied upon notices given to it from Ninety One plc and/or Ninety One Limited;

(c) failure to fulfil any duties or obligations which are not expressly specified in the Ninety One Limited SCS Trust Deed;

(d) incurring any financial liability in connection with the performance of its rights and obligations where it has reasonable grounds to believe that reimbursement of such financial liability is not guaranteed;

(e) actions of agents that it has appointed;

(f) actions of any person to whom it has delegated duties;

(g) the validity or suitability of the Ninety One Limited SCS Trust Deed or any other document or any liability to any person because of the invalidity or unsuitability of such documents; and

(h) any liabilities arising from the exercise of its functions, provided that such liabilities do not result from its own wilful default, fraud or negligence.

9.3.16 **Trustee discretion**

SA Trust Co will have absolute and uncontrolled discretion as to the exercise of its functions.

9.3.17 **Unlawful action**

SA Trust Co has the right to refrain from doing anything that it reasonably believes to constitute an unlawful action or otherwise render it liable to any person and to do anything necessary to comply with any legal requirement.

9.4 **Ninety One plc SCS Trust Deed**

The Ninety One plc SCS Trust Deed, to be entered into between Ninety One plc, Ninety One Limited and UK TrustCo, contains corresponding provisions to the Ninety One Limited SCS Trust Deed.

9.5 **UK DAS Share Trust Deed**

The UK DAS Share Trust Deed to be entered into between Ninety One plc, Ninety One Limited and UK Trust Co (as holder of the UK DAS Share) for the purposes of facilitating the payment of dividends by Ninety One plc to South African resident Ninety One Limited Shareholders through UK Trust Co, in circumstances where Ninety One Limited will not be paying such Shareholders the required dividend in full. UK Trust Co is to hold the UK DAS Share on trust for each South African resident Ninety One Limited Shareholder. Each South African resident Ninety One Limited Shareholder will be entitled to such amount of the dividend as would bear the same proportion to the total dividend as the number of Ninety One Limited Shares they hold bears to the aggregate number of Ninety One Limited Shares held by South African Ninety One Limited Shareholders (in each case, as at the record date) (an "**Entitlement**").

Among other things, the UK DAS Share Trust Deed sets out the following:

9.5.1 **Payment of dividends**

Following a declaration by Ninety One plc of a dividend on the UK DAS Share:

(a) Ninety One plc will notify UK Trust Co of such declaration; and

(b) Ninety One plc will, on behalf of UK Trust Co, effect the distribution of such dividends to the South African resident Ninety One Limited Shareholders, in accordance with their respective Entitlements.

Ninety One plc will hold all cash dividends in separate bank accounts and all non-cash dividends to the order of UK Trust Co. Ninety One plc may, at any time, convert a non-cash dividend into cash and hold it in a separate bank account.

9.5.2 **Delegation of operation**

Ninety One plc and Ninety One Limited agree as a term of the trust that the trustee has delegated to Ninety One plc and Ninety One Limited responsibility for:

(a) the establishment of the identity of the Ninety One Limited members and their Entitlements; and

(b) the payment or delivery of dividends and the mechanics for effecting such payment or delivery.

In addition, the trustee shall have no responsibility for funds paid or property delivered to Ninety One Limited members. Such funds or property will not be segregated or marked as belonging to the trustee or shareholders and the trustee shall have no responsibility for monitoring such funds. Neither the trustee nor the shareholders shall have any entitlement to interest or income arising from such funds or property.

9.5.3 **Unclaimed dividends**

If any part of a dividend has not been paid within 12 years from the date it was declared or became due for payment, the Entitlements of the relevant Ninety One Limited Shareholders to such dividends will be forfeited in accordance with the Ninety One plc Articles.

9.5.4 **Voting**

The UK DAS Share only has voting rights in respect of variations of the rights attaching to such share or on a winding-up of Ninety One plc. In relation to any such resolution, UK Trust Co must, if due notification has been given, exercise the votes attaching to the UK DAS Share in favour of or give its written consent to the resolution, where such resolution has been approved as either a Class Rights Action or a Joint Electorate Action (as the case may be) and exercise the votes against or withhold its consent to the resolution, where such resolution has been defeated either as a Class Rights Action or a Joint Electorate Action (as the case may be).

9.5.5 **Other provisions**

The UK DAS Share Trust Deed contains provisions corresponding to those under the Ninety One Limited SCS Trust Deed detailed under paragraphs 9.3.6 to 9.3.17 of this Part X.

9.6 **UK DAN Share Trust Deed**

The UK DAN Share Trust Deed to be entered into between Ninety One plc, Ninety One Limited and UK Trust Co (as holder of the UK DAN Share) for the purposes of facilitating the payment of dividends by Ninety One plc to non-South African resident Ninety One Limited Shareholders through UK Trust Co, in circumstances where Ninety One Limited will not be paying such Shareholders the required dividend in full.

The UK DAN Share Trust Deed contains corresponding provisions to the UK DAS Share Trust Deed.

9.7 **SA DAS Share Trust Deed**

The SA DAS Share Trust Deed has been entered into between Ninety One plc, Ninety One Limited and SA Trust Co (as holder of the SA DAS Share) for the purposes of facilitating the payment of dividends by Ninety One Limited to South African resident Ninety One plc Shareholders through SA Trust Co, in circumstances where Ninety One plc will not be paying such Shareholders the required dividend in full.

The SA DAS Share Trust Deed contains corresponding provisions to the UK DAS Share Trust Deed but is governed by South African law and the voting rights attaching to the SA DAS Share will be subject to the statutory rights to vote pursuant to the SA Companies Act and all disputes will be referred to arbitration.

9.8 **SA DAN Share Trust Deed**

The SA DAN Share Trust Deed has been entered into between Ninety One plc, Ninety One Limited and SA Trust Co (as holder of the SA DAN Share) for the purposes of facilitating the payment of dividends by Ninety One Limited to the non-South African resident Ninety One plc Shareholders through SA Trust Co, in circumstances where Ninety One plc will not be paying such Shareholders the required dividend in full.

The SA DAN Share Trust Deed contains corresponding provisions to the UK DAS Share Trust Deed but is governed by South African law and the voting rights attaching to the SA DAN Share will be subject to the statutory rights to vote pursuant to the SA Companies Act and all disputes will be referred to arbitration.

10. **Administration Agreement**

The Administration Agreement to be entered into between Ninety One plc, Ninety One Limited and the Trust Corporations imposes the following obligations:

(a) DLC Agreements – The Trust Corporations are to procure compliance of the Trust Companies with their respective obligations under the Voting Agreement, the DAT Deeds and the SCS Trust Deeds and ensure that the only activities the Trust Companies perform are those necessary or expedient in order for such Trust Companies to fulfil such obligations;

(b) Trust Company activities – The Trust Companies shall not be permitted to carry on any activities (unless otherwise agreed by the Companies) other than those which are necessary or expedient to perform their respective obligations and exercise their respective powers, authorities and discretions under the DLC Agreements;

(c) Trust Company administration – The Trust Corporations are to maintain the accounts and corporate records for the Trust Companies and ensure that all necessary filings are made in relation thereto and arrange for the filing of all tax returns;

(d) Trust Company directors – The Trust Corporations are to appoint suitable persons to act as directors of the Trust Companies;

(e) Trust Company shares – The Trust Corporations are not to transfer or otherwise deal with the shares in the Trust Companies unless otherwise agreed by Ninety One plc and Ninety One Limited (such agreement not to be unreasonably withheld or delayed); and

(f) Indemnities – Ninety One plc and Ninety One Limited indemnify the Trust Corporations and officers employees, agents or advisors of the Trust Corporations and their affiliates against any loss or damage suffered in the good faith provision of the services under the Administration Agreement (in the absence of fraud, wilful default or negligence).

11. Takeovers regulation of the DLC Structure

11.1 Background

Ninety One plc and Ninety One Limited will be separate listed companies and will be subject to the takeover laws and rules in the United Kingdom and South Africa, respectively. Provisions have been included in the Ninety One plc Articles and the Ninety One Limited MoI which are intended to have the effect of:

(a) recognising the substantive effect of the DLC Structure, which is that the Companies should be regarded as a single corporate group;

(b) allowing the two regulatory systems to work together harmoniously and sensibly;

(c) respecting United Kingdom takeover rules and South Africa takeover laws, respectively; and

(d) avoiding any unintended impediment to any takeover of the Companies.

11.2 Key thresholds

Under the Ninety One plc Articles and the Ninety One Limited MoI:

(a) there is a limit which prevents a person (and concert parties) from exceeding (except as a result of a permitted acquisition as described in paragraph 11.3 of this Part X) a voting power threshold of 30 per cent., in relation to Ninety One plc on a standalone basis, that is calculated as if there were no Ninety One plc Special Voting Share and only counting Ninety One plc Shares;

(b) there is a separate limit which prevents a person (and concert parties) from exceeding the mandatory offer limit set out in Rule 9 of the City Code which imposes a voting power threshold of 30 per cent., in relation to Ninety One plc, calculated having regard to all the voting power on a joint electorate basis, i.e. calculated on Ninety One plc Shares and on the voting power in Ninety One plc derived through the Ninety One plc Special Voting Share by holding or controlling Ninety One Limited Shares; this limit effectively treats all Shares, together with the Ninety One plc Special Voting Share and the Ninety One Limited Special Voting Share, as voting shares and sets a 30 per cent. limit on control of this joint electorate voting power;

(c) there is a limit which prevents a person (and concert parties) from exceeding a voting power threshold of 30 per cent., in relation to Ninety One Limited on a standalone basis, that is calculated as if there was no Ninety One Limited Special Voting Share and only counting Ninety One Limited Shares; and

(d) there is a separate limit which prevents a person (and concert parties) from exceeding a voting power threshold of 30 per cent., in relation to Ninety One Limited, calculated having regard to all the voting power on a joint electorate basis, i.e. calculated on Ninety One Limited Shares and on the voting power in Ninety One Limited derived (through the Ninety One Limited Special Voting Share)

by holding or controlling Ninety One plc Shares; this limit effectively treats all Shares, together with the Ninety One plc Special Voting Share and the Ninety One Limited Special Voting Share, as voting shares and sets a 30 per cent. limit on control of this joint electorate voting power.

The principal requirement for exceeding a limit is for all Shareholders in both companies to be treated in an equivalent manner and sanctions may be imposed for breaches of these provisions.

11.3 **Equivalent offers on equivalent terms**

The Ninety One plc Articles and the Ninety One Limited MoI provide, in effect, that a person may only exceed any of these limits if an equivalent offer is made to both Ninety One plc Shareholders and Ninety One Limited Shareholders on equivalent terms. In summary, this would require:

(a) an equivalent procedure which:

(i) is undertaken for both Ninety One plc Shares and Ninety One Limited Shares at or about the same time; and

(ii) applies to both the Ninety One plc Shares and the Ninety One Limited Shares;

(b) that each procedure complies with the Ninety One plc Articles, the Ninety One Limited MoI and all applicable regulation, including the takeover laws and rules in the United Kingdom (as regards the offer for the Ninety One plc Shares) and in South Africa (as regards the offer for the Ninety One Limited Shares); and

(c) an offer of equivalent consideration, terms, information, conditions and time to consider to the Ninety One plc Shareholders and the Ninety One Limited Shareholders, both in relation to an initial offer and any increases or extensions.

Due to the variety of takeover procedures and the different takeover regimes applying in the United Kingdom and South Africa, the concept of equivalence cannot be defined prescriptively. It is expected that a combination of the Ninety One plc Board and the Ninety One Limited Board, the Panel of Takeovers and Mergers in the UK and/or the South African Takeover Regulation Panel will have a role in determining and achieving equivalence in a particular case.

With equivalent treatment in terms of the opportunities afforded to each group of Shareholders, each such group of Shareholders will make its own decision as to whether the relevant offer is to be accepted.

11.4 **Breach of limits**

Under the Ninety One plc Articles and the Ninety One Limited MoI, if a person breaches a shareholding limit without making equivalent offers to both groups of Shareholders on equivalent terms, then the Ninety One plc Articles and the Ninety One Limited MoI give the Ninety One plc Board and the Ninety One Limited Board power to impose certain sanctions on the relevant Shareholders. The Ninety One plc Board and the Ninety One Limited Board each have the power to deny dividend rights in respect of that number of Ninety One plc Shares or Ninety One Limited Shares (as the case may be) which results in the threshold being exceeded ("**excess shares**"), and the power to dispose of the excess shares. The relevant Ninety One plc Board or the Ninety One Limited Board also has the power to deny voting rights, or the exercise of voting rights, as the case may be, in respect of the excess shares.

11.5 **Sharing Agreement**

Under the Sharing Agreement, Ninety One plc and Ninety One Limited have agreed to co-operate with each other in the enforcement of the restrictions in the Ninety One plc Articles and the Ninety One Limited MoI, respectively, described in paragraphs 11.2 and 11.4 of this Part X.

12. **Financial reporting**

Ninety One plc and Ninety One Limited intend to publish a single primary set of combined financial statements, denominated in GBP and prepared in accordance with IFRS. Ninety One plc and Ninety One Limited will furthermore also prepare any other financial information needed to meet their respective local requirements.

13. **JSE continuing obligations**

The DLC Structure will need to comply with all continuing obligation requirements of the JSE Listings Requirements save that, in the event of a conflict in the requirements of the relevant exchanges, the most stringent requirements must be complied with.

14. **Termination**

14.1 **Termination of the Sharing Agreement**

The Sharing Agreement will be terminated:

(a) if either Ninety One plc or Ninety One Limited serves notice on the other at any time after either of them has become a subsidiary of the other or where both Ninety One plc and Ninety One Limited have become subsidiaries of a third party;

(b) by the approval of the Ninety One plc Shareholders and the Ninety One Limited Shareholders as a Class Rights Action. However, such approval may only be sought if the Boards have agreed terms for the termination and, so far as practicable, such terms are equitable to the Ninety One plc Shareholders and Ninety One Limited Shareholders;

(c) if a Liquidation Event occurs in respect of either Ninety One plc or Ninety One Limited and:

(i) the company whose group is not directly affected by the Liquidation Event serves notice on the other company terminating the agreement; or

(ii) the order or resolution or appointment constituting the Liquidation Event is not revoked or rescinded within 30 days or such longer period as applicable regulation may allow; or

(d) if an Insolvency Event occurs in respect of Ninety One plc or Ninety One Limited and:

(i) the company whose group is not directly affected by the Insolvency Event serves notice on the other company terminating the agreement; or

(ii) a proposal not to terminate the agreement has not been approved as a Class Rights Action within 90 days of the date on which the Insolvency Event occurs or such longer period as the Ninety One plc Board and the Ninety One Limited Board may agree.

Termination will not affect any accrued rights of Ninety One plc and Ninety One Limited or their respective obligations to seek a listing for their Special Converting Shares (see paragraph 14.2.1 of this Part X).

14.2 **Effect of termination**

Under the Sharing Agreement, the Ninety One plc SCS Trust Deed, the Ninety One Limited SCS Trust Deed, the Ninety One plc Articles and the Ninety One Limited MoI, the provisions described below apply on termination of the Sharing Agreement ("**Conversion Event**"), save to the extent specifically provided in the Sharing Agreement. These provisions are intended to ensure that, as far as practicable, the Shareholders are treated equitably in the event of insolvency of either or both companies, having regard to the Equalisation Ratio.

14.2.1 **Special Converting Shares**

Equality of treatment on termination for both sets of Shareholders will be achieved through the issue of Special Converting Shares by both companies save in specific circumstances (namely where either Ninety One plc or Ninety One Limited has become a subsidiary of the other company such that there is no need for the Special Converting Shares to convert in order to give the Shareholders direct ownership of both entities).

Ninety One plc will issue the Ninety One plc Equivalent Number of Ninety One plc Special Converting Shares. UK Trust Co will hold these shares on trust for the benefit of the Ninety One Limited Shareholders. The proportion of the Ninety One plc Special Converting Shares to which each Ninety One Limited Shareholder is entitled corresponds to the proportion of Ninety One Limited Shares in issue held by such Shareholders.

Similarly, Ninety One Limited will issue the Ninety One Limited Equivalent Number of Ninety One Limited Special Converting Shares. SA Trust Co will hold these shares on trust for the benefit of the Ninety One plc Shareholders. The proportion of the Ninety One Limited Special Converting Shares to which each Ninety One plc Shareholder is entitled corresponds to the proportion of Ninety One plc Shares in issue held by such Shareholders.

Under the Sharing Agreement, each of Ninety One plc and Ninety One Limited have agreed not to take an Action unless, as the case may be, the Ninety One Limited Equivalent Number or the Ninety One plc Equivalent Number of Special Converting Shares can be maintained. In the event of the occurrence of a Conversion Event, the Special Converting Shares will automatically convert into ordinary shares (see paragraph 14.2.2 of this Part X). Ninety One plc will use its best endeavours to seek admission of the resulting Ninety One plc Shares to the Official List and to trading on the LSE and the JSE. Ninety One Limited will similarly use its best endeavours to obtain a listing on the JSE for the Ninety One Limited Shares resulting from the conversion. If the relevant shares are admitted to listing, the relevant Trust Company will distribute them to the relevant Shareholders unless such Shareholder resides in a Restricted Jurisdiction, in which case, their shares will be sold and the proceeds (less all fees, commissions, costs, taxes and duties in respect of such sale) remitted to such Shareholder.

Where converted Special Converting Shares are distributed to Shareholders, the Shareholders shall bear the costs of all fees, commissions, costs, taxes and duties associated with such distribution.

14.2.2 **Rights of Special Converting Shares**

(a) Prior to a Conversion Event

(i) The Ninety One plc Special Converting Shares will have the following rights as set out in the Ninety One plc Articles:

(A) no voting rights except in relation to a resolution proposing the variation of the rights attaching to such shares or a resolution proposing the winding-up of Ninety One plc; and

(B) no rights to dividends.

The Ninety One plc Special Converting Shares may, prior to the occurrence of a Conversion Event, be redeemed at the discretion of the Ninety One plc Board if it is necessary or expedient in order to ensure the Ninety One plc Equivalent Number is in issue.

(ii) The Ninety One Limited Special Converting Shares will (subject to section 37 of the SA Companies Act) have the following key rights as set out in the Ninety One Limited MoI:

(A) no voting rights except in relation to a resolution proposing the variation of the rights attaching to such shares or a resolution proposing the winding-up of Ninety One Limited; and

(B) no rights to dividends.

The Ninety One Limited Special Converting Shares may, prior to the occurrence of a Conversion Event, be redeemed at the discretion of the Ninety One Limited Board if it is necessary or expedient in order to ensure the Ninety One Limited Equivalent Number is in issue.

(b) After a Conversion Event

(i) Upon the occurrence of a Conversion Event, each Special Converting Share of both companies will have the same rights as an ordinary share issued by the relevant company and will rank *pari passu* in all respects with the ordinary shares of that company.

(ii) For a summary of the principal provisions of the Ninety One plc SCS Trust Deed and the Ninety One Limited SCS Trust Deed, see paragraph 9 of this Part X.

15. **DLC Structure FinSurv conditions**

The South African National Treasury Department, the SARB and the South African Minister of Finance has granted approval for the DLC Structure subject to a number of exchange control conditions. The Directors intend to comply fully with these conditions.

These exchange control conditions as set out in a letter dated 7 August 2019 from FinSurv to the joint Chief Executive Officers of Investec are replicated in full below (and, for these purposes, "SA NewCo (IAM)" refers to Ninety One Limited and "UK NewCo (IAM)" refers to Ninety One plc).

(a) The listings of SA NewCo (IAM) and UK NewCo (IAM) on the JSE and LSE must take place simultaneously.

(b) The classification of the secondary inward listed UK NewCo (IAM) ordinary shares will be regarded as a domestic investment on the JSE.

(c) The South African shareholders in UK NewCo (IAM) must hold/trade their securities on the JSE in terms of the Currency and Exchanges Manual for Authorised Dealers issued by FinSurv.

(d) Any dividends funded from a South African source due to South African shareholders must be paid locally in order to avoid the gross flow of funds from South Africa.

(e) Any utilisation of inward listed UK NewCo (IAM) securities as acquisition currency in the purchase of common monetary area assets, as well as any future capital-raising exercise undertaken by UK NewCo (IAM) on a South African Exchange by means of a new issue, rights offer or similar transaction, will be subject to prior approval by FinSurv and the Prudential Authority.

(f) SA NewCo (IAM) (including its subsidiaries) and UK NewCo (IAM) (including its subsidiaries) shall not issue any blanket cross-guarantees between themselves.

(g) UK NewCo (IAM) (including its subsidiaries) shall not buy or sell any shares in SA NewCo (IAM) (including its subsidiaries) without the prior written approval of FinSurv.

(h) SA NewCo (IAM) (including its subsidiaries) shall not, directly or indirectly, provide any assets, finance or capital to UK NewCo (IAM) (including its subsidiaries) or to non-resident shareholders without the prior written approval of FinSurv.

(i) All other conditions, in line with the Currency and Exchanges Manual for Authorised Dealers remain extant.

SELECTED FINANCIAL INFORMATION

Save for the tables set out in paragraphs 5 and 6, the tables below set out selected combined historical financial information of the Ninety One Business as at and for the years ended 31 March 2019, 2018 and 2017 and as at and for the six months ended 30 September 2019, in each case, prepared on a basis that combines the financial results and assets and liabilities of each of the companies constituting the Group. This information has been extracted without material adjustment, from Section A4 of Part XIV: "Historical Financial Information". The selected financial information of this Part XI as at and for the years ended 31 March 2019, 2018 and 2017 has been audited and as at and for the six months ended 30 September 2019 has been audited for Listing Rules purposes, and reviewed for JSE Listings Requirements purposes. The combined historical financial information as at and for the six months ended 30 September 2018 is unaudited and unreviewed.

The tables set out in paragraphs 5 and 6 show the impact of the Group's linked insurance business (which is undertaken through one of its South African entities and does not take on any insurance risk in respect of such business) on the combined statement of financial position and the combined cash flow statement. The policyholders hold units in a pooled portfolio of assets via linked policies issued by the insurance entity. The assets are beneficially held by the insurance entity and the assets are reflected on its statement of financial position. Because of the nature of a linked policy, the Group's liability to the policyholders is equal to the market value of the assets underlying the policies, less applicable taxation. The policyholder related revenues and costs are included on the face of the statement of comprehensive income but have no impact on operating profit, or profit before or after tax. However, policyholder assets and liabilities and movements in cash flows do materially impact the statement of financial position and cash flow statements, so for these statements the "Policyholder" (i.e. the insurance entity) and "Shareholder" (i.e. the rest of the Group) items have been separately disclosed in the tables set out in paragraphs 5 and 6.

1. **Combined Statement of Comprehensive Income for the six months ended 30 September 2019 and 2018 and for the years ended 31 March 2019, 2018 and 2017**

	For the six months ended 30 September		For the year ended 31 March		
	2019	**2018**	**2019**	**2018**	**2017**
	£'000	***£'000***	***£'000***	***£'000***	***£'000***
	(Reviewed/ Audited)[1]	***(Unaudited)***	***(Audited)***	***(Audited)***	***(Audited)***
Revenue	376,261	350,864	696,574	662,081	590,142
Commission expense	(76,886)	(70,929)	(139,673)	(124,947)	(105,687)
Net revenue	**299,375**	**279,935**	**556,901**	**537,134**	**484,455**
Operating expenses	**(211,256)**	**(199,750)**	**(393,706)**	**(361,572)**	**(334,604)**
Other income/expenses					
Other income/(expense)	–	7	360	594	(106)
Net interest income	995	2,791	5,682	5,411	5,475
Net gain on investments	4,256	4,009	5,059	1,555	5,775
Foreign exchange gain/(loss)	3,959	4,537	5,058	(5,077)	2,213
Operating profit	**97,329**	**91,529**	**179,354**	**178,045**	**163,208**
Exceptional items					
Financial impact of group restructures	(5,385)	–	(1,548)	–	–
Gain on disposal of subsidiary	–	597	597	–	–
Profit from operations before changes in policyholder investment contract ("IC") liabilities	91,944	92,126	178,403	178,045	163,208
IC surplus transferred to shareholders	(14,486)	(13,305)	(27,055)	(24,919)	(22,577)
IC investment and administration expenses	(14,005)	(12,472)	(24,890)	(23,534)	(19,549)
IC income tax	(3,588)	(6,221)	(6,700)	(3,739)	(3,072)
IC net fair value adjustment	32,079	31,998	58,645	52,192	45,198
Profit before tax	**91,944**	**92,126**	**178,403**	**178,045**	**163,208**
Income tax expense	(19,665)	(18,288)	(38,589)	(37,560)	(35,578)
Profit after tax	**72,279**	**73,838**	**139,814**	**140,485**	**127,630**
Other comprehensive income for the year (net of tax)					
Items that will not be reclassified to profit or loss:					
Actuarial (losses)/gains on pension plan	(1,217)	–	(1,975)	481	(2,169)
Other comprehensive gains/(losses)	5	–	(2)	4	(31)
	(1,212)	–	**(1,977)**	**485**	**(2,200)**
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign operations	571	(8,333)	(9,866)	(1,522)	18,197
Other comprehensive (loss)/income for the year	**(641)**	**(8,333)**	**(11,843)**	**(1,037)**	**15,997**
Total comprehensive income for the year	**71,638**	**65,505**	**127,971**	**139,448**	**143,627**
Attributable to:					
Shareholders	71,356	65,221	127,435	139,237	142,973
Non-controlling interests	282	284	536	211	654
	71,638	**65,505**	**127,971**	**139,448**	**143,627**

Note:

(1) Audited for Listing Rules purposes, and reviewed for JSE Listings Requirements purposes.

2. **Combined Statement of Financial Position at 30 September 2019 and 31 March 2019, 2018 and 2017**

	As at 30 September 2019 £'000 (Reviewed/ Audited)[1]	As at 31 March 2019 £'000 (Audited)	2018 £'000 (Audited)	2017 £'000 (Audited)
Assets				
Investments	7,234	5,255	4,008	3,463
Investment in associate	37	37	80	–
Property and equipment	9,901	7,685	3,443	3,755
Right-of-use assets	81,286	–	–	–
Intangible assets	39	24	132	109
Deferred tax asset	21,867	25,262	24,640	20,915
Pension fund asset	–	180	2,625	2,075
Total non-current assets	**120,364**	**38,443**	**34,928**	**30,317**
Investments	86,064	72,446	72,039	66,461
Linked investments backing policyholder funds	8,600,782	8,173,659	8,424,236	7,679,791
Income tax recoverable	4,202	1,241	747	1,122
Trade and other receivables	230,740	247,522	226,154	233,163
Cash and cash equivalents	230,444	269,241	308,334	271,587
Total current assets	**9,152,232**	**8,764,109**	**9,031,510**	**8,252,124**
Total assets	**9,272,596**	**8,802,552**	**9,066,438**	**8,282,441**
Liabilities				
Other liabilities	48,941	44,862	59,069	59,495
Lease liabilities	80,392	–	–	–
Pension fund obligation	1,333	–	–	–
Deferred tax liabilities	16,793	15,354	14,236	16,171
Total non-current liabilities	**147,459**	**60,216**	**73,305**	**75,666**
Policyholder investment contract liabilities	8,622,631	8,190,926	8,446,056	7,692,747
Other liabilities	43,144	32,633	17,679	11,686
Lease liabilities	7,783	–	–	–
Trade and other payables	240,206	307,450	278,766	283,596
Deferred income	–	155	166	427
Amounts payable to Investec	3,839	3,723	3,184	3,696
Income tax payable	5,157	11,805	35,670	18,006
Total current liabilities	**8,922,760**	**8,546,692**	**8,781,521**	**8,010,158**
Equity				
Net assets attributable to shareholders	225,982	219,886	225,995	209,200
Other components of equity	(24,240)	(24,811)	(14,945)	(13,423)
Total equity attributable to shareholders	201,742	195,075	211,050	195,777
Non-controlling interests	635	569	562	840
Total equity	**202,377**	**195,644**	**211,612**	**196,617**
Total equity and liabilities	**9,272,596**	**8,802,552**	**9,066,438**	**8,282,441**

Note:

(1) Audited for Listing Rules purposes, and reviewed for JSE Listings Requirements purposes.

3. **Combined Cash Flow Statement for the six months ended 30 September 2019 and 2018 and for the years ended 31 March 2019, 2018 and 2017**

	For the six months ended 30 September		For the year ended 31 March		
	2019 £'000 (Reviewed/ Audited)[1]	2018 £'000 (Unaudited)	2019 £'000 (Audited)	2018 £'000 (Audited)	2017 £'000 (Audited)
Cash flows from operating activities					
Profit before tax	**91,944**	**92,126**	**178,403**	**178,045**	**163,208**
Adjusted for:					
Net gain on investments	(4,256)	(4,009)	(5,059)	(1,555)	(5,775)
Depreciation of property and equipment	1,115	821	1,985	1,865	1,756
Depreciation of right-of-use assets	5,190	–	–	–	–
Amortisation of intangible assets	29	22	49	144	68
Net interest income	(995)	(2,791)	(5,682)	(5,411)	(5,475)
Net return/(losses) of pension fund	47	–	66	30	(46)
Net fair value gains on linked investments backing policyholder funds	(84,439)	(202,367)	(159,745)	(99,290)	(29,301)
Net fair value change on policyholder investment contract liabilities	284,038	392,186	543,763	460,301	348,598
Net contribution received from/ (withdrawals by) policyholders	109,319	151,681	206,518	200,979	(17,130)
Gain on disposal of property and equipment	–	–	–	(47)	–
Gain on disposal of subsidiary	–	(597)	(597)	–	–
Impairment of goodwill	–	–	–	–	1,614
Impairment of investment in associate	–	–	42	2,429	–
Working capital changes:					
Trade and other receivables	16,782	(60,857)	(21,368)	7,009	3,538
Trade and other payables	(63,957)	48,296	28,684	(4,830)	31,238
Deferred income	(155)	(14)	(11)	(261)	52
Other liabilities	10,511	14,224	14,954	5,993	2,784
Other liabilities – non-current	4,079	(12,531)	(14,207)	(426)	15,222
Amounts payable to Investec	116	(224)	539	(512)	94
Cash flows from operations	369,368	415,966	768,334	744,463	510,445
Interest received	2,428	2,828	5,745	5,565	5,867
Interest paid	(1,433)	(37)	(63)	(155)	(391)
Income tax paid	(25,563)	(44,687)	(64,489)	(23,265)	(40,394)
Balance at beginning of period	(10,564)	(34,923)	(34,923)	(16,884)	(21,633)
Current tax	(15,949)	(17,629)	(40,132)	(41,314)	(35,681)
Current tax on share options vested	(5)	–	2	10	36
Balance at end of period	955	7,865	10,564	34,923	16,884
Net cash flows from operating activities	**344,800**	**374,070**	**709,527**	**726,608**	**475,527**
Cash flows from investing activities					
Net acquisition of investments	(11,341)	2,368	3,405	(4,568)	(13,205)
Investment in associate	–	–	–	(2,509)	–
Additions to property and equipment	(3,264)	(2,681)	(6,505)	(1,695)	(1,769)
Proceeds from disposal of property and equipment	–	–	–	109	–
Additions to intangible assets	(44)	–	(8)	(165)	(97)
Repurchase of shares from non-controlling interests	–	–	–	(162)	–
Proceeds from disposal of subsidiary	–	1,752	1,752	–	–
Net acquisition of linked investments backing policyholder funds	(304,337)	(350,446)	(592,655)	(553,543)	(318,620)
Net cash flows from investing activities	**(318,986)**	**(349,007)**	**(594,011)**	**(562,533)**	**(333,691)**

	For the six months ended 30 September		For the year ended 31 March		
	2019	2018	2019	2018	2017
	£'000	*£'000*	*£'000*	*£'000*	*£'000*
	(Reviewed/ Audited)[1]	*(Unaudited)*	*(Audited)*	*(Audited)*	*(Audited)*
Cash flows from financing activities					
Principal element of lease rental payments	(1,686)	–	–	–	–
Dividends paid	(64,905)	(68,475)	(143,939)	(124,291)	(116,506)
Net cash flows from financing activities	**(66,591)**	**(68,475)**	**(143,939)**	**(124,291)**	**(116,506)**
Effect of foreign exchange rate changes	1,980	(8,221)	(10,670)	(3,037)	24,196
Net change in cash and cash equivalents	(38,797)	(51,633)	(39,093)	36,747	49,526
Cash and cash equivalents at beginning of period	269,241	308,334	308,334	271,587	222,061
Cash and cash equivalents at end of period	**230,444**	**256,701**	**269,241**	**308,334**	**271,587**

Note:

(1) Audited for Listing Rules purposes, and reviewed for JSE Listings Requirements purposes.

4. Non-IFRS measures

The Group uses these measures to present a better understanding of its financial performance and financial condition. These measures have not been audited and they are considered additional disclosures and in no case are intended to replace the financial information prepared in accordance with the basis of preparation detailed in Section A3 paragraphs 1, 2 and 3 of Part XIV: "*Historical Financial Information*", respectively. Moreover, the way in which the Group defines and calculates these measures may differ from the way in which these or similar measures are calculated by other companies. Accordingly, they may not be comparable to measures used by other companies in the Group's industry. Due to its nature, the Non-IFRS Financial Information may not fairly present the results of operations of the Ninety One Business and should not be considered in isolation or as a substitute for metrics of financial performance reported in accordance with IFRS.

These measures are considered to be *pro forma* financial information for the purpose of the JSE Listings Requirements, an independent reporting accountant's report in respect of which is set out in Section E of Part XIV: "*Historical Financial Information*". The Directors are responsible for the pro forma financial information.

The following table reconciles adjusted operating revenue to net revenue, as disclosed in the Group's Combined Statement of Comprehensive Income, for the periods indicated:

	For the six months ended 30 September		For the year ended 31 March		
	2019	2018	2019	2018	2017
			£ millions		
Net revenue	299.4	279.9	556.9	537.1	484.5
Adjustments[1]					
Silica third-party revenue	(10.7)	(11.3)	(21.8)	(22.2)	(19.8)
Foreign exchange gains/(losses)	3.9	4.5	5.1	(5.1)	2.2
Other income/(expense)	–	–	0.4	0.6	(0.1)
Rounding	(0.2)	0.1	–	0.2	0.1
Adjusted operating revenue	**292.4**	**273.2**	**540.6**	**510.6**	**466.9**
Of which management fees[2]	283.1	263.8	524.6	495.4	434.6
Of which performance fees[3]	5.8	5.2	11.0	18.4	28.0
Of which foreign exchange gains/(losses) and other income	3.5	4.2	5.0	(3.2)	4.3

Notes:

(1) Management adjust net revenue, as disclosed in the Group's Combined Statement of Comprehensive Income, for items that it believes are not substantially related to its underlying operating performance in order to present a better understanding of its financial performance and condition. These adjustments include third-party revenue arising from ordinary course Silica operations (which are not core to underlying performance), which have been extracted from management accounts; foreign exchange gains and losses, and other income/expenses which for the six months ended 30 September 2019 and 2018 and the years ended 31 March 2019, 2018 and 2017 have been extracted from the Report of Combined Historical Financial Information of the Ninety One Business.

(2) Management fees represent revenue from fees charged to clients based on the amount of assets under management, according to the specific management fee arrangements in place with the relevant client, for a given period.

(3) Performance fees represent revenue from fees charged to clients based on the investment performance of specified assets under management, according to the specific methodology agreed with the relevant client, for a given period.

The following table reconciles adjusted operating expenses to operating expenses, as disclosed in the Group's Combined Statement of Comprehensive Income, for the periods indicated:

	For the six months ended 30 September		For the year ended 31 March		
	2019	**2018**	**2019**	**2018**	**2017**
			£ millions		
Operating expenses	211.3	199.8	393.7	361.6	334.6
Adjustments[1]					
Silica expenses	(9.9)	(10.7)	(20.6)	(20.9)	(18.0)
Deferred employee benefit scheme expense	(4.3)	(4.0)	(5.0)	(1.5)	(5.6)
Goodwill impairment	–	–	–	–	(1.6)
Interest expense on lease liabilities	1.4	–	–	–	–
Rounding	(0.2)	–	–	–	–
Adjusted operating expenses	**198.3**	**185.1**	**368.1**	**339.2**	**309.4**

Note:

(1) Management adjust operating expenses, as disclosed in the Group's Combined Statement of Comprehensive Income, for items that it believes are not substantially related to its underlying operating performance in order to present a better understanding of its financial performance and condition. These adjustments include expenses arising from ordinary course Silica operations (which are not core to underlying performance); deferred employee benefit scheme expense and interest expense arising on lease liabilities in respect of the Group's office premises (to allow like-for-like comparison with prior periods under IFRS 16), all of which have been extracted from management accounts; and rounding.

The following table shows the calculation of adjusted operating profit and adjusted operating profit margin from adjusted operating revenue and adjusted operating expenses (reconciled to net revenue and operating expenses, respectively, above):

	For the six months ended 30 September		For the year ended 31 March		
	2019	**2018**	**2019**	**2018**	**2017**
			£ millions		
Adjusted operating revenue	292.4	273.2	540.6	510.6	466.9
Adjusted operating expenses	(198.3)	(185.1)	(368.1)	(339.2)	(309.4)
Adjusted operating profit	**94.1**	**88.1**	**172.5**	**171.4**	**157.5**
Adjusted operating profit margin (%)	**32.2%**	**32.3%**	**31.9%**	**33.6%**	**33.7%**

The following table reconciles adjusted net interest income to net interest income, as disclosed in the Group's Combined Statement of Comprehensive Income, for the periods indicated:

	For the six months ended 30 September		For the year ended 31 March		
	2019	2018	2019	2018	2017
			£ millions		
Net interest income	1.0	2.8	5.7	5.4	5.5
Adjustment[1]					
Silica interest	(0.1)	(0.1)	(0.2)	(0.1)	0.4
Interest expense on lease liabilities	1.4	–	–	–	–
Other interest expense	–	–	(0.1)	(0.2)	(0.4)
Rounding	–	–	0.1	0.2	–
Adjusted net interest income	**2.3**	**2.7**	**5.5**	**5.3**	**5.5**

Note:

(1) Management adjust net interest income, as disclosed in the Group's Combined Statement of Comprehensive Income, for items that it believes are not substantially related to its interest-generating activities in the business in order to present a better understanding of its financial performance and condition. These adjustments include interest income arising from Silica operations, which has been extracted from management accounts; interest expense on lease liabilities in respect of the Group's office premises and other interest expenses recognised, which have been extracted from the Report of Combined Historical Financial Information of the Ninety One Business.

5. **Combined Statement of Financial Position at 30 September 2019 and 31 March 2019 (including policyholder figures)**

	As at 30 September 2019			As at 31 March 2019		
	Policy-holders *£'000 (Reviewed)*[2]	Share-holders *£'000 (Reviewed)*[2]	Total *£'000 (Audited /Reviewed)*[1]	Policy-holders *£'000 (Reviewed)*[2]	Share-holders *£'000 (Reviewed)*[2]	Total *£'000 (Audited)*
Assets						
Investments	–	7,234	7,234	–	5,255	5,255
Investment in associate	–	37	37	–	37	37
Property and equipment	–	9,901	9,901	–	7,685	7,685
Right-of-use assets	–	81,286	81,286	–	–	–
Intangible assets	–	39	39	–	24	24
Deferred tax asset	–	21,867	21,867	–	25,262	25,262
Pension fund asset	–	–	–	–	180	180
Total non-current assets	–	**120,364**	**120,364**	–	**38,443**	**38,443**
Investments	–	86,064	86,064	–	72,446	72,446
Linked investments backing policyholder funds	8,600,782	–	8,600,782	8,173,659	–	8,173,659
Income tax recoverable	–	4,202	4,202	–	1,241	1,241
Trade and other receivables	57,361	173,379	230,740	60,314	187,208	247,522
Cash and cash equivalents	–	230,444	230,444	–	269,241	269,241
Total current assets	**8,658,143**	**494,089**	**9,152,232**	**8,233,973**	**530,136**	**8,764,109**
Total assets	**8,658,143**	**614,453**	**9,272,596**	**8,233,973**	**568,579**	**8,802,552**

	As at 30 September 2019			As at 31 March 2019		
	Policy-holders £'000 (Reviewed)[2]	Share-holders £'000 (Reviewed)[2]	Total £'000 (Audited /Reviewed)[1]	Policy-holders £'000 (Reviewed)[2]	Share-holders £'000 (Reviewed)[2]	Total £'000 (Audited)
Liabilities						
Other liabilities	–	48,941	48,941	–	44,862	44,862
Lease liabilities	–	80,392	80,392	–	–	–
Pension fund obligation	–	1,333	1,333	–	–	–
Deferred tax liabilities	16,785	8	16,793	15,354	–	15,354
Total non-current liabilities	**16,785**	**130,674**	**147,459**	**15,354**	**44,862**	**60,216**
Policyholder investment contract liabilities	8,622,631	–	8,622,631	8,190,926	–	8,190,926
Other liabilities	–	43,144	43,144	–	32,633	32,633
Lease liabilities	–	7,783	7,783	–	–	–
Trade and other payables	18,546	221,660	240,206	27,560	279,890	307,450
Deferred income	–	–	–	–	155	155
Amounts payable to Investec	–	3,839	3,839	–	3,723	3,723
Income tax payable	181	4,976	5,157	133	11,672	11,805
Total current liabilities	**8,641,358**	**281,402**	**8,922,760**	**8,218,619**	**328,073**	**8,546,692**
Equity						
Net assets attributable to shareholders	–	225,982	225,982	–	219,886	219,886
Other components of equity	–	(24,240)	(24,240)	–	(24,811)	(24,811)
Total equity attributable to shareholders	–	201,742	201,742	–	195,075	195,075
Non-controlling interests	–	635	635	–	569	569
Total equity	**–**	**202,377**	**202,377**	**–**	**195,644**	**195,644**
Total equity and liabilities	**8,658,143**	**614,453**	**9,272,596**	**8,233,973**	**568,579**	**8,802,552**

Notes:

(1) Audited for Listing Rules purposes, and reviewed for JSE Listings Requirements purposes.

(2) Reviewed, for JSE Listings Requirements in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information performed by the Independent Auditor of the Entity read together with IAS 800 (Revised), Special Considerations – Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks. The purpose of this disclosure is to show the split of the total assets and liabilities and cash flow movements attributable to the Ninety One Business between policyholders and shareholders. This constitutes voluntary financial information and is required to be reviewed in accordance with paragraph 8.45(b) of the JSE Listings Requirements. The directors of Ninety One plc and Ninety One Limited are responsible for the preparation and presentation of the policyholders' and shareholders' information relating to the Ninety One Business for the years ended and as at 31 March 2019, 2018 and 2017 and for the six months ended 30 September 2019, respectively, and for allocating the assets and liabilities and cash flow movements between the policyholder and shareholder categories. KPMG Inc's special purpose independent reporting accountant's review report is available for inspection following Admission.

6. **Combined Cash Flow Statement for the six months ended 30 September 2019 and for the year ended 31 March 2019 (including policyholder figures)**

	For the six months ended 30 September 2019			For the year ended 31 March 2019		
	Policy-holders ***£'000*** ***(Reviewed)[2]***	**Share-holders** ***£'000*** ***(Reviewed)[2]***	**Total** ***£'000*** ***(Audited /Reviewed)[1]***	**Policy-holders** ***£'000*** ***(Reviewed)[2]***	**Share-holders** ***£'000*** ***(Reviewed)[2]***	**Total** ***£'000*** ***(Audited)***
Cash flows from operating activities						
Profit before tax	–	**91,944**	**91,944**	–	**178,403**	**178,403**
Adjusted for:						
Net gain on investments	–	(4,256)	(4,256)	–	(5,059)	(5,059)
Depreciation of property and equipment	–	1,115	1,115	–	1,985	1,985
Depreciation of right-of-use assets	–	5,190	5,190	–	–	–
Amortisation of intangible assets	–	29	29	–	49	49
Net interest income	–	(995)	(995)	–	(5,682)	(5,682)
Net return of pension fund	–	47	47	–	66	66
Net fair value gains on linked investments backing policyholder funds	(84,439)	–	(84,439)	(159,745)	–	(159,745)
Net fair value change on policyholder investment contract liabilities	284,038	–	284,038	543,763	–	543,763
Net contribution received from policyholders	109,319	–	109,319	206,518	–	206,518
Gain on disposal of subsidiary	–	–	–	–	(597)	(597)
Impairment of investment in associate	–	–	–	–	42	42
Working capital changes:						
Trade and other receivables	2,953	13,829	16,782	11,336	(32,704)	(21,368)
Trade and other payables	(9,012)	(54,945)	(63,957)	(5,329)	34,013	28,684
Deferred income	–	(155)	(155)	–	(11)	(11)
Other liabilities	–	10,511	10,511	–	14,954	14,954
Other liabilities non current	–	4,079	4,079	–	(14,207)	(14,207)
Amounts payable to Investec	–	116	116	–	539	539
Cash flow from operations	302,859	66,509	369,368	596,543	171,791	768,334
Interest received	–	2,428	2,428	–	5,745	5,745
Interest paid	–	(1,433)	(1,433)	–	(63)	(63)
Income tax paid	–	(25,563)	(25,563)	–	(64,489)	(64,489)
Net cash flows from operating activities	**302,859**	**41,941**	**344,800**	**596,543**	**112,984**	**709,527**

	For the six months ended 30 September 2019			For the year ended 31 March 2019		
	Policy-holders £'000 (Reviewed)[2]	Share-holders £'000 (Reviewed)[2]	Total £'000 (Audited /Reviewed)[1]	Policy-holders £'000 (Reviewed)[2]	Share-holders £'000 (Reviewed)[2]	Total £'000 (Audited)
Cash flows from investing activities						
Net acquisition of investments	–	(11,341)	(11,341)	–	3,405	3,405
Additions to property and equipment	–	(3,264)	(3,264)	–	(6,505)	(6,505)
Additions to intangible assets	–	(44)	(44)	–	(8)	(8)
Proceed from disposal of subsidiary	–	–	–	–	1,752	1,752
Net acquisition of linked investments backing policyholder funds	(304,337)	–	(304,337)	(592,655)	–	(592,655)
Net cash flows from investing activities	**(304,337)**	**(14,649)**	**(318,986)**	**(592,655)**	**(1,356)**	**(594,011)**
Cash flows from financing activities						
Principal elements of lease payments	–	(1,686)	(1,686)	–	–	–
Dividends paid	–	(64,905)	(64,905)	–	(143,939)	(143,939)
Net cash flows from financing activities	–	**(66,591)**	**(66,591)**	–	**(143,939)**	**(143,939)**
Effect of foreign exchange rate changes	1,478	502	1,980	(3,888)	(6,782)	(10,670)
Net change in cash and cash equivalents	–	**(38,797)**	**(38,797)**	–	**(39,093)**	**(39,093)**
Cash and cash equivalents at beginning of period/year	–	269,241	269,241	–	308,334	308,334
Cash and cash equivalents at end of period/year	–	**230,444**	**230,444**	–	**269,241**	**269,241**

Notes:

(1) Audited for Listing Rules purposes, and reviewed for JSE Listings Requirements purposes.

(2) Reviewed, for JSE Listings Requirements in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information performed by the Independent Auditor of the Entity read together with IAS 800 (Revised), Special Considerations – Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks. The purpose of this disclosure is to show the split of the total assets and liabilities and cash flow movements attributable to the Ninety One Business between policyholders and shareholders. This constitutes voluntary financial information and is required to be reviewed in accordance with paragraph 8.45(b) of the JSE Listings Requirements. The directors of Ninety One plc and Ninety One Limited are responsible for the preparation and presentation of the policyholders' and shareholders' information relating to the Ninety One Business for the years ended and as at 31 March 2019, 2018 and 2017 and for the six months ended 30 September 2019, respectively, and for allocating the assets and liabilities and cash flow movements between the policyholder and shareholder categories. KPMG Inc's special purpose independent reporting accountant's review report is available for inspection following Admission.

OPERATING AND FINANCIAL REVIEW

The following discussion summarises the significant factors and events affecting results of operations and the financial condition of the Group for the years ended 31 March 2019, 2018 and 2017 and the six-month periods ended 30 September 2019 and 2018, and should be read in conjunction with the combined historical financial information of the Ninety One Business set out in Section A4 of Part XIV: "Historical Financial Information" and the other financial information contained elsewhere in this document, including under Part III: "Presentation of Information on the Group" and Part XI: "Selected Financial Information".

The following discussion of the Group's combined results of operations and financial condition contains forward-looking statements that reflect the current view of the Group's management. The Group's actual results could differ materially from those anticipated in any forward-looking statements as a result of the factors discussed below and elsewhere in this document, particularly under Part II: "Risk Factors".

1. Overview

The Group comprises the Ninety One Business, a founder-led independent global asset manager, established in South Africa in 1991 with £121 billion in assets under management, as at 30 September 2019, Ninety One primarily offers a range of high-conviction, active strategies to its sophisticated global client base with over 1,600 employees across the world.

The Group's investment proposition for clients centres on its range of differentiated strategies managed by its specialist investment teams, providing access to a diverse range of asset classes and regions globally. Founded as an emerging market-focused South African asset management business, the Group now operates and invests globally and has established a long-term growth track record, reflecting a resilient ability to grow through market cycles across both emerging and established market investments.

Today, the Group serves its client base via five regional Client Groups – Africa, the United Kingdom, Asia Pacific, the Americas and Europe. Clients are served across two distribution channels: Institutional and Advisor. Institutional clients include some of the world's largest private and public sector pension funds, sovereign wealth funds, insurers, corporates, foundations and central banks, while Advisor clients include large retail groups, wealth managers, private banks and intermediaries serving individual investors.

The Ninety One Business has grown assets under management from £40 million in 1991 to £121 billion as at 30 September 2019, with approximately £83.3 billion managed on behalf of non-South African clients. For the six-month period ended 30 September 2019, the Companies had net inflows of £3.2 billion and operating profit before exceptional items of £97.3 million, and for the year ended 31 March 2019 it had net inflows of £6.1 billion and operating profit before exceptional items of £179.4 million.

The leadership team that founded the Ninety One Business has played a central role in the firm's growth over the last 28 years and continues to manage the Group today. As a result, the Group's employee ownership culture and purpose-led business approach underpin its investment proposition. The Group operates in line with strategic principles centred around patient and organic growth, driven by long-term client demand and alignment with stakeholders.

2. Factors affecting results of operations

The Group's combined results of operations and financial condition are affected by a variety of factors, a number of which are outside the control of the Group. Set out below is a discussion of the most significant factors that have affected the Group's combined historical financial information during the periods under review and which the Group currently expects to affect its financial results in the future. Factors other than those presented below could also have a significant impact on the Group's results of operations and financial condition in the future.

2.1 **Changes in the value of the Group's assets under management**

The Group experienced significant growth in its assets under management during the periods under review, from £75.7 billion as at 1 April 2016, to £95.3 billion as at 31 March 2017, £103.9 billion as at 31 March 2018, £111.4 billion as at 31 March 2019 and £120.8 billion as at 30 September 2019.

Since the vast majority of the Group's net revenue is derived from fees that are calculated as a percentage of its assets under management, factors that affect the value of the Group's assets under management materially influence its results of operations from period to period. In general, any increase in value of the Group's assets under management increases the management fee revenue generated, and any decline in the value of the assets under management reduces the Group's management fee revenue. New client inflows that increase assets under management, and client outflows that reduce assets under management, will, therefore, also have an impact on the Group's management fee revenue.

The Group's assets under management primarily fluctuate due to: (i) increases and decreases in the value of clients' invested assets, measured as market- and foreign exchange-related changes in assets under management; and (ii) investments and withdrawals by the Group's clients, measured as net inflows and outflows, as illustrated in the table below:

	Group assets under management
	(£ billions)
Opening assets under management as at 1 April 2016	75.7
Net inflows/(outflows)	(0.6)
Market- and foreign exchange-related changes	20.2
Closing assets under management as at 31 March 2017	**95.3**
Net inflows/(outflows)	5.4
Market- and foreign exchange-related changes	3.2
Closing assets under management as at 31 March 2018	**103.9**
Net inflows/(outflows)	6.1
Market- and foreign exchange-related changes	1.4
Closing assets under management as at 31 March 2019	**111.4**
Net inflows/(outflows)	3.2
Market- and foreign exchange-related changes	6.2
Closing assets under management as at 30 September 2019	**120.8**

As a result, investment trends as well as macro-economic and capital market conditions have in the past impacted and may in the future impact clients' investment strategies and preferences, asset values and, ultimately, the Group's business.

2.1.1 **Assets under management inflows and outflows**

The Group's results of operations are affected by inflows and outflows of client assets under management since, as discussed in more detail below, the Group charges client fees primarily on the basis of the value of assets invested. In the six-month period ended 30 September 2019, the Group had a net inflow of £3.2 billion in assets under management, and in the year ended 31 March 2019, the Group experienced a net inflow in assets under management of £6.1 billion, as compared to a net inflow of £5.4 billion in the year ended 31 March 2018 and a net outflow of £0.6 billion in the year ended 31 March 2017. The Group measures its torque ratio, which signifies the relative scale of net flows in relation to the overall size of the business, as a measure of its operating performance. For the six-month period ended 30 September 2019, the Group's torque ratio was 5.8 per cent. (on an annualised basis), as compared to 5.9 per cent., 5.6 per cent. and (0.8) per cent. for the years ended 31 March 2019, 2018 and 2017.

The following tables summarise the Group's assets under management by asset class, Client Group and distribution channel as at 30 September 2019 and 31 March 2019, 2018 and 2017, and net flows for each of the respective periods then ended:

	As at and for the six-month period ended 30 September		As at and for the years ended 31 March					
	2019		2019		2018		2017	
Asset Class	**AUM[1]**	**Net flows[2]**	**AUM[3]**	**Net flows[4]**	**AUM[3]**	**Net flows[4]**	**AUM[3]**	**Net flows[4]**
				(£ billions)				
Equities	54.0	0.6	50.5	2.4	45.5	4.6	38.9	(1.5)
Fixed Income	33.9	1.9	29.8	2.8	27.3	(0.2)	27.1	(1.0)
Multi-Asset	21.8	0.6	20.5	0.4	20.8	1.2	18.9	1.2
Alternatives	3.5	–	3.3	0.3	2.9	(0.3)	3.5	0.5
Third-party funds on the IMS platform	7.6	0.1	7.3	0.2	7.4	0.1	6.9	0.2
Total	**120.8**	**3.2**	**111.4**	**6.1**	**103.9**	**5.4**	**95.3**	**(0.6)**

	As at and for the six-month period ended 30 September		As at and for the years ended 31 March					
	2019		2019		2018		2017	
Client Group	**AUM[1]**	**Net flows[2]**	**AUM[3]**	**Net flows[4]**	**AUM[3]**	**Net flows[4]**	**AUM[3]**	**Net flows[4]**
				(£ billions)				
Africa	43.2	1.1	40.6	2.9	39.2	0.2	37.4	1.4
United Kingdom	24.1	0.1	22.8	1.7	19.5	1.6	17.9	0.4
Asia Pacific	20.7	0.3	19.1	(0.1)	17.7	1.4	15.3	(1.3)
Americas	17.0	0.8	15.1	0.6	14.7	2.7	11.8	(0.7)
Europe	15.8	0.9	13.8	1.0	12.8	(0.5)	12.9	(0.4)
Total	**120.8**	**3.2**	**111.4**	**6.1**	**103.9**	**5.4**	**95.3**	**(0.6)**

	As at and for the six-month period ended 30 September		As at and for the years ended 31 March					
	2019		2019		2018		2017	
Distribution Channel	**AUM[1]**	**Net flows[2]**	**AUM[3]**	**Net flows[4]**	**AUM[3]**	**Net flows[4]**	**AUM[3]**	**Net flows[4]**
				(£ billions)				
Institutional	82.1	1.8	76.1	4.3	70.4	2.3	65.2	(1.2)
Advisor	38.7	1.4	35.3	1.8	33.5	3.1	30.1	0.6
Total	**120.8**	**3.2**	**111.4**	**6.1**	**103.9**	**5.4**	**95.3**	**(0.6)**

Notes:

(1) As at 30 September.

(2) For the six-month period ended on 30 September.

(3) As at 31 March of the relevant year.

(4) For the 12-month period ended on March 31 of the relevant year.

A number of factors contribute to the Group's ability to attract and retain assets under management. In particular, the Group's investment performance and, more generally, the level of service that it provides to clients both play key roles in inflow and outflow trends. The Group's clients value its ability to deliver investment performance, on an absolute basis as well as relative to applicable benchmarks, which leads to client retention and the possibility of additional flows from those clients. Investment performance also has an impact on the Group's ability to attract new clients, which further drives growth in its assets under management. Notwithstanding these direct factors, external macro-economic and capital markets conditions, which are outside the control of the Group, also have a bearing on growth in assets under management, as further discussed below.

The Group manages its client relationships across its five Client Groups and, within each Client Group, through its core Institutional and Advisor distribution channels. Accordingly, the Group evaluates inflows and outflows of its assets under management by these categories.

The Group's largest Client Groups by assets under management are its Africa and United Kingdom Client Groups, with assets under management of £43.2 billion and £24.1 billion as at 30 September 2019, respectively, and £40.6 billion and £22.8 billion as at 31 March 2019, respectively. All Client Groups experienced relatively stable but growing assets under management during the periods under review.

Institutional distribution channel net inflows of £1.8 billion for the six-month period ended 30 September 2019 reflected Multi-Asset inflows from new client wins in the Fixed Income and Equities asset classes in the Africa, Americas and Europe Client Groups. Institutional distribution channel net inflows of £4.3 billion for the year ended 31 March 2019 reflected significant client wins from the Africa and Europe Client Groups, predominantly into the Equities and Fixed Income asset classes. Institutional distribution channel net inflows of £2.3 billion for the year ended 31 March 2018 reflected significant client wins from the Americas, Asia Pacific and Europe Client Groups, predominantly into the Equities and Fixed Income asset classes, but these were offset to some degree by outflows from Fixed Income clients in the Europe Client Group. Net outflows in the Institutional distribution channel during the year ended 31 March 2017 of £1.2 billion were mainly due to outflows in the Asia Pacific Client Group, from the Equities asset class.

Focused efforts on the Advisor distribution channel contributed to net inflows of £1.4 billion for the six-month period ended 30 September 2019 and of £1.8 billion and £3.1 billion in the years ended 31 March 2019 and 2018, respectively. The United Kingdom Client Group experienced good net inflows during the years ended 31 March 2019, 2018 and 2017, before slowing during the six-month period ended 30 September 2019. Positive trends for the Americas and Europe Client Groups in the year ended 31 March 2018 did not continue during the year ended 31 March 2019, which explains most of the decrease in the level of net inflows between the two periods, although net inflows rebounded moderately during the six-month period ended 30 September 2019 for the Europe Client Group. The lower net inflows of £0.6 billion in the year ended 31 March 2017 were mainly from the Africa Client Group, with relatively low net flow amounts from the other Client Groups.

The Group's ability to attract and retain assets under management also depends indirectly on its reputation, leadership stability and brand awareness. The Group intends to continue to leverage these strengths as it seeks to grow its assets under management and further expand its business.

2.1.2 Economic and capital market conditions

The Group invests in markets around the world and, as a result, its operating performance is affected by macro-economic and capital market conditions globally. These market-related conditions impact the value of client investments, which, in turn, impact the Group's management fee revenue and results of operations.

Macro-economic and capital market conditions have been, at times, significantly impacted by a variety of factors affecting asset values and, ultimately, the Group's business. These factors include sovereign debt levels, the perceived strength of large domestic economies, particularly in China and the United States, protectionist trends and trade disputes, other geopolitical tensions and volatility in global commodity prices. Markets and investor sentiment have also been affected by changes in currency exchange rates, interest rates, bond yields and inflation expectations. As a result of these and other trends, GDP growth globally has been at times subdued during the periods under review.

The Group's operating results are also influenced by fluctuations in global equities and bond markets, since a significant portion of its assets under management are invested in equity and fixed income securities. Equity and bond markets have fluctuated during the periods under review. Although levels of market volatility typically vary by specific market and by investment strategy, broad shifts in global equity and fixed income market sentiment can affect the Group's operating performance from year to year.

Similarly, since the Group invests in markets globally, its assets under management are also subject to fluctuations in currency exchange rates – including due to translation of asset values into pounds sterling for purposes of the Group's operations and financial reporting. The impact of changes in foreign currency exchange rates during the periods under review supported, in particular, increases in the reported value of the Group's assets under management in Equities and Fixed Income, and appreciation in pounds sterling since 30 September 2019 may affect these reported amounts for the year ending 31 March 2020. For example, in late 2019, the pounds sterling appreciated materially, which could affect the Group's reported profitability for the year ending 30 March 2020.

The Group also earns revenues from a diverse, international range of clients and investment classes and incurs expenses across the jurisdictions where it has offices and staff. As a result, significant portions of the Group's management fees are earned in currencies other than pounds sterling, including 42 per cent. in US dollars for the six-month period ended 30 September 2019 (43 per cent., 43 per cent. and 42 per cent. for the years ended 31 March 2019, 2018 and 2017, respectively) and 25 per cent. in Rand for the six-month period ended 30 September 2019 (25 per cent., 26 per cent. and 29 per cent. for the years ended 31 March 2019, 2018 and 2017, respectively). Since a substantial amount of revenues are earned in Rand, a decline in Rand relative to the pounds sterling would have a negative impact on the Group's reported profitability, such as the volatility since 30 September 2019 which may affect the Group's results for the year ending 31 March 2020. The Group's results were compiled using average exchange rates of:

- R18.3/£ for the six-month period ended 30 September 2019, and R18.0/£, R17.2/£ and R18.4/£ for the years ended 31 March 2019, 2018 and 2017, respectively.
- US dollar 1.3/£ for the six-month period ended 30 September 2019, and US dollar 1.3 for each of the years ended 31 March 2019, 2018 and 2017 respectively.

Similarly, since a significant portion of expenses are incurred in pounds sterling, depreciation in the pounds sterling relative to other currencies would have a positive impact on the Group's reported profitability.

During the periods under review, the Group's assets under management and, as a result, its operating results, were also impacted by Brexit. In particular, following the UK referendum on membership in the EU on 23 June 2016, significant depreciation in the pounds sterling relative to foreign currencies, primarily the Rand and US dollar, contributed to the increase in the reported value of the Group's global assets under management during the year ended 31 March 2017 when translated into pounds sterling. Although the pounds sterling has generally stabilised since that time, it has experienced periods of volatility during the course of 2019 and increased late in the year and early in 2020, and uncertainty in capital markets and in the domestic UK and broader EU economies has persisted. Political, social and macro-economic uncertainty is likely to continue to affect financial markets, currency stability, consumer sentiment and corporate profitability in the United Kingdom and the EU.

2.2 **Fee arrangements and assets under management mix, other revenues**

The Group derives substantially all of its net revenue from management fees, which comprise the fees that it charges its clients based on the value of clients' assets under management (and excludes performance fee revenue). Because the Group's investment strategies generally focus on medium- to long-term investments, a significant portion of client assets are invested with the Group for multi-year periods, resulting in relatively stable, recurring management fees closely related to development in and stability of the Group's diverse assets under management.

The following table summarises the Group's management fee revenue during the six-month periods ended 30 September 2019 and 2018 and the years ended 31 March 2019, 2018 and 2017, as well as its average assets under management and average fee rate for each of those periods:

	For the six-month periods ended 30 September		For the years ended 31 March		
	2019	**2018**	**2019**	**2018**	**2017**
Management fee revenue[1] (millions)	£283.1	£263.8	£524.6	£495.4	£434.6
Average assets under management[2] (billions)	£117.8	£107.9	£108.0	£99.6	£87.1
Average fee rate[3]	47.9 bps	48.8 bps	48.6 bps	49.7 bps	49.9 bps

Notes:

(1) Management fees represent revenue from fees charged to clients based on the amount of assets under management, according to the specific management fee arrangements in place with the relevant client, for a given period.

(2) Average assets under management is calculated based on a seven-point average of closing assets under management in each month for the six-month periods and a 13-point average of closing assets under management for full-year periods.

(3) Average fee rate is calculated as the management fee revenue for the relevant period divided by the average assets under management for that period, and is expressed in basis points. Average fee rate for the six-month periods has been annualised.

Although the Group's net revenue is significantly correlated to overall assets under management, management fee rates vary depending on the arrangements in place with the relevant client. In particular, the Group's largest clients often negotiate preferential fee rates as part of large-scale segregated investment mandates. As a result, fee rates tend to differ between the Group's core distribution channels – fee rates on Advisor assets under management are higher than fee rates on Institutional assets under management. As at 30 September 2019, 68.0 per cent. of the Group's assets under management were from Institutional clients and 32.0 per cent. were from Advisor clients, as compared to 68.3 per cent. and 31.7 per cent., respectively, as at 31 March 2019, 67.8 per cent. and 32.2 per cent., respectively, as at 31 March 2018, and 68.4 per cent. and 31.6 per cent., respectively, as at 31 March 2017.

During the periods under review, the Group experienced a degree of management fee pressure due to some new mandates agreed at lower fee rates, and the occasional renegotiation of preferential fee rates, in particular in the Institutional channel. Fee pressure and changes in client mix contributed to moderate declines in the Group's average fee rate, from 49.9 bps in the year ended 31 March 2017, to 49.7 bps in the year ended 31 March 2018, 48.6 bps in the year ended 31 March 2019 and 47.9 bps in the six-month period ended 30 September 2019 (calculated on the basis of the Group's management fees), during periods when the Group's assets under management and net revenue nevertheless continued to increase period on period and year on year.

In addition, the management fee rates charged by the Group vary based on the client's chosen asset class and investment strategy. For example, the Group earns the highest fee margins for assets invested in its Alternative asset class (which are typically investment strategies in private assets, which are not freely tradeable and as a result require longer lock-up periods) and within certain Equity mandates.

As a result, as existing clients' investment preferences evolve and as new clients invest assets, the Group's mix of assets under management and, correspondingly, average fee rates fluctuate from period to period.

In addition to management fees, the Group's net revenue also includes performance fees on a limited portion of assets under management. Performance fee revenue, which reflects fees charged to clients based on the investment performance of specified assets under management, according to the specific methodology agreed with the relevant client, decreased during the periods under review, comprising 1.9 per cent. of the Group's total net revenue for the six-month period ended 30 September 2019, as compared to 2.0 per cent., 3.4 per cent. and 5.8 per cent. for the years ended 31 March 2019, 2018 and 2017, respectively. The decrease in performance fee revenue is a result of short-term investment underperformance in the Group's performance fee-earning strategies and a reduction in the value of client assets managed pursuant to fee arrangements with a performance component.

The Group also earns revenue through its Silica operations. Silica revenue from third-party clients, which was broadly stable during the periods under review, comprised 3.5 per cent. of the Group's total net revenue in the six-month period ended 30 September 2019, as compared to 3.9 per cent. in the year ended 31 March 2019 and 4.1 per cent. in each of the years ended 31 March 2018 and 2017.

2.3 Personnel costs

The Group's level of operating expenses, and its ability to leverage its cost base and infrastructure to generate higher levels of revenue from its operating activities, is a key driver of its financial results. The Group's most significant operating expenses are personnel costs, which comprised 67.1 per cent. of its operating expenses for the six-month period ended 30 September 2019 and 67.0 per cent. for the year ended 31 March 2019, as compared to 70.0 per cent. and 69.3 per cent., respectively, for the years ended 31 March 2018 and 2017. These personnel costs are comprised of fixed and variable elements.

Excluding Silica and personnel expenses related to movements in the deferred employee benefit scheme (which are offset by an equal and opposite amount included in other income/expenses in the financial statements), personnel expenses comprised 65.4 per cent. of adjusted operating expenses for the six months ended 30 September 2019, and 65.9 per cent., 69.0 per cent. and 67.6 per cent., respectively, for the years ended 31 March 2019, 2018 and 2017.

The key factor affecting the Group's fixed staff costs is the number of employees. The Group employed 1,632 employees as at 30 September 2019, as compared to 1,629, 1,592 and 1,654 employees as at 31 March 2019, 2018 and 2017, respectively. Excluding Silica, the Group's employee headcount increased from 991 as at 31 March 2017 to 1,055 as at 31 March 2018, 1,139 as at 31 March 2019 and 1,147 as at 30 September 2019. These moderate personnel increases supported growth in the Group's business during these periods, highlighting the Group's cost discipline and ability to leverage its capabilities across continued growth in assets under management and operations. The Group also outsources a significant number of operational functions, including middle- and back-office roles, as described in paragraph 5 of Part VII: "*Information on the Group – Business overview*", as a means of managing its operating expenses.

The Group's variable staff costs principally comprise staff bonuses. Employees of the Group are eligible to receive an annual bonus derived from a bonus pool calculated as a fixed proportion of the Group's pre-bonus profit before tax in each financial year (on an aggregated Group level). As a result, during the periods under review, the year-on-year changes in the Group's variable staff costs generally correlated with changes in the Group's pre-tax profitability.

2.4 Operating platform and non-personnel costs

The Group's non-personnel costs comprise expenses arising from a variety of support, operational and other functions, which together accounted for 32.9 per cent. of its operating expenses for the six-month period ended 30 September 2019 and 33.0 per cent. for the year ended 31 March 2019, compared to 30.0 per cent. and 30.7 per cent. for the years ended 31 March 2018 and 2017, respectively. These non-personnel operating expenses include costs in relation to investment fund administration, systems (IT), office accommodation, promotional (including marketing), information (investment data and research), travel and overheads.

The following table provides a breakdown of the Group's non-personnel operating expenses for the six-month period ended 30 September 2019 and the year ended 31 March 2019:

	For the six-month period ended 30 September 2019	**For the year ended 31 March 2019**
	(per cent.)	
Investment and fund administration	28	27
Systems	15	15
Accommodation	16	14
Promotional	10	10
Information	11	11
Travel	6	7
Overheads	14	16
Total non-personnel operating expenses	**100**	**100**

The Group aims to continue growing assets under management across its five Client Groups by building on its strong Institutional relationships and with a continued focus on the Advisor channel, and believes that its existing operating model will enable it to continue to grow in the near term without significant further investment in its global platform. The Group's operating model relies on an integrated global architecture, with an in-house operations team partnered with global service providers for back- and middle-office services. This unified and capital-light infrastructure allows the Group to expand across markets and products as it targets continued growth in clients and assets under management globally without requiring significant levels of new investment in or expansion of its existing platform.

Additionally, in the past, the Group has been successful in expanding its Client Group footprint into new jurisdictions. Although it has no current plans to do so, the Group is confident that its current operating model and third-party service partners could support future growth into new jurisdictions.

2.5 **Costs relating to the Demerger and becoming a public company**

The Group has taken a number of actions as part of the Demerger to create the corporate infrastructure necessary to operate as independent public companies. These actions include the establishment of independent corporate functions and governance (in each case, operating on a Group-wide basis), including fully independent Boards, building capability within head office functions to support a publicly listed group operating in a DLC Structure and the transfer of certain information technology systems. In connection with the Demerger, the Group established the Ninety One brand, as described in paragraph 7.1 of Part VII: "*Information on the Group – Brand*".

The primary costs that have been expected to be incurred by the Group in connection with the Demerger include operational and public company costs (including items that were not required pre-Demerger, or where it previously relied on support and services from the Investec Group), and costs associated with the Transitional Services Agreement and Transitional Trade Mark Licence Agreement (as described in paragraph 22.1 of Part XVIII: "*Additional Information – Demerger Agreements*".

As a consequence of the Demerger and of becoming an independent entity, the Group incurred recurring operating costs related to new corporate functions and replacement services of £1.1 million in the six-month period ended 30 September 2019 and £0.2 million in the year ended 31 March 2019. The Group expects these costs to reach approximately £2.2 million in the six-month period ending 30 March 2020, and it expects related marketing costs to increase in the year ending 30 March 2021.

In addition, the Group currently expects to incur a series of one-off costs in connection with the completion of the Demerger, including the separate listing of the Ninety One Business. These costs will be excluded from operating expenses and included in non-recurring income and expenses in the statement of comprehensive income. These comprise a mixture of Demerger project costs, such as adviser and other transaction costs, including expenses relating to migration of services to the Group during and at the end of the Transitional Services Agreement period, and one-off costs in connection with rebranding. The Group expects to incur approximately £5.4 million in respect of these one-off costs in the six-month period ending 31 March 2020, as compared to £5.4 million in the six-month period ended 30 September 2019 and £1.5 million in the year ended 30 March 2019. In the year ending 30 March 2021, the Group expects to incur additional costs related to the rebranding exercise, although the aggregate one-off costs in connection with the Demerger are expected to decrease as compared to the prior year.

Following the Demerger, the Group will put in place the LTIP as part of its broader remuneration strategy. It is expected that the Group's bonus pool (including LTIP awards) will remain a fixed portion of pre-bonus profit before tax, although remuneration expenses (as reported on the income statement) may comprise a nominal amount lower than the fixed ratio since LTIP-related expenses are required to be presented on an amortised basis.

3. **Key operating and financial metrics (excluding investment performance)**

The following table sets out certain key operating and financial metrics for the periods indicated:

	As at and for the six-months ended 30 September		As at and for the years ended 31 March		
	2019	**2018**	**2019**	**2018**	**2017**
Profit before tax (millions)[1]	£91.9	£92.1	£178.4	£178.0	£163.2
Adjusted operating profit margin[1][2]	32.2%	32.3%	31.9%	33.6%	33.7%
Assets under management (billions)[3]	£120.8	£109.2	£111.4	£103.9	£95.3
Net flows (billions)[1]	£3.2	£4.1	£6.1	£5.4	£(0.6)
Torque ratio[1][4]	5.8%	8.0%	5.9%	5.6%	(0.8)%
Average fee rate[1][5]	47.9bps	48.8bps	48.6bps	49.7bps	49.9bps

Notes:

(1) For the six-month period ended on 30 September or the 12-month period ended on 31 March of the relevant year, as applicable.

(2) Adjusted operating profit margin is calculated as adjusted operating profit for the relevant period divided by adjusted operating revenue for that period expressed as a percentage. For a reconciliation of adjusted operating profit margin to revenue, please see Part XI: "*Selected Financial Information – Non-IFRS Measures*".

(3) As at 30 September or 31 March of the relevant year, as applicable.

(4) Torque ratio is calculated as net flows for the relevant period divided by assets under management as at the first day of that period, and signifies the relative scale of net flows in relation to the overall size of the business. Torque ratio for six-month periods has been annualised.

(5) Average fee rate is calculated as the management fee revenue for the relevant period divided by the average assets under management for that period, and is expressed in basis points. Average fee rate for the six-month periods has been annualised.

4. **Current trading and prospects**

The Group has continued the trend of operating profit growth since 30 September 2019, with higher pounds sterling AUM at 31 December 2019 and net inflows for the quarter ended 31 December 2019.

There has been no change to the trading objects of the Companies and the Major Subsidiaries during the previous five years.

5. **Description of certain key line items**

- ***Net revenue***: the Group's revenue less commission expenses (shown as net income in the Group's Combined Statement of Comprehensive Income).
  - *Revenue*: the Group's revenue comprises fee revenue arising from the provision of services in the ordinary course of the Group's business, excluding value added tax or other sales taxes. The Group's fee revenue primarily comprises management fees as well as some performance fees.
  - *Commission expenses*: the Group's commission expenses comprise commissions, external manager fees and distribution fees payable to financial institutions, investment platform providers and financial advisers that distribute the Group's products.
- ***Operating expenses***: the Group's operating expenses comprise fixed and variable staff costs, third-party investment and fund administration costs, systems costs, accommodation costs, promotional costs, information costs (including research fees), travel costs and overheads (including depreciation of property and equipment, auditors' remuneration and other operating expenses) and goodwill impairment (during the year ended 31 March 2017 only).
- ***Other income/expense***: the Group's income arising from sundry items such as disposals of fixed assets.
- ***Net interest income***: the Group's net interest income in relation to cash and cash equivalents (less operating lease interest from 1 April 2019).
- ***Net gain on investments***: the Group's net gain on investments held in relation to its deferred employee compensation scheme. This income is offset by an equivalent expense included in personnel costs.
- ***Foreign exchange gain/(loss)***: the Group's gain/(loss) in a given period in relation to the restatement of foreign currency balance sheet assets and liabilities.
- ***Exceptional items***: income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Group and, therefore, are not expected to recur frequently or regularly.

- ***Income tax expense***: the Group's income tax expense arising from operations and reflecting any impact of deferred tax adjustments from the current and prior years.
- ***Investment contract surplus/liabilities:*** the Group undertakes linked insurance business through IAL, one of its South African entities, and does not take on any insurance risk in respect of such business. IAL policyholders hold units in a pooled portfolio of assets via linked policies issued by the insurance entity. The assets are beneficially owned held by the insurance entity on behalf of policyholders, and are reflected on the Group's consolidated statement of financial position. Because of the nature of a linked insurance policy (which commonly features an investment element for the benefit of the policyholder), the Group's liability to IAL policyholders is equal to the market value of the assets underlying the policies, less applicable taxation. The policyholder related revenues and costs are included on the face of the Group's consolidated statement of comprehensive income but as a result of revenues and costs broadly offsetting one another, have no impact on consolidated operating profit, or profit before or after tax.

6. Results of operations

The following table sets out the Group's combined results of operations for the periods indicated, which has been extracted without material adjustment from the historical financial information set out in Section A4 of Part XIV: "*Historical Financial Information*":

	For the six-months ended 30 September		For the years ended 31 March		
	2019 (Audited/ Reviewed)[1]	2018 (Unaudited)	2019 (Audited)	2018 (Audited)	2017 (Audited)
			(£ millions)		
Net revenue	**299.4**	**279.9**	**556.9**	**537.1**	**484.5**
Operating expenses	(211.3)	(199.8)	(393.7)	(361.6)	(334.6)
Other income/expenses					
Other income/(expense)	–	–	0.4	0.6	(0.1)
Net interest income	0.9	2.8	5.7	5.4	5.5
Net gain on investments	4.3	4.0	5.1	1.6	5.7
Foreign exchange gain/ (loss)	4.0	4.6	5.0	(5.1)	2.2
Operating profit	**97.3**	**91.5**	**179.4**	**178.0**	**163.2**
Exceptional items[2]	(5.4)	0.6	(1.0)	–	–
Profit before tax	**91.9**	**92.1**	**178.4**	**178.0**	**163.2**
Income tax expense	(19.6)	(18.3)	(38.6)	(37.5)	(35.6)
Profit after tax	**72.3**	**73.8**	**139.8**	**140.5**	**127.6**

Notes:

(1) Audited for Listing Rules purposes, and reviewed for JSE Listings Requirements purposes.

(2) Exceptional items relate primarily to the costs incurred as part of the Demerger and separate listing of the Ninety One Business.

The following discussion summarises certain profit and loss items in the Group's combined statement of comprehensive income for the six-month periods ended 30 September 2019 and 2018 and for the years ended 31 March 2019, 2018 and 2017.

Clients typically invest through segregated mandates or fund structures; for the purposes of this Part XII, "clients" means all clients irrespective of the manner of engagement with the Group.

6.1 Six-month period ended 30 September 2019 compared to six-month period ended 30 September 2018

6.1.1 Net revenue

The Group's net revenue was £299.4 million in the six-month period ended 30 September 2019, an increase of £19.5 million, or 7.0 per cent., compared to £279.9 million during the six-month period ended 30 September 2018. This increase reflected growth of £25.4 million, or

7.2 per cent., in the Group's gross revenue to £376.3 million during the six-month period ended 30 September 2019, which was partially offset by an increase of £6.0 million, or 8.4 per cent., in commission expense to £76.9 million during the six-month period ended 30 September 2019, which reflected the relatively higher proportion of growth in cross-border mutual fund assets under management, a principal vehicle for Advisor client investments.

The Group's revenue growth was driven by an increase in average assets under management from £107.9 billion during the six-month period ended 30 September 2018 to £117.8 billion during the six-month period ended 30 September 2019. During the six-month period ended 30 September 2019, growth in assets under management was due to net inflows of £3.2 billion and market-related growth of £6.2 billion. The Group experienced steady client asset net inflows during the six-month period ended 30 September 2019 of £1.8 billion from Institutional clients and £1.4 billion from Advisor clients.

The revenue impact of the growth in assets under management was partially offset by a moderate decrease in the Group's average fee rate from 48.8 bps in the six-month period ended 30 September 2018 to 47.9 bps in the six-month period ended 30 September 2019. This decrease reflected a variety of factors across the Group's operations, including the Group's client mix between Institutional and Advisor clients, the shifting geographic locations of clients, and changes in clients' asset class and investment strategy preferences.

6.1.2 Operating expenses

The Group's operating expenses were £211.3 million in the six-month period ended 30 September 2019, an increase of £11.5 million, or 5.8 per cent., compared to £199.8 million during the six-month period ended 30 September 2018. The increase in operating expenses was partially due to higher levels of personnel costs, in particular, an increase in headcount (excluding Silica) from 1,088 as at 30 September 2018 to 1,147 as at 30 September 2019. Including Silica personnel, headcount increased from 1,600 as at 30 September 2018 to 1,632 as at 30 September 2019. Personnel expenses also increased due to higher bonus provisions in line with improved profitability.

The Group also experienced increases in operating expenses due to higher systems costs, duplicate accommodation costs arising from a premises move and an increase in research costs due to the loss of commission sharing recoveries in South Africa.

6.1.3 Exceptional items

The Group's exceptional items were an expense of £5.4 million in the six-month period ended 30 September 2019 compared to £0.6 million income during the six-month period ended 30 September 2018. This change was a result of expenses incurred in connection with the Demerger.

6.1.4 Income tax expense

The Group's income tax expense was £19.6 million in the six-month period ended 30 September 2019, an increase of £1.3 million, or 7.5 per cent., compared to £18.3 million during the six-month period ended 30 September 2018.

The increase in income tax expense was primarily due to increased operating profit (before exceptional items) and a relatively higher proportion of profit in South Africa.

In the six-month period ended 30 September 2019, the Group's effective tax rate was 21.4 per cent., as compared to 19.9 per cent. in the six-month period ended 30 September 2018.

6.1.5 Profit after tax

The Group's profit after tax was £72.3 million in the six-month period ended 30 September 2019, a decrease of £1.5 million, or 2.0 per cent., compared to £73.8 million during the six-month period ended 30 September 2018. This decrease was a result of the factors discussed above.

6.2 Year ended 31 March 2019 compared to year ended 31 March 2018

6.2.1 Net revenue

The Group's net revenue was £556.9 million in the year ended 31 March 2019, an increase of £19.8 million, or 3.7 per cent., compared to £537.1 million during the year ended 31 March 2018. This increase reflected growth of £34.5 million, or 5.2 per cent., in the Group's revenue to

£696.6 million during the year ended 31 March 2019, which was partially offset by an increase of £14.8 million, or 11.8 per cent., in commission expense to £139.7 million during the year ended 31 March 2019, which reflected the relatively higher proportion of growth in cross-border mutual fund assets under management, a principal vehicle for Advisor client investments.

The Group's revenue growth was driven by an increase in average assets under management from £99.6 billion during the year ended 31 March 2018 to £108.0 billion during the year ended 31 March 2019. During the year ended 31 March 2019, growth in assets under management was due to net inflows of £6.1 billion and market-related growth of £1.4 billion. The Group experienced strong client asset net inflows across both its Institutional and Advisor channels, of £4.3 billion and £1.8 billion, respectively, during the year ended 31 March 2019, as compared to £2.3 billion and £3.1 billion, respectively, during the year ended 31 March 2018.

This growth in assets under management was partially offset by a moderate decrease in the Group's average fee rate from 49.7 bps in the year ended 31 March 2018 to 48.6 bps in the year ended 31 March 2019. This decrease reflected a variety of factors across the Group's operations, including the Group's client mix between Institutional and Advisor clients, the shifting geographic locations of clients, and changes in clients' asset class and investment strategy preferences.

6.2.2 Operating expenses

The Group's operating expenses were £393.7 million in the year ended 31 March 2019, an increase of £32.1 million, or 8.9 per cent., compared to £361.6 million during the year ended 31 March 2018. The increase in operating expenses was partially due to higher levels of personnel costs, in particular, an increase in headcount (excluding Silica) from 1,059 as at 31 March 2018 to 1,139 as at 31 March 2019. Including Silica personnel, headcount increased from 1,592 to 1,629.

The Group also experienced increases in operating expenses due to the impact of MiFID II. From the year ended 31 March 2018 to the year ended 31 March 2019, investments in relation to systems and infrastructure, exacerbated by the loss of commission sharing recoveries, increased costs by £6.8 million. In addition to this, there were incremental costs of £5.4 million in relation to new offices, primarily in London.

6.2.3 Exceptional items

The Group's exceptional items were £1.0 million in the year ended 31 March 2019, an increase of £1.0 million compared to nil during the year ended 31 March 2018. This increase was a result of expenses incurred in connection with the Demerger.

6.2.4 Income tax expense

The Group's income tax expense was £38.6 million in the year ended 31 March 2019, an increase of £1.1 million, or 2.9 per cent., compared to £37.5 million during the year ended 31 March 2018.

The increase in income tax expense was primarily due to higher profit before tax levels in higher-tax jurisdictions, such as South Africa.

In the year ended 31 March 2019, the Group's effective tax rate was 21.6 per cent., as compared to 21.1 per cent. in the year ended 31 March 2018.

6.2.5 Profit after tax

The Group's profit after tax was £139.8 million in the year ended 31 March 2019, a decrease of £0.7 million, or 0.5 per cent., compared to £140.5 million during the year ended 31 March 2018. This decrease was a result of the factors discussed above.

6.3 Year ended 31 March 2018 compared to year ended 31 March 2017

6.3.1 Net revenue

The Group's net revenue was £537.1 million in the year ended 31 March 2018, an increase of £52.6 million, or 10.9 per cent., compared to £484.5 million during the year ended 31 March 2017. This increase reflected growth of £72.0 million, or 12.2 per cent., in the Group's gross

revenue to £662.1 million during the year ended 31 March 2018, which was partially offset by an increase of £19.2 million, or 18.2 per cent., in commission expense to £124.9 million during the year ended 31 March 2017, which reflected the relatively higher proportion of growth in cross-border mutual fund assets under management, a principal vehicle for Advisor client investments.

The Group's revenue growth was driven by an increase in average assets under management from £87.1 billion during the year ended 31 March 2017 to £99.6 billion during the year ended 31 March 2018. During the year ended 31 March 2018, growth in assets under management was due to net inflows of £5.4 billion and market-related growth of £3.2 billion. The Group experienced strong client asset net inflows across both its Institutional and Advisor channels, of £2.3 billion and £3.1 billion, respectively, during the year ended 31 March 2018, as compared to a net outflow of £1.2 billion and a net inflow of £0.6 billion, respectively, during the year ended 31 March 2017.

This growth in assets under management was partially offset by a moderate decrease in the Group's average fee rate from 49.9 bps in the year ended 31 March 2017 to 49.7 bps in the year ended 31 March 2018. This decrease reflected a variety of factors across the Group's operations, including the Group's client mix between Institutional and Advisor clients, the shifting geographic locations of clients, and changes in clients' asset class and investment strategy preferences.

6.3.2 Operating expenses

The Group's operating expenses were £361.6 million in the year ended 31 March 2018, an increase of £27.0 million, or 8.1 per cent., compared to £334.6 million during the year ended 31 March 2017.

The increase in operating expenses was primarily due to higher levels of personnel costs, in particular, an increase in headcount (excluding Silica) from 991 as at 31 March 2017 to 1,059 as at 31 March 2018, and in variable remuneration as a result of an increase in the Group's profit before tax in the year ended 31 March 2018 as compared to the year ended 31 March 2017. Including Silica personnel, headcount decreased from 1,654 to 1,592.

The Group also experienced increases in operating expenses due to investment in infrastructure and IT systems. From the year ended 31 March 2017 to the year ended 31 March 2018, costs in relation to systems and infrastructure increased by £4.3 million.

6.3.3 Exceptional items

The Group did not incur any exceptional items in the years ended 31 March 2018 or 2017.

6.3.4 Income tax expense

The Group's income tax expense was £37.5 million in the year ended 31 March 2018, an increase of £1.9 million, or 5.6 per cent., compared to £35.6 million during the year ended 31 March 2017.

The increase in income tax expense was primarily due to an increase in the Group's profit before tax in the year ended 31 March 2018 as compared to 31 March 2017, and reflected lower profit before tax levels in higher-tax jurisdictions, such as South Africa.

In the year ended 31 March 2018, the Group's effective tax rate was 21.1 per cent., as compared to 21.8 per cent. in the year ended 31 March 2017.

6.3.5 Profit after tax

The Group's profit after tax was £140.5 million in the year ended 31 March 2018, an increase of £12.9 million, or 10.1 per cent., compared to £127.6 million during the year ended 31 March 2017. This increase was a result of the factors discussed above.

7. Liquidity and capital resources

As at 30 September 2019, the Group had £230.4 million in cash and cash equivalents and no material outstanding indebtedness.

The Group's uses of cash have historically been, and are expected to continue to be, for the funding of operating expenses and, for the immediate future, costs related to the Demerger. The Group has funded these cash needs during the periods under review using net cash flows from operating activities.

7.1 Cash flows

The following table sets out the Group's consolidated cash flows for the periods indicated, which have been extracted without material adjustment from the historical financial information set out in Section A4 of Part XIV: "*Historical Financial Information*":

	For the six months ended 30 September						For the years ended 31 March								
	2019			2018			2019			2018			2017		
	Policy-holders	Share-holders	Total	Policy-holders	Share-holders	Total	Policy-holders	Share-holders	Total	Policy-holders	Share-holders	Total	Policy-holders	Share-holders	Total
	(Reviewed)[2]	(Reviewed)[2]	(Audited/ (Reviewed)[1]	(Unaudited)	(Unaudited)	(Unaudited)	(Reviewed)[2]	(Reviewed)[2] (£ millions)	(Audited)	(Reviewed)[2]	(Reviewed)[2]	(Audited)	(Reviewed)[2]	(Reviewed)[2]	(Audited)
Net cash flows from operating activities	302.9	41.9	344.8	353.2	20.9	374.1	596.5	113.0	709.5	554.5	172.1	726.6	309.3	166.2	475.5
Net cash flows from investing activities	(304.4)	(14.6)	(319.0)	(350.4)	1.4	(349.0)	(592.6)	(1.4)	(594.0)	(553.6)	(8.9)	(562.5)	(318.6)	(15.1)	(333.7)
Net cash flows from operating and investing activities	(1.5)	**27.3**	**25.8**	**2.8**	**22.3**	**25.1**	**3.9**	**111.6**	**115.5**	**0.9**	**163.2**	**164.1**	**(9.3)**	**151.1**	**141.8**
Net cash flows from financing activities	–	(66.6)	(66.6)	–	(68.5)	(68.5)	–	(143.9)	(143.9)	–	(124.3)	(124.3)	–	(116.5)	(116.5)
Effect of foreign exchange rate changes	1.5	0.5	2.0	(2.8)	(5.4)	(8.2)	(3.9)	(6.8)	(10.7)	(0.9)	(2.2)	(3.1)	9.3	14.9	24.2
Net change in cash and cash equivalents	–	**(38.8)**	**(38.8)**	–	**(51.6)**	**(51.6)**	–	**(39.1)**	**(39.1)**	–	**36.7**	**36.7**	–	**49.5**	**49.5**
Cash and cash equivalents at beginning of period	–	269.2	269.2	–	308.3	308.3	–	308.3	308.3	–	271.6	271.6	–	222.1	222.1
Cash and cash equivalents at end of period	–	**230.4**	**230.4**	–	**256.7**	**256.7**	–	**269.2**	**269.2**	–	**308.3**	**308.3**	–	**271.6**	**271.6**

Notes:

(1) Audited for Listing Rules purposes, and reviewed for JSE Listings Requirements purposes.

(2) Reviewed, for JSE Listings Requirements in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information performed by the Independent Auditor of the Entity read together with IAS 800 (Revised), Special Considerations – Audits of Financial Statements Prepared in Accordance with Special Purpose Frameworks. The purpose of this disclosure is to show the split of the total assets and liabilities and cash flow movements attributable to the Ninety One Business between policyholders and shareholders. This constitutes voluntary financial information and is required to be reviewed in accordance with paragraph 8.45(b) of the JSE Listings Requirements. The directors of Ninety One plc and Ninety One Limited are are responsible for the preparation and presentation of the policyholders' and shareholders' information relating to the Ninety One Business for the years ended and as at 31 March 2019, 2018 and 2017 and for the six months ended 30 September 2019, respectively, and for allocating the assets and liabilities and cash flow movements between the policyholder and shareholder categories. KPMG Inc's special purpose independent reporting accountant's review report is available for inspection following Admission.

(3) For the financial year ended 31 March 2019, the difference between shareholder net cash flows from operating and investing activities" of £111.6 million and profit after tax of £139.8 million is mainly income tax paid of £64.5 million versus income tax expense of £38.6 million (i.e. £25.9 million of the £28.2 million difference); for the year ended 31 March 2018, the difference between net cash flows from operating and investing activities of £163.1 million and profit after tax of £140.5 million is mainly income tax paid of £23.3 million versus income tax expense of £37.6 million (i.e. £14.3 million of the £22.6 million difference).

For the same reasons noted in the introduction to Part XI: "*Selected Financial Information*", Policyholder and Shareholder items have been separately disclosed below and commentary provided only on the Shareholder cash flows as the Policyholder movements are self-explanatory and are not reflective of the real operating and investing cash flows of the Group.

7.1.1 Cash flows from operating activities

The Group's net cash inflow from operating activities was £344.8 million during the six-month period ended 30 September 2019, as compared to £374.1 million during the six-month period ended 30 September 2018. Other than movements in items related to insurance-linked policyholder items, the Group's net cash inflow from operating activities was £41.9 million during the six-month period ended 30 September 2019, as compared to £20.9 million during the six-month period ended 30 September 2018. The increase in net cash from operating activities was primarily due to timing of corporate tax payments between the two periods. Cash flows from operating activities for the six month periods to 30 September are typically much lower than for the six month periods to 31 March due to the variable remuneration payment cycle falling into the first half of each financial year.

The Group's net cash inflow from operating activities was £709.5 million during the year ended 31 March 2019, as compared to £726.6 million during the year ended 31 March 2018. Other than movements in items related to insurance-linked policyholder items, the Group's net cash inflow from operating activities was £113.0 million during the year ended 31 March 2019, as compared to £172.1 million during the year ended 31 March 2018. The decrease in net cash from operating activities was primarily due to timing of corporate tax payments between the two years.

The Group's net cash inflow from operating activities was £726.6 million during the year ended 31 March 2018, as compared to £475.5 million during the year ended 31 March 2017. Other than movements in items related to insurance-linked policyholder items, the Group's net cash inflow from operating activities was £172.1 million during the year ended 31 March 2018, as compared to £166.2 million during the year ended 31 March 2017. The increase in net cash from operating activities was primarily due to timing of corporate tax payments between the two years.

7.1.2 Cash flows used in investing activities

The Group's net cash outflow from investing activities was £319.0 million during the six-month period ended 30 September 2019, as compared to £349.0 million during the six-month period ended 30 September 2018. Other than movements in items related to insurance-linked policyholder items, the Group's net cash outflow from investing activities was £14.6 million during the six-month period ended 30 September 2019, as compared to a net cash inflow of £1.4 million during the six-month period ended 30 September 2018. The increase in net cash outflow from investing activities was primarily due to an increase in deferred employee benefit investments.

The Group's net cash outflow from investing activities was £594.0 million during the year ended 31 March 2019, as compared to £562.5 million during the year ended 31 March 2018. Other than movements in items related to insurance-linked policyholder items, the Group's net cash outflow from investing activities was £1.4 million during the year ended 31 March 2019, as compared to £8.9 million during the year ended 31 March 2018. The decrease in net cash outflow from investing activities was primarily due to a reduction in deferred employee benefit investments.

The Group's net cash outflow from investing activities was £562.5 million during the year ended 31 March 2018, as compared to £333.7 million during the year ended 31 March 2017. Other than movements in items related to insurance-linked policyholder items, the Group's net cash outflow from investing activities was £8.9 million during the year ended 31 March 2018, as compared to £15.1 million during the year ended 31 March 2017. The decrease in net cash outflow from investing activities was primarily due to a reduction in deferred employee benefit investments.

7.1.3 Cash flows used in financing activities

The Group's net cash outflow from financing activities was £66.6 million during the six-month period ended 30 September 2019, as compared to £68.5 million during the six-month period ended 30 September 2018. The decrease in net cash from financing activities was primarily due to higher dividends paid in the six-month period ended 30 September 2018.

The Group's net cash outflow from financing activities was £143.9 million during the year ended 31 March 2019, as compared to £124.3 million during the year ended 31 March 2018. The increase in net cash outflow from financing activities was primarily due to higher dividends paid following a reduction in the capital requirement for a subsidiary within the Group.

The Group's net cash outflow from financing activities was £124.3 million during the year ended 31 March 2018, as compared to £116.5 million during the year ended 31 March 2017. The increase in net cash outflow from financing activities was primarily due to higher levels of dividends paid during the year ended 31 March 2018 as a result of increased profit before tax during the year then ended.

7.2 Capital expenditure

The Group mainly utilises third-party software and, therefore, has relatively immaterial investments in fixed assets. The Group generally has not capitalised its expenses in the past.

7.3 External funding, financing and indebtedness

The Group does not have, and currently has no plans to seek, any external funding, financing or indebtedness.

7.4 Contractual obligations and commitments

The Group's lease liabilities are included in its combined statements of financial position set out in Section A4 of Part XIV: "*Historical Financial Information*", and its other contractual obligations are summarised in note 21 thereto.

7.5 Regulatory capital

The Group is regulated by the FCA in the United Kingdom and the SA FSCA in South Africa, and it retains regulatory capital levels as required under the relevant regimes in the jurisdictions where it operates. For a summary of these requirements, see Part XV: "*Regulatory Overview*".

7.6 Off-balance sheet arrangements

The Group did not have any off-balance sheet arrangements as of 30 September 2019 that have or are reasonably likely to have a current or future effect on its financial condition, change its financial condition, revenues, expenses, results, operating income, liquidity, capital expenditure or capital reserves that are material to investors, with the exception of a guarantee by the Investec Group in relation to the Group's new London office.

8. Quantitative and qualitative disclosure about market risk

The Group has exposure to credit and liquidity risk in the normal course of business. The Group is also exposed to market risk arising from its financial instruments. For a summary of the Group's exposure to these risks and the objectives, policies and processes that it has implemented to measure and manage these risks, see Note 20 to Section A4 of Part XIV: "*Historical Financial Information*".

9. Significant accounting policies

The Group's significant accounting policies are more fully described in Note 1 to Section A4 of Part XIV: "*Historical Financial Information*".

Some of the Group's accounting policies require the application of significant judgements and estimates by management that can affect the amounts reported in the financial statements. By their nature, these judgements are subject to a degree of uncertainty and are based on the Group's historical experience, terms of existing contracts, management's view on trends in the industry, information from outside sources and other assumptions that management considers to be reasonable under the circumstances. Actual results could differ from these estimates under different assumptions or conditions.

During the periods under review, the operations and activities of the Group were undertaken through a number of subsidiaries of Investec and associates of those entities. Prior to the Demerger, those subsidiaries did not form a group and, therefore, it is not possible to prepare consolidated financial statements of the Group. Accordingly, related combined financial information has been prepared for the purposes of presenting financial information of the Group.

10. Future accounting pronouncements

For further information regarding standards relevant to the Group that have been issued but are not yet effective, see Note 1 to Section A4 of Part XIV: "*Historical Financial Information*".

CAPITALISATION AND INDEBTEDNESS

1. Capitalisation and indebtedness statement

1.1 Capitalisation

The following tables set forth the capitalisation of Ninety One plc and Ninety One Limited as at 4 October 2019 and 18 October 2019, respectively (the "**Date of Incorporation**"):

Ninety One plc

	As at 4 October 2019
	(£)
Shareholders' equity	
Share capital[(1)]	1
Redeemable preference share	50,000
Total	50,001

Note:

(1) As at the Date of Incorporation, share capital includes one ordinary share with a nominal value of £1. On 19 November 2019, Ninety One plc effected a reduction of capital by reducing the nominal value per ordinary share from £1 to £0.0001.

Ninety One Limited

	As at 18 October 2019
	(R)
Shareholders' equity	
Share capital[(1)]	–
Total	–

Note:

(1) On 17 December 2019, Ninety One Limited issued a total of one no-par value share to Investec Limited for a consideration of one Rand.

Except as disclosed above, there have been no material changes to total capitalisation of Ninety One plc and Ninety One Limited since the Date of Incorporation. However, the capitalisation in the tables above does not take account of the changes to the capital of Ninety One plc and Ninety One Limited arising as a result of the Demerger described in paragraph 5 of Part XVIII: *"Additional Information – Detailed terms and conditions of the Demerger*" (and, therefore, the capitalisation of the Ninety One Business as at the respective Dates of Incorporation). The expected capitalisation of Ninety One plc and Ninety One Limited following the Demerger is described in paragraphs 4.3.4 and 4.3.8 respectively of Part XVIII: *"Additional Information – The Companies' share capital".*

1.2 **Indebtedness**

The following table sets out the indebtedness of the Ninety One Business as at 31 December 2019 (the Ninety One Business as at 31 December 2019 does not include the Companies):

	As at 31 December 2019
	(£ millions)
Total current debt	
Guaranteed	–
Secured	–
Unguaranteed/unsecured[(1)]	1
Total non-current debt (excluding current portion of long-term debt)	
Guaranteed	–
Secured	–
Unguaranteed/unsecured[(1)]	100
Total	101

Note:

(1) These amounts represent current and non-current portion of lease liabilities as at 31 December 2019.

1.3 **Net financial indebtedness**

The following table sets out the net indebtedness of the Ninety One Business as at 31 December 2019 (the Ninety One Business as at 31 December 2019 does not include the Companies):

	As at 31 December 2019
	(£ millions)
A. Cash	110
B. Cash equivalents	111
C. Trading securities	–
D. Liquidity (A+B+C)	**221**
E. Current financial receivables	–
F. Current bank debt	–
G. Current portion of non-current debt	(1)
H. Other current financial debt	–
I. Current financial debt (F+G+H)	**(1)**
J. Net current financial indebtedness (I-E-D)	**220**
K. Non-current bank loans	–
L. Bonds issued	–
M. Other non-current loans	(100)
N. Non-current financial indebtedness (K+L+M)	**(100)**
O. Net financial indebtedness (J+N)	**120**

The Ninety One Business has certain commitments relating to private equity investments as described in Part XIV – "*Historical Financial Information*". There have been no material changes to the Ninety One Business' total indebtedness since 31 December 2019.

HISTORICAL FINANCIAL INFORMATION

Section A1 – Accountant's Report on the Combined Historical Financial Information of the Ninety One Business, included for the purposes of the Listing Rules

The Directors
Ninety One plc
55 Gresham Street
London, EC2V 7EL
United Kingdom

The Directors
Ninety One Limited
36 Hans Strijdom Avenue
Foreshore
Cape Town, 8001
Republic of South Africa

2 March 2020

Ladies and Gentlemen

Ninety One Business

We report on the financial information set out on pages 141 to 174 for the three years ended 31 March 2017, 2018 and 2019 and the six months ended 30 September 2019. This financial information has been prepared for inclusion in the Prospectus dated 2 March 2020 of Ninety One plc and Ninety One Limited on the basis of the accounting policies set out in Section A4, Note 1 of Part XIV. This report is required by Item 18.3.1 of Annex I of the Commission Delegated Regulation (EU) 2019/980 (the "**PR Regulation**") and is given for the purpose of complying with that item and for no other purpose. We have not audited or reviewed the financial information for the six months ended 30 September 2018 which has been included for comparative purposes only, and accordingly do not express an opinion thereon.

Responsibilities

The Directors of Ninety One plc and Ninety One Limited are responsible for preparing the financial information on the basis of preparation set out in Section A3, paragraphs 1 and 2 of Part XIV to the financial information.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Save for any responsibility arising under Prospectus Regulation Rule 5.3.2R (2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Item 1.3 of Annex I of the PR Regulation, consenting to its inclusion in the Prospectus.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of the significant estimates and judgements made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion on financial information

In our opinion, the financial information gives, for the purposes of the Prospectus dated 2 March 2020, a true and fair view of the state of affairs of the Ninety One Business as at 31 March 2017, 31 March 2018, 31 March 2019 and 30 September 2019 and of its combined Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Cash Flow Statement for the three years ended 31 March 2017, 2018 and 2019 and the six months ended 30 September 2019 in accordance with the basis of preparation set out in Section A3, paragraphs 1 and 2 of Part XIV.

Declaration

For the purposes of Regulation Rule 5.3.2R (2)(f), we are responsible for this report as part of the Prospectus and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that the report makes no omission likely to affect its import. This declaration is included in the Prospectus in compliance with Item 1.2 of Annex I of the PR Regulation.

Yours faithfully

KPMG LLP
Chartered Accountants
15 Canada Square
London
E14 5GL

2 March 2020

Section A2 – Independent Reporting Accountant's report on the Combined Historical Financial Information of the Ninety One Business, included for the purposes of the JSE Listings Requirements

The Directors
Ninety One Limited
36 Hans Strijdom Avenue
Foreshore
Cape Town, 8001
South Africa

The Directors
Ninety One plc
55 Gresham Street
London, EC2V 7EL
United Kingdom

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON THE COMBINED HISTORICAL FINANCIAL INFORMATION OF THE NINETY ONE BUSINESS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2019 AND THE YEARS ENDED 31 MARCH 2019, 2018 AND 2017

The definitions commencing on page 299 of this document apply *mutatis mutandis* to this report.

Introduction

At your request, and for the purposes of the prelisting statement dated on or about 2 March 2020, we have reviewed the combined historical financial information of the Ninety One Business for the six months ended 30 September 2019 and audited the combined historical financial information of the Ninety One Business for the years ended 31 March 2019, 2018 and 2017 set out in Section A4 of Part XIV, prepared in accordance with the Basis of Preparation set out in Section A3 paragraphs 1 and 3 of Part XIV ("**JSE Basis of Preparation**"), included in the Report of Combined Historical Financial Information of the Ninety One Business for the six months ended 30 September 2019 and the years ended 31 March 2019, 2018 and 2017 (collectively, "**Report of Combined Historical Financial Information of the Ninety One Business**").

The combined statement of financial position at 30 September 2019, the combined statement of comprehensive income, combined statement of changes in equity and combined cash flow statement for the six months ended 30 September, and a summary of significant accounting policies and notes thereto ("**Combined Interim HFI**") and the combined statements of financial position at 31 March 2019, 2018 and 2017, the combined statements of comprehensive income, combined statements of changes in equity and combined cash flow statements for the years ended 31 March 2019, 2018 and 2017, a summary of significant accounting policies and notes thereto ("**Combined HFI**") are prepared in accordance with the JSE Basis of Preparation attached as Section A3 paragraphs 1 and 3 of Part XIV which forms part of the Report of Combined Historical Financial Information of the Ninety One Business, set out in Section A4 of Part XIV to the prelisting statement.

The directors of Ninety One Limited and the directors of Ninety One plc (collectively, "**Directors**") are responsible for the preparation of the Report of Combined Historical Financial Information of the Ninety One Business. The Directors are responsible for the compilation, contents and preparation of the prelisting statement including the Report of Combined Historical Financial Information of the Ninety One Business, attached as Section A4 of Part XIV to the prelisting statement, prepared in accordance with the JSE Basis of Preparation which forms a part thereof, attached as Sections A3 paragraphs 1 and 3 of Part XIV to the prelisting statement and for determining that the JSE Basis of Preparation is acceptable in the circumstances.

KPMG Inc. is the independent reporting accountant to the Ninety One Business.

Part A: Combined Interim HFI

Independent Reporting Accountant's Report on the Combined Interim HFI

We have reviewed the Combined Interim HFI of the Ninety One Business, which comprises the combined statement of financial position at 30 September 2019, the combined statement of comprehensive income, the combined statement of changes in equity and the combined cash flow statement for the six months ended 30 September 2019, including a summary of significant accounting policies and the notes thereto as presented in Section A4 of Part XIV to the prelisting statement. The Directors are responsible for the preparation of the Combined Interim HFI, attached as Section A4 of Part XIV to the prelisting statement, in accordance with the JSE Basis of Preparation

which forms part thereof, attached as Sections A3 paragraphs 1 and 3 of Part XIV to the prelisting statement. Our responsibility is to express a review conclusion on the Combined Interim HFI based on our review in accordance with the International Standard on Review Engagements ("**ISRE**") 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*.

Scope of review

We conducted our review in accordance with ISRE 2410. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion on the Combined Interim HFI

Based on our review, nothing has come to our attention that causes us to believe that the Combined Interim HFI, as set out in the Report of Combined Historical Information of the Ninety One Business, attached as Section A4 of Part XIV to the prelisting statement, is not prepared, in all material respects, in accordance with the JSE Basis of Preparation that forms part thereof and is attached as Section A3 paragraphs 1 and 3 of Part XIV to the prelisting statement.

Emphasis of Matter – Basis of Preparation

We draw attention to the JSE Basis of Preparation which forms part of the Combined Interim HFI, as set out in the Report of Combined Historical Information of the Ninety One Business, attached as Section A3 paragraphs 1 and 3 of Part XIV to the prelisting statement, and which describes the JSE Basis of Preparation, including the approach to and the purpose for preparing the Combined Interim HFI. Our conclusion is not modified in respect of this matter.

Part B: Combined HFI

Independent Reporting Accountant's Report on the Combined HFI

Opinion

We have audited the Combined HFI of Ninety One Business, which comprises the combined statements of financial position at 31 March 2019, 2018 and 2017, the combined statements of comprehensive income, combined statements of changes in equity and combined cash flow statements for the years ended 31 March 2019, 2018 and 2017, including a summary of significant accounting policies and the notes thereto.

In our opinion, the Combined HFI is prepared, in all material respects, in accordance with the JSE Basis of Preparation which forms part of the Report of Combined Historical Financial Information of the Ninety One Business, attached as Sections A3 paragraphs 1 and 3 and A4, respectively, of Part XIV to this prelisting statement.

Basis for Opinion

We conducted our audits in accordance with International Standards on Auditing ("**ISAs**"). Our responsibilities under those standards are further described in the *Independent Reporting Accountant's Responsibilities for the Combined HFI* section of our report. We are independent of Ninety One Limited and Ninety One plc in accordance with the sections 290 and 291 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised January 2018)*, parts 1 and 3 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised November 2018)* (together, the "**IRBA Codes**") and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Combined HFI.

Emphasis of Matter – Basis of Preparation

We draw attention to the JSE Basis of Preparation which forms part of the Report of Combined Historical Financial Information of the Ninety One Business, attached as Sections A3 paragraphs 1 and 3 of Part XIV to this prelisting statement and which describes the JSE Basis of Preparation, including the approach to and the purpose for preparing the Combined HFI. As a result, the Combined HFI may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audits of the Combined HFI at 31 March 2019. These matters were addressed in the context of our audit of the Combined HFI as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

Key Audit Matter	Our Response to the Key Audit Matter
Consolidation and Combining of Historical Financial Information – Refer to JSE Basis of Preparation	

Investec Limited and Investec plc (collectively, "**Investec**") have entered into agreements to demerge and publicly list their asset management business (the "**Ninety One Business**").
 	
The Ninety One Business consists of Investec Asset Management Limited ("**IAM UK**") and Investec Asset Management Holdings Proprietary Limited ("**IAM SA**") and their direct and indirect subsidiaries and associates. The combined financial information of these two entities (the "**Combined HFI**") is the subject of the Report of Combined Historical Financial Information of the Ninety One Business to which this opinion relates.
 	
The separation will be implemented by way of a demerger of the Ninety One Business to a new Dual-Listed Company structure ("**Ninety One**"), comprising of Ninety One Limited and Ninety One plc, which will be separately listed on the London Stock Exchange ("**LSE**") and the JSE Limited ("**JSE**").
 	
Ninety One Limited and Ninety One plc have entered into sharing and voting agreements in order to ensure mutual control by the joint board and shareholders over Ninety One. At the date of this report, the agreements creating Ninety One were not as yet effective and the demerger and listing were still subject to Investec shareholder approval.
 	
The Combined HFI is also the first combined financial statements of the Ninety One Business, and it was thus determined appropriate that the principles of IFRS 1 First-time Adoption of International Financial Reporting Standards should be applied.
	Our audit procedures included the following:
	• obtaining an understanding of the proposed demerger and listing of Ninety One on the JSE and the LSE;
	• performing an assessment, together with our technical specialists, of the proposed structure to determine the extent to which the principles of IFRS could be applied as detailed in the JSE Basis of Preparation and, in particular, whether, post the implementation of the demerger and listing of Ninety One, either Ninety One Limited or Ninety One plc would have control;
	• inspection of the following agreements to determine whether the application of the principles of IFRS 10 as detailed in the JSE Basis of Preparation were appropriate from a control perspective:
	  • the demerger agreements;
	  • the Ninety One Sharing agreements; and
	  • the Ninety One Voting agreement; and
	• we assessed the accuracy and completeness of the combination and consolidation entries and calculations to derive the Combined HFI to the extent that the principles of IFRS have been applied as detailed in the JSE Basis of Preparation.

Key Audit Matter	Our Response to the Key Audit Matter
Consolidation and Combining of Historical Financial Information – Refer to JSE Basis of Preparation	
As IFRS does not contain specific guidance for the preparation of Combined HFI, the principles of IFRS were applied in preparing the Combined HFI. In terms of these principles, the assets, liabilities, income and expenses of IAM SA and IAM UK, as well as the equity accounted share of the associates, were aggregated and then consolidation principles, to eliminate any intercompany transactions, were applied. The detail of the principles used in compiling the Basis of Preparation for JSE purposes ("**JSE Basis of Preparation**") which forms part of the Report of Combined Historical Financial Information of the Ninety One Business, attached as Sections A3 paragraphs 1 and 3 of Part XIV of the prelisting statement to which this report is attached. Our audit focused on assessing whether the JSE Basis of Preparation was appropriate for the preparation of the Combined HFI and whether the accounting principles detailed therein had been accurately applied in the preparation of the Combined HFI. Due to the complexity of the structure, the involvement of technical specialists and the work effort required by the audit team, the assessment as to whether the JSE Basis of Preparation was appropriate for the preparation of the Combined HFI and whether the accounting principles detailed therein had been accurately applied was determined to be a key audit matter.	

Responsibilities of the Directors for the Combined HFI

The Directors are responsible for the preparation of the Combined HFI in accordance with the JSE Basis of Preparation which forms part of the Report of Combined Historical Financial Information of the Ninety One Business, attached as Sections A3 paragraphs 1 and 3 of Part XIV to this prelisting statement, for determining that the JSE Basis of Preparation is acceptable in the circumstances and for such internal control as the Directors determine is necessary to enable the preparation of the Combined HFI that is free from material misstatement, whether due to fraud or error.

In preparing the Combined HFI, the Directors are responsible for assessing the ability of the Ninety One Business to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Ninety One Business or to cease operations, or have no realistic alternative but to do so.

Independent Reporting Accountant's Responsibilities for the Combined HFI

Our objectives are to obtain reasonable assurance about whether the Combined HFI is free from material misstatement, whether due to fraud or error, and to issue an independent reporting accountant's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that audits conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Combined HFI.

As part of audits in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Combined HFI, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Ninety One Business' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Ninety One Business to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our independent reporting accountant's report to the related disclosures in the Combined HFI or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent reporting accountant's report. However, future events or conditions may cause the Ninety One Business to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Combined HFI, including the disclosures, and whether the Combined HFI represents the underlying transactions and events in accordance with the JSE Basis of Preparation which forms part thereof.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Ninety One Business to express an opinion on the Combined HFI. We are responsible for the direction, supervision and performance of the Ninety One Business audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audits and significant audit findings, including any significant deficiencies in internal control that we identify during our audits.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the Combined HFI for the year ended 31 March 2019 and are therefore the key audit matters. We describe these matters in our independent reporting accountant's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

KPMG Inc.

GS Kolbé
Chartered Accountant (SA)
Registered Auditor
Director

26 February 2020

The Halyard
4 Christiaan Barnard Street
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8001

Section A3 – Basis of preparation of the Combined Historical Financial Information of the Ninety One Business

1. Paragraph 1 – Background

Overview

On 14 September 2018, Investec plc and Investec Limited (collectively referred to as "**Investec**") announced its plan to demerge and publicly list the asset management business (the "**Ninety One Business**"). On 7 August 2019, Investec further announced that all key regulatory approvals required in order to proceed with the Demerger of the Ninety One Business had been received and that the Ninety One Business would be separately listed using a dual-listed company ("**DLC**") structure. Investec plans to retain a minority stake in the Ninety One Business.

The Ninety One Business consists of Investec Asset Management Limited ("**IAM UK**") and Investec Asset Management Holdings (Pty) Limited ("**IAM SA**") and their direct and indirect subsidiaries and associates.

As at 30 September 2019, senior managers and employees of the Ninety One Business hold a 20 per cent. (less one share) stake in the Ninety One Business through their participation in the Marathon Trust, a Mauritian trust vehicle (the "**Trust**"). The Trust wholly owns Forty Two Point Two, a private company incorporated in the Republic of Mauritius, which holds the direct 20 per cent. (less one share) stakes in each of IAM UK and IAM SA. The remaining stakes are held by Investec.

Proposed transaction (the "Transaction")

The separation will be implemented by way of a Demerger of the Ninety One Business to a new DLC, comprising Ninety One plc, a company incorporated in England and Wales and Ninety One Limited, a company incorporated in South Africa. Ninety One plc is expected to have a primary listing on the LSE and to have a secondary inward listing on the JSE and Ninety One Limited is expected to have a primary listing on the JSE.

Upon the shareholders' approval, Investec will transfer the shares held by it in IAM UK and IAM SA to Ninety One plc and Ninety One Limited, respectively, in exchange for Ninety One plc and Ninety One Limited issuing shares to Investec's ordinary shareholders and Investec on a pro rata basis. The Transaction will also involve the roll-up of Forty Two Point Two's interests in IAM UK and IAM SA for an equivalent interest of 20 per cent. (less one share) in Ninety One plc and Ninety One Limited through a share for share exchange. Once the previous steps have been effected, the Ninety One DLC Agreements which implement the Ninety One DLC Structure will come into effect. After the creation of the Ninety One DLC Structure, the shares in Ninety One plc and Ninety One Limited as a DLC (collectively referred to as "**Ninety One**") will be admitted to trading on the LSE and JSE followed by the share sales, being the expected divestment of up to approximately 10 per cent. in aggregate of the combined total issued share capital of Ninety One by way of a secondary cash placing of Ninety One's shares to institutional and certain other investors.

2. Paragraph 2 – Basis of preparation for Listing Rules purposes

Combined Historical Financial Information

During the period covered by Combined Historical Financial Information (the "**Combined HFI**"), the Ninety One Business was performed through a number of subsidiaries of Investec and associates of those entities. Prior to the group reorganisation described above, those subsidiaries and associates did not form a group and, therefore, it is not possible to prepare consolidated historical financial information in respect of the Ninety One Business in accordance with International Financial Reporting Standards and the interpretations of the IFRS Interpretations Committee ("**IFRIC**") as adopted by the European Union ("**EU**"), which comply with IFRS as issued by the International Accounting Standards Board ("**IASB**") (collectively, "**IFRS**").

Accordingly, the Combined HFI relating to the Ninety One Business for the years ended 31 March 2019, 2018 and 2017, audited for the purposes of the Listing Rules, and for the six months ended 30 September 2019, audited for the purposes of the Listings Rules ("**Track Record Period**") has been prepared for the purposes of presenting financial information of the businesses that are subject to the proposed transaction in which Ninety One may acquire the list of entities in note 24 from Investec.

The Ninety One Business has prepared the Combined HFI for the purposes of and in accordance with the requirements of the Prospectus Regulation Rules, together with the Prospectus Regulation and the requirements of the FCA (the "**UK Prospectus Regime**"). This basis of preparation explains how the principles of IFRS have been applied. IFRS does not contain any specific rules for the preparation of

combined historical financial statements. As further explained below, the Combined HFI has been prepared by aggregating the assets, liabilities, income and expenses of the subsidiaries listed in note 24, including the equity accounted share of the associates listed in note 24, applying consolidation principles to eliminate any intercompany transactions. The aggregation is based on the financial statements of the individual subsidiaries of which the majority of them are prepared in accordance with IFRS and the rest of them are prepared in accordance with other accounting frameworks which comply with IFRS.

Certain accounting conventions commonly used for the preparation of historical financial information for inclusion in investment circulars as described in the Annexure to SIR 2000 (Investment Reporting Standard applicable to public reporting engagements on historical financial information) issued by the UK Auditing Practices Board have been applied, including the following:

- The Ninety One Business did not constitute a separate legal entity and did not have a common parent company other than its ultimate parent, Investec, during the Track Record Period, the Combined HFI therefore does not apply the requirements of IAS 27 Consolidated and Separate Financial Statements; and
- The net assets of the Ninety One Business are represented by the cumulative investment of Investec in the Ninety One Business and other equity components.

Principles in the Combined HFI

The basis of preparation of the Combined HFI, which are the first combined financial statements of the Ninety One Business, is consistent with the principles of IFRS 1 First time adoption of International Financial Reporting Standards. The Ninety One Business has prepared the Combined HFI using the accounting policies it intends to apply in preparing the combined financial statements of Ninety One, which are consistent with the accounting policies and valuation methods used by the Ninety One companies for the preparation of the financial information included in Investec's Consolidated Financial Statements and which are compliant with IFRS. These accounting policies have been disclosed under significant accounting policies. The Combined HFI was prepared on a historical cost basis with the exception of linked investments backing policyholder funds, policyholder investment contract liabilities, investments, the pension fund asset and the pension fund obligations. The Ninety One Business has a history of profitable operations and ready access to financial resources and the directors of Investec concluded that the Ninety One business has an ability to operate as a going concern with or without the Demerger and therefore the Combined HFI has been prepared on a going concern basis.

In preparing the Combined HFI consistent with the principles of IFRS 1, the Ninety One Business has applied the exemption in IFRS 1.D16(a) and has measured its assets and liabilities at the carrying amounts that would be included in Investec's consolidated financial statements, based on the parent's date of transition to IFRS. Accordingly, the date of initial application of IFRS 16 Leases in the Combined HFI would be the same date as that applied to Investec plc and Investec Limited, which is 1 April 2019.

The presentation currency of the Ninety One Business is pounds sterling ("**£**"), being the functional currency of IAM UK. The functional currency of IAM SA is Rand. All values are rounded to the nearest thousand ("**£'000**"), unless otherwise indicated.

Foreign operations are subsidiaries and interests in associated undertakings of the Ninety One Business, the activities of which are based in a functional currency other than that of the reporting entity. The functional currency of an entity is determined based on the primary economic environment in which the entity operates. Foreign currency transactions are translated into the functional currency of the entity in which the transactions arise, based on rates of exchange ruling at the date of the transactions.

On consolidation, the results and financial position of foreign operations are translated into the presentation currency of the Ninety One Business, as follows:

- Assets and liabilities for the combined statements of financial position presented are translated at the closing rate at the reporting date;
- Income and expense items are translated at exchange rates ruling at the date of the transactions;
- All resulting exchange differences are recognised in other comprehensive income (foreign currency translation reserve), which is recognised in profit or loss within the Combined statement of comprehensive income on disposal of the foreign operation; and
- Cash flow items are translated at the exchange rates ruling at the date of the transactions.

All intra-group balances, income and expenses arising from transactions between companies belonging to the Ninety One Business were eliminated when preparing the Combined HFI. In addition, the investments

of the holding companies in the Ninety One Business were eliminated against the equity of the respective subsidiaries. The share capital of the Ninety One Business is an aggregation of the share capitals of the holding companies of the business that are subject to the proposed transaction in which Ninety One may acquire the list of entities in note 24 from Investec.

Transactions and balances with other entities within Investec but outside the Ninety One Business are disclosed as related party transactions and balances.

The Directors of Ninety One plc and Ninety One Limited are responsible for the Combined Historical Financial Information.

KPMG LLP is the reporting accountant to the Ninety One Business. KPMG LLP's audit opinion in respect of the Combined Historical Financial Information relating to the Ninety One Business for the years ended 31 March 2019, 2018 and 2017 and the six months ended 30 September 2019 is included in Section A1 of Part XIV.

3. **Paragraph 3 – Basis of preparation for JSE Listings Requirements purposes**

Combined Historical Financial Information

During the period covered by this Combined Historical Financial Information (the "**Combined HFI**"), the Ninety One Business was performed through a number of subsidiaries of Investec and associates of those entities. Prior to the group reorganisation described above, those subsidiaries and associates did not form a group and, therefore, it is not possible to prepare consolidated historical financial information in respect of the Ninety One Business in accordance with International Financial Reporting Standards and the interpretations of the IFRS Interpretations Committee ("**IFRIC**") as adopted by the European Union ("**EU**"), which comply with IFRS as issued by the International Accounting Standards Board ("**IASB**") (collectively, "**IFRS**").

Accordingly, the Combined HFI relating to the Ninety One Business for the years ended 31 March 2019, 2018 and 2017, audited for the purposes of the JSE Listings Requirements, and for the six months ended 30 September 2019, reviewed for the purposes of the JSE Listings Requirements ("**Track Record Period**") has been prepared for the purposes of presenting financial information of the businesses that are subject to the proposed transaction in which Ninety One may acquire the list of entities in note 24 from Investec.

The Ninety One Business has prepared the Combined HFI for the purposes of satisfying Section 8 of the JSE Listings Requirements and includes the additional information required in terms of paragraphs 8.11 and 8.12 of the JSE Listings Requirements. This basis of preparation explains how the principles of IFRS have been applied. IFRS does not contain any specific rules for the preparation of combined historical financial statements. As further explained below, the Combined HFI has been prepared by aggregating the assets, liabilities, income and expenses of the subsidiaries listed in note 24, including the equity accounted share of the associates listed in note 24, applying consolidation principles to eliminate any intercompany transactions. The aggregation is based on the financial statements of the individual subsidiaries of which the majority of them are prepared in accordance with IFRS and the rest of them are prepared in accordance with other accounting frameworks which comply with IFRS.

Principles in the Combined HFI

The basis of preparation of the Combined HFI, which is the first combined financial statements of the Ninety One Business, is consistent with the principles of IFRS 1 First time adoption of International Financial Reporting Standards. The Ninety One Business has prepared the Combined HFI using the accounting policies it intends to apply in preparing the combined financial statements of Ninety One, which are consistent with the accounting policies and valuation methods used by the Ninety One companies for the preparation of the financial information included in Investec's Consolidated Financial Statements and which are compliant with IFRS. These accounting policies have been disclosed under significant accounting policies. The Combined HFI was prepared on a historical cost basis with the exception of linked investments backing policyholder funds, policyholder investment contract liabilities, investments, the pension fund asset and the pension fund obligations. The Ninety One Business has a history of profitable operations and ready access to financial resources and the directors of Investec concluded that the Ninety One business has an ability to operate as a going concern with or without the Demerger and therefore the Combined HFI has been prepared on a going concern basis.

In preparing the Combined HFI consistent with the principles of IFRS 1, the Ninety One Business has applied the exemption in IFRS 1.D16(a) and has measured its assets and liabilities at the carrying amounts that would be included in Investec's consolidated financial statements, based on the parent's date of transition to IFRS. Accordingly, the date of initial application of IFRS 16 Leases in the Combined HFI would be the same date as that applied to Investec plc and Investec Limited, which is 1 April 2019.

The presentation currency of the Ninety One Business is pounds sterling ("**£**"), being the functional currency of IAM UK. The functional currency of IAM SA is Rand. All values are rounded to the nearest thousand ("**£'000**"), unless otherwise indicated.

Foreign operations are subsidiaries and interests in associated undertakings of the Ninety One Business, the activities of which are based in a functional currency other than that of the reporting entity. The functional currency of an entity is determined based on the primary economic environment in which the entity operates. Foreign currency transactions are translated into the functional currency of the entity in which the transactions arise, based on rates of exchange ruling at the date of the transactions.

On consolidation, the results and financial position of foreign operations are translated into the presentation currency of the Ninety One Business, as follows:

- Assets and liabilities for the combined statements of financial position presented are translated at the closing rate at the reporting date;
- Income and expense items are translated at exchange rates ruling at the date of the transactions;
- All resulting exchange differences are recognised in other comprehensive income (foreign currency translation reserve), which is recognised in profit or loss within the Combined statement of comprehensive income on disposal of the foreign operation; and
- Cash flow items are translated at the exchange rates ruling at the date of the transactions.

All intra-group balances, income and expenses arising from transactions between companies belonging to the Ninety One Business were eliminated when preparing the Combined HFI. In addition, the investments of the holding companies in the Ninety One Business were eliminated against the equity of the respective subsidiaries with the result that the net assets of the Ninety One Business are represented by the cumulative investment of shareholders in the Ninety One Business ("**Net assets attributable to shareholders**") and other equity components; and the share capital of the Ninety One Business is an aggregation of the share capitals of the businesses that are subject to the proposed transaction in which Ninety One may acquire the list of entities in note 24 from Investec.

Transactions and balances with other entities within Investec but outside the Ninety One Business are disclosed as related party transactions and balances.

The directors of Ninety One Limited and Ninety One plc are responsible for the Report of Combined HFI.

KPMG Inc. is the reporting accountant to the Ninety One Business. KPMG Inc.'s audit opinion in respect of the Combined Historical Financial Information relating to the Ninety One Business for the years ended 31 March 2019, 2018 and 2017 and the six months ended 30 September 2019 is included in Section A2 of Part XIV: "*Historical Financial Information*".

Directors' commentary

Six months ended 30 September 2019 compared to six months ended 30 September 2018

The Ninety One Business reported an operating profit before exceptional items of £97.3 million for the six months ended 30 September 2019, an increase of £5.8 million, or 6.3 per cent., compared to £91.5 million during the six months ended 30 September 2018. The increase was due to the growth in revenue driven by an increase in average assets under management, partially offset by the additional costs related to the new London office and the removal of commission sharing post MiFID II.

During the six months ended 30 September 2019, the growth in assets under management compared to the year ended 31 March 2019 was due to net inflows of £3.2 billion and market-related growth of £6.2 billion. The Ninety One Business experienced strong client asset net inflows across both its Institutional and Advisor channels during the six months ended 30 September 2019.

Year ended 31 March 2019 compared to year ended 31 March 2018

The Ninety One Business reported an operating profit before exceptional items of £179.3 million for the year ended 31 March 2019, an increase of £1.3 million, or 0.7 per cent., compared to £178.0 million during the year ended 31 March 2018. The increase was due to the growth in revenue driven by an increase in

average assets under management, partially offset by the higher levels of personnel costs and increase in operating expenses due to the impact of MiFID II. In addition to this, there were incremental costs of £5.4 million in relation to new offices, primarily in London.

During the year ended 31 March 2019, growth in assets under management was due to net inflows of £6.1 billion and market-related growth of £1.4 billion. The Ninety One Business experienced strong client asset net inflows across both its Institutional and Advisor channels during the year ended 31 March 2019.

Year ended 31 March 2018 compared to year ended 31 March 2017

The Ninety One Business reported an operating profit of £178.0 million for the year ended 31 March 2018, an increase of £14.8 million, or 9.1 per cent., compared to £163.2 million during the year ended 31 March 2017. The increase was due to the growth in revenue driven by an increase in average assets, partially offset by higher levels of personnel costs and an increase in operating expenses due to investment in infrastructure and IT systems. From the year ended 31 March 2017 to the year ended 31 March 2018, costs in relation to systems and infrastructure increased by £4.3 million.

During the year ended 31 March 2018, growth in assets under management was due to net inflows of £5.4 billion and market-related growth of £3.2 billion. The Ninety One Business experienced strong client asset net inflows across both its Institutional and Advisor channels during the year ended 31 March 2018.

Section A4 – Combined Historical Financial Information of the Ninety One Business

Combined Statement of Comprehensive Income for the six months ended 30 September 2019 and for the years ended 31 March 2019, 2018 and 2017

		For the six months ended 30 September		For the year ended 31 March		
		2019	2018	2019	2018	2017
		£'000	£'000	£'000	£'000	£'000
	Notes	(Audited/ Reviewed)[1]	(Unaudited)	(Audited)	(Audited)	(Audited)
Revenue	2	**376,261**	**350,864**	**696,574**	**662,081**	**590,142**
Commission expense		**(76,886)**	**(70,929)**	**(139,673)**	**(124,947)**	**(105,687)**
Net revenue		**299,375**	**279,935**	**556,901**	**537,134**	**484,455**
Operating expenses	3	**(211,256)**	**(199,750)**	**(393,706)**	**(361,572)**	**(334,604)**
Other income/ expenses						
Other income/(expense)		–	7	360	594	(106)
Net interest income	4	995	2,791	5,682	5,411	5,475
Net gain on investments		4,256	4,009	5,059	1,555	5,775
Foreign exchange gain/ (loss)		3,959	4,537	5,058	(5,077)	2,213
Operating profit		**97,329**	**91,529**	**179,354**	**178,045**	**163,208**
Exceptional items						
Financial impact of group restructures		(5,385)	–	(1,548)	–	–
Gain on disposal of subsidiary		–	597	597	–	–
Profit from operations before changes in policyholder investment contract ("IC") liabilities		**91,944**	**92,126**	**178,403**	**178,045**	**163,208**
IC surplus transferred to shareholders	13	(14,486)	(13,305)	(27,055)	(24,919)	(22,577)
IC investment and administration expenses	13	(14,005)	(12,472)	(24,890)	(23,534)	(19,549)
IC income tax	13	(3,588)	(6,221)	(6,700)	(3,739)	(3,072)
IC net fair value adjustment		32,079	31,998	58,645	52,192	45,198
Profit before tax		**91,944**	**92,126**	**178,403**	**178,045**	**163,208**
Income tax expense	5	(19,665)	(18,288)	(38,589)	(37,560)	(35,578)
Profit after tax		**72,279**	**73,838**	**139,814**	**140,485**	**127,630**

	Notes	For the six months ended 30 September 2019 £'000 (Audited/ Reviewed)[1]	2018 £'000 (Unaudited)	For the year ended 31 March 2019 £'000 (Audited)	2018 £'000 (Audited)	2017 £'000 (Audited)
Other comprehensive income for the year (net of tax)						
Items that will not be reclassified to profit or loss:						
Actuarial (losses)/gains on pension plan		(1,217)	–	(1,975)	481	(2,169)
Other comprehensive gains/(losses)		5	–	(2)	4	(31)
		(1,212)	**–**	**(1,977)**	**485**	**(2,200)**
Items that may be reclassified subsequently to profit or loss:						
Exchange differences on translation of foreign operations		**571**	**(8,333)**	**(9,866)**	**(1,522)**	**18,197**
Other comprehensive (loss)/income for the year		(641)	(8,333)	(11,843)	(1,037)	15,997
Total comprehensive income for the year		**71,638**	**65,505**	**127,971**	**139,448**	**143,627**
Attributable to:						
Shareholders		71,356	65,221	127,435	139,237	142,973
Non-controlling interests		282	284	536	211	654
		71,638	**65,505**	**127,971**	**139,448**	**143,627**

Note:

(1) Audited for Listing Rules purposes, and reviewed for JSE Listings Requirements purposes.

Combined Statement of Financial Position at 30 September 2019 and 31 March 2019, 2018 and 2017

	Notes	As at 30 September 2019 £'000 (Reviewed/ Audited)[1]	As at 31 March 2019 £'000 (Audited)	2018 £'000 (Audited)	2017 £'000 (Audited)
Assets					
Investments	10	7,234	5,255	4,008	3,463
Investment in associate		37	37	80	–
Property and equipment	6	9,901	7,685	3,443	3,755
Right-of-use assets	17	81,286	–	–	–
Intangible assets	7	39	24	132	109
Deferred tax asset	8	21,867	25,262	24,640	20,915
Pension fund asset	19	–	180	2,625	2,075
Total non-current assets		**120,364**	**38,443**	**34,928**	**30,317**
Investments	10	86,064	72,446	72,039	66,461
Linked investments backing policyholder funds	9	8,600,782	8,173,659	8,424,236	7,679,791
Income tax recoverable		4,202	1,241	747	1,122
Trade and other receivables		230,740	247,522	226,154	233,163
Cash and cash equivalents	11	230,444	269,241	308,334	271,587
Total current assets		**9,152,232**	**8,764,109**	**9,031,510**	**8,252,124**
Total assets		**9,272,596**	**8,802,552**	**9,066,438**	**8,282,441**
Liabilities					
Other liabilities	14	48,941	44,862	59,069	59,495
Lease liabilities	17	80,392	–	–	–
Pension fund obligation	19	1,333	–	–	–
Deferred tax liabilities	8	16,793	15,354	14,236	16,171
Total non-current liabilities		**147,459**	**60,216**	**73,305**	**75,666**
Policyholder investment contract liabilities	13	8,622,631	8,190,926	8,446,056	7,692,747
Other liabilities	14	43,144	32,633	17,679	11,686
Lease liabilities	17	7,783	–	–	–
Trade and other payables	15	240,206	307,450	278,766	283,596
Deferred income		–	155	166	427
Amounts payable to Investec	16	3,839	3,723	3,184	3,696
Income tax payable		5,157	11,805	35,670	18,006
Total current liabilities		**8,922,760**	**8,546,692**	**8,781,521**	**8,010,158**
Equity					
Net assets attributable to shareholders	12	225,982	219,886	225,995	209,200
Other components of equity	12	(24,240)	(24,811)	(14,945)	(13,423)
Total equity attributable to shareholders		201,742	195,075	211,050	195,777
Non-controlling interests		635	569	562	840
Total equity		**202,377**	**195,644**	**211,612**	**196,617**
Total equity and liabilities		**9,272,596**	**8,802,552**	**9,066,438**	**8,282,441**

Note:

(1) Audited for Listing Rules purposes, and reviewed for JSE Listings Requirements purposes.

Combined Statement of Changes in Equity for the six months ended 30 September 2019 and for the years ended 31 March 2019, 2018 and 2017

	Net assets attributable to shareholders £'000	Other components of equity £'000	Total equity attributable to shareholders £'000	Non-controlling interests £'000	Total equity £'000
For the six months ended 30 September 2019 *(Reviewed/Audited)*[1]					
1 April 2019	**219,886**	**(24,811)**	**195,075**	**569**	**195,644**
Profit for the period	71,997		71,997	282	72,279
Other comprehensive (loss)/ income	(1,212)	571	(641)	–	(641)
Dividends paid	(64,689)	–	(64,689)	(216)	(64,905)
30 September 2019	**225,982**	**(24,240)**	**201,742**	**635**	**202,377**
2018 *(Unaudited)*					
1 April 2018	**225,995**	**(14,945)**	**211,050**	**562**	**211,612**
Profit for the period	73,554		73,554	284	73,838
Other comprehensive loss	–	(8,333)	(8,333)		(8,333)
Dividends paid	(68,189)	–	(68,189)	(286)	(68,475)
30 September 2018	**231,360**	**(23,278)**	**208,082**	**560**	**208,642**
For the year ended 31 March 2019 *(Audited)*					
1 April 2018	**225,995**	**(14,945)**	**211,050**	**562**	**211,612**
Profit for the year	139,278	–	139,278	536	139,814
Other comprehensive loss	(1,977)	(9,866)	(11,843)	–	(11,843)
Dividends paid	(143,410)	–	(143,410)	(529)	(143,939)
31 March 2019	**219,886**	**(24,811)**	**195,075**	**569**	**195,644**
2018 *(Audited)*					
1 April 2017	**209,200**	**(13,423)**	**195,777**	**840**	**196,617**
Profit for the year	140,274		140,274	211	140,485
Other comprehensive income/ (loss)	485	(1,522)	(1,037)		(1,037)
Dividends paid	(123,964)	–	(123,964)	(327)	(124,291)
Buy-back of non-controlling interests	–	–	–	(162)	(162)
31 March 2018	**225,995**	**(14,945)**	**211,050**	**562**	**211,612**
2017 *(Audited)*					
1 April 2016	**200,409**	**(31,620)**	**168,789**	**707**	**169,496**
Profit for the year	126,976		126,976	654	127,630
Other comprehensive (loss)/ income	(2,200)	18,197	15,997	–	15,997
Dividends paid	(115,985)	–	(115,985)	(521)	(116,506)
31 March 2017	**209,200**	**(13,423)**	**195,777**	**840**	**196,617**

Note:

(1) Audited for Listing Rules purposes, and reviewed for JSE Listings Requirements purposes.

Combined Cash Flow Statement for the six months ended 30 September 2019 and for the years ended 31 March 2019, 2018 and 2017

		For the six months ended 30 September		For the year ended 31 March		
		2019 £'000	2018 £'000	2019 £'000	2018 £'000	2017 £'000
	Notes	*(Reviewed/ Audited)[1]*	*(Unaudited)*	*(Audited)*	*(Audited)*	*(Audited)*
Cash flows from operating activities						
Profit before tax		91,944	92,126	178,403	178,045	163,208
Adjusted for:						
Net gain on investments		(4,256)	(4,009)	(5,059)	(1,555)	(5,775)
Depreciation of property and equipment	*6*	1,115	821	1,985	1,865	1,756
Depreciation of right-of-use assets	*17*	5,190	–	–	–	–
Amortisation of intangible assets	*7*	29	22	49	144	68
Net interest income	*4*	(995)	(2,791)	(5,682)	(5,411)	(5,475)
Net return/(losses) of pension fund		47	–	66	30	(46)
Net fair value gains on linked investments backing policyholder funds	*9*	(84,439)	(202,367)	(159,745)	(99,290)	(29,301)
Net fair value change on policyholder investment contract liabilities	*13*	284,038	392,186	543,763	460,301	348,598
Net contribution received from/(withdrawals by) policyholders		109,319	151,681	206,518	200,979	(17,130)
Gain on disposal of property and equipment		–	–	–	(47)	–
Gain on disposal of subsidiary		–	(597)	(597)	–	–
Impairment of goodwill	*3*	–	–	–	–	1,614
Impairment of investment in associate		–	–	42	2,429	–
Working capital changes:						
Trade and other receivables		16,782	(60,857)	(21,368)	7,009	3,538
Trade and other payables		(63,957)	48,296	28,684	(4,830)	31,238
Deferred income		(155)	(14)	(11)	(261)	52
Other liabilities		10,511	14,224	14,954	5,993	2,784
Other liabilities – non-current		4,079	(12,531)	(14,207)	(426)	15,222
Amounts payable to Investec		116	(224)	539	(512)	94
Cash flows from operations		369,368	415,966	768,334	744,463	510,445
Interest received		2,428	2,828	5,745	5,565	5,867
Interest paid		(1,433)	(37)	(63)	(155)	(391)
Income tax paid		(25,563)	(44,687)	(64,489)	(23,265)	(40,394)

	Notes	For the six months ended 30 September 2019 £'000 (Reviewed/ Audited)[1]	2018 £'000 (Unaudited)	For the year ended 31 March 2019 £'000 (Audited)	2018 £'000 (Audited)	2017 £'000 (Audited)
Balance at beginning of period		(10,564)	(34,923)	(34,923)	(16,884)	(21,633)
Current tax	5	(15,949)	(17,629)	(40,132)	(41,314)	(35,681)
Current tax on share options vested		(5)	–	2	10	36
Balance at end of period		955	7,865	10,564	34,923	16,884
Net cash flows from operating activities		**344,800**	**374,070**	**709,527**	**726,608**	**475,527**
Cash flows from investing activities						
Net acquisition of investments		(11,341)	2,368	3,405	(4,568)	(13,205)
Investment in associate		–	–	–	(2,509)	–
Additions to property and equipment	6	(3,264)	(2,681)	(6,505)	(1,695)	(1,769)
Proceeds from disposal of property and equipment		–	–	–	109	–
Additions to intangible assets	7	(44)	–	(8)	(165)	(97)
Repurchase of shares from non-controlling interests		–	–	–	(162)	–
Proceeds from disposal of subsidiary		–	1,752	1,752	–	–
Net acquisition of linked investments backing policyholder funds	9	(304,337)	(350,446)	(592,655)	(553,543)	(318,620)
Net cash flows from investing activities		**(318,986)**	**(349,007)**	**(594,011)**	**(562,533)**	**(333,691)**
Cash flows from financing activities						
Principal element of lease rental payments	11	(1,686)	–	–	–	–
Dividends paid		(64,905)	(68,475)	(143,939)	(124,291)	(116,506)
Net cash flows from financing activities		**(66,591)**	**(68,475)**	**(143,939)**	**(124,291)**	**(116,506)**
Effect of foreign exchange rate changes		1,980	(8,221)	(10,670)	(3,037)	24,196
Net change in cash and cash equivalents		(38,797)	(51,633)	(39,093)	36,747	49,526
Cash and cash equivalents at beginning of period		269,241	308,334	308,334	271,587	222,061
Cash and cash equivalents at end of period	11	**230,444**	**256,701**	**269,241**	**308,334**	**271,587**

Note:

(1) Audited for Listing Rules purposes, and reviewed for JSE Listings Requirements purposes.

Notes to the Combined Financial Statements for the six months ended 30 September 2019 and for the years ended 31 March 2019, 2018 and 2017

1. Summary of significant accounting policies

(a) Accounting judgements and estimates

The preparation of this Combined HFI requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Significant judgement is defined as the judgement that can significantly affect the amounts recognised in the financial statements. Significant estimates have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year. The Ninety One Business has not identified any significant judgements and estimates at the end of each reporting period. However, the areas that include estimates are related to the valuation of level 3 financial instruments per the fair value hierarchy and the valuation of the pension fund asset/obligation. The assumptions and their risk factors are presented in notes 19 and 20. Management do not expect changes in assumptions to lead to a material adjustment in future periods.

(b) New standards adopted by the Ninety One Business

The Ninety One Business has initially adopted IFRS 16 Leases as from 1 April 2019 ("**the date of initial application**"). IFRS 16 Leases replaces IAS 17 Leases and sets out the principles for recognition, measurement, presentation and disclosure of leases for lessees and lessors. It introduces a single accounting model for lessees, which requires a lessee to recognise a right-of-use asset and a lease liability for all leases, except for leases that have a lease term of 12 months or less ("**short-term leases**") and leases of low-value assets. It also introduces additional disclosure requirements which aim to enable users of the financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an entity.

The Ninety One Business has elected to use the modified retrospective approach and, therefore, has not restated comparative information, as permitted under the specific transitional provisions in the standard.

At the date of initial application, the Ninety One Business determined the length of the remaining lease terms and measured the lease liabilities for the leases previously classified as operating leases at the present value of the remaining lease payments, discounted using the relevant incremental borrowing rates used at the date of initial application. Right-of-use assets were measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payment relating to that lease recognised in the statement of financial position as at 31 March 2019. The weighted average of the incremental borrowing rates used for determination of the present value of the remaining lease payment was 3.37 per cent. The Ninety One Business has applied the following practical expedients:

- grandfather the previous assessment of which existing contracts are, or contain, leases in accordance with IAS 17; and
- not consider on adoption any initial direct costs in the initial calculation of the right-of-use asset.

The following table reconciles the operating lease commitments as disclosed at the end of the annual reporting period immediately preceding the date of initial application to the opening balance for lease liabilities recognised as at the date of initial application:

	1 April 2019 £'000
Operating lease commitments at 31 March 2019	113,840
Add: lease payments for the additional periods where the Ninety One Business considers it reasonably certain that it will exercise the extension options	71
	113,911
Less: total future interest expenses	(25,272)
Total lease liabilities recognised at 1 April 2019	**88,639**

The change in accounting policy affected the following items in the Combined Statement of Financial Position on 1 April 2019:

- right-of-use assets increased by £85.3 million;
- trade and other payables decreased by £3.3 million; and
- lease liabilities increased by £88.6 million.

(c) **Forthcoming standards applicable to the Ninety One Business**

There are new or revised accounting standards and interpretations in issue that are not yet effective. These include the following standards that are applicable to the Ninety One Business:

- Amendments to IAS 1 Presentation of financial statements and IAS 8 Accounting policies, changes in accounting estimates and errors align the wording of the definition of "material" across all IFRSs and the Conceptual Framework for Financial Reporting. It also clarifies when information is material and incorporates some of the guidance in IAS1 about immaterial information. The amendment is effective for annual periods beginning on or after 1 January 2020.
- Amendments to IFRS 3 Business combinations clarify that the definition of a business requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term "outputs" is amended to focus on goods and services provided to customers, generating investment income and other income, and it excludes returns in the form of lower costs and other economic benefits. The amendment is effective for annual periods beginning on or after 1 January 2020.

The Ninety One Business is in the process of making an assessment of what the impact of these amendments are expected to be in the period of initial application. So far the Ninety One Business has concluded that the adoption of them is unlikely to have a significant impact on the Combined HFI.

(d) **Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in this Combined HFI, unless indicated otherwise.

Revenue

Policy applicable prior to 1 April 2018

Income is classified by the Ninety One Business as revenue when it arises from the provision of services in the ordinary course of Ninety One's business. Revenue excludes rebates, value added tax or other sales taxes. The Ninety One business' primary revenue components are shown as follows:

- management fees are recognised as services are rendered; and
- performance fees are recognised when they become receivable.

Policy applicable from 1 April 2018

Upon the effective date of IFRS 15 Revenue from contracts with customers (replacing IAS 18 Revenue), the Ninety One Business recognises revenue when or as it satisfies a performance obligation by transferring promised services to the customers, in an amount to which the Ninety One Business expects to be entitled in exchange for those services. The Ninety One Business includes

variable consideration in revenue when it is no longer highly probable of significant reversal. Generally, the Ninety One Business is deemed to be the principal in the contracts because the Ninety One Business controls the promised services before they are transferred to customers, and accordingly presents the revenue gross of related costs.

- Management fees are recognised as the services performed over time and are primarily based on agreed percentages of the net asset values of the investment funds and segregated mandates.
- Performance fees are recognised on the crystallisation date (at a point in time) and are calculated on a percentage of the appreciation in the net asset value of investment funds and segregated mandates above a defined hurdle, taking into consideration the relevant basis of calculation for the investment funds and segregated mandates, and it is highly probable that it will not be subject to significant reversal.

Management fees and performance fees are both forms of variable consideration; however, there is no significant judgement or estimation involved as the transaction price is equal to the amount determined at the end of each measurement period or on the crystallisation date and is equal to the amount billed to the customer as per contractual agreements. Fees received from customers are generally not subject to returns or refunds.

All components of the Ninety One Business' revenue are revenue from contracts within the scope of IFRS 15. The Ninety One Business uses the output method to recognise revenue, applying the practical expedient that allows an entity to recognise revenue in the amount to which the entity has a right to invoice if that consideration corresponds directly with the value to the customer of the entity's performance completed to date.

The Ninety One Business' accounting policies under IAS 18 were aligned with the requirements of IFRS 15 in respect of revenue recognition; therefore, the adoption of IFRS 15 has not resulted in any changes to the way the Ninety One Business accounts for revenue or costs of sales and the adoption was not expected to have a significant impact on the Combined HFI.

Other income

Policy applicable prior to 1 April 2018

Interest income is recognised on an accrual basis.

Policy applicable from 1 April 2018

Interest income is recognised on an accrual basis using the effective interest method in accordance with the requirements of IFRS 9.

Commission expenses

Commissions and similar expenses payable to intermediaries are recognised when services are provided.

Leases

The Ninety One Business leases various offices for business purposes. Lease terms are negotiated on an individual basis and contain a wider range of different terms and conditions. The lease agreements do not impose any covenants, but leased assets may not be used as security for borrowing purposes.

Prior to the adoption of IFRS 16, all leases were classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) were charged to profit or loss on a straight-line basis over the period of the lease.

From 1 April 2019, leases are recognised as a right-of-use asset with a corresponding liability at the date which the leased asset is available for use by the Ninety One Business. Assets and liabilities arising from a lease are initially measured on a present value basis.

Lease liabilities include the net present value of lease payments. The lease payments are discounted using the entity's incremental borrowing rate, being the rate that the entity would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liabilities;
- any lease payment made at or before the commencement date less any lease incentives;
- any initial direct costs; and
- restoration costs.

Right-of-use assets are generally depreciated over the lease term on a straight-line basis. Payments associated with short-term leases are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Property and equipment

Property and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Depreciation is provided for on a straight-line basis over the estimated useful lives of property and equipment as follows:

Computer equipment	3 years
Fixtures and fittings	5 years
Leasehold improvements	Shorter of term of lease or useful economic life

The residual values, depreciation methods and useful lives are reassessed annually.

Income tax

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the statement of financial position method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax assets are offset against deferred tax liabilities if they relate to income taxes levied by the same taxation authority on the same taxable entity.

Income taxes of the Ninety One Business were determined based on the assumption that the individual entities were separate taxable entities. Therefore, the current and deferred income taxes of all subsidiaries of the Ninety One Business are calculated separately and the recoverability of the deferred tax assets is also assessed accordingly.

Financial instruments

Recognition and de-recognition of financial instruments

Financial instruments are initially recognised at fair value on the statement of financial position when, and only when, the Ninety One Business becomes a party to the contractual provisions of the particular instrument. Financial assets are de-recognised when, and only when, the Ninety One Business transfers substantially all risks and rewards of ownership. Financial liabilities are de-recognised when, and only when, the obligations under the contract are discharged, cancelled or expire.

Classification and measurement of financial assets and financial liabilities

Policy applicable prior to 1 April 2018

Financial assets are classified under IAS 39 into held-to-maturity investments, loans and receivables, available-for-sale financial assets and financial assets measured at fair value through profit or loss ("**FVPL**").

Investments designated at FVPL

Investments are designated at FVPL and consist of linked investments backing policyholder funds, holdings in pooled vehicles as part of the deferred compensation plan (explained further below), seed capital investments and the investment in unlisted investment vehicles. These investments are initially recognised at fair value and subsequently measured at FVPL. Contracts related to linked investments

backing policyholder funds issued by the Ninety One Business do not qualify as insurance contracts as defined in IFRS 4 as there is no transfer of insurance risk. Therefore, these contracts are accounted under IAS 32 or IAS 39.

When available, the Ninety One Business measures the fair value of an instrument, such as interest-bearing investments, listed investments and investments in collective investment schemes and mutual funds, using the quoted price in an active market. If there is no quoted price in an active market, such as derivatives and unlisted equity investments, the fair value of these investments is determined by applying a generally accepted valuation technique.

Loans and receivables

Loans and receivables comprise trade and other receivables, cash and cash equivalents and amounts receivable from Investec and are measured at amortised cost using the effective interest method, less any impairment losses. Receivables with a short duration are not discounted.

Financial liabilities

Financial liabilities comprise policyholder investment contract liabilities, deferred compensation liabilities, other liabilities, trade and other payables and amounts payable to Investec. All financial liabilities, excluding policyholder investment contract liabilities and deferred compensation liabilities, are measured at amortised cost using the effective interest method. Policyholder investment contract liabilities and deferred compensation liabilities are held at fair value with movements in fair value recognised in the statement of comprehensive income. Policyholder investment contract liabilities are designated at fair value so as to avoid a mismatch in profit or loss between the policyholder investments linked to investment contracts and the policyholder investment contract liabilities.

Policy applicable from 1 April 2018

IFRS 9 supersedes IAS 39 and financial assets are classified into three principal classification categories: measured at amortised cost, at fair value through other comprehensive income and at FVPL. The classification of financial assets under IFRS 9 is based on the business model under which the financial asset is managed and its contractual cash flow characteristics. The measurement categories for financial liabilities remain the same. The Ninety One Business applies the new expected credit loss ("**ECL model**") to the financial assets measured at amortised cost. In measuring ECLs, the Ninety One Business takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

The ECL amount depends on the specific stage that the financial instrument has been allocated to within the ECL model which depends on whether there has been a significant increase in credit risk since initial recognition of the financial instrument, it is in default, or is considered to be credit impaired. ECL allowances are measured on either: (i) 12-month ECLs: that result from possible default events within the 12 months after the reporting date; or (ii) Lifetime ECLs: that result from all possible default events over the expected life of a financial instrument. The Ninety One Business considers a financial asset to be in default when: (i) the borrower is unlikely to pay its credit obligations to the Ninety One Business in full, without recourse by the Ninety One Business to actions such as realising security (if any is held); or (ii) the financial asset is more than 90 days past due without reasonable expectation of recovery. The Ninety One Business applies the simplified approach in determining ECLs.

The adoption of IFRS 9 has not resulted in the amendment of any of the measurement categories for, or carrying amounts of, the Ninety One Business' financial instruments.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand and money market funds that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Impairment of non-financial assets

The carrying amounts of the Ninety One Business' assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. At the reporting dates, there was no indication of impairment of any assets.

Intangible assets

Intangible assets are stated at historical cost less accumulated amortisation and accumulated impairment losses. Amortisation in respect of computer software (software licences) is provided on the straight-line basis, over an estimated useful life of three to five years. Useful lives and residual values are reassessed annually. Subsequent expenditure relating to an item of intangible assets is capitalised when it is

probable that future economic benefits from the use of the asset will be increased. All other subsequent expenditure is recognised as an expense in the period in which it is incurred. Profits or losses on the disposal of intangible assets are recognised in profit or loss.

Pension schemes

The Ninety One Business operates a number of pension schemes, including defined benefit and defined contribution schemes. Payments to defined contribution schemes are charged as an expense as the employees render service.

Defined benefit pension obligations are calculated using the projected unit credit method. The net charge to the statement of comprehensive income mainly comprises the service cost and the net interest on the net defined benefit asset or liability, and is presented in operating expenses.

Remeasurements of the net defined benefit asset or liability, which comprise actuarial gains or losses, return on plan assets excluding interest and the effect of the asset ceiling (if any), are recognised in other comprehensive income. The net defined benefit asset or liability represents the present value of defined benefit obligations reduced by the fair value of plan assets, after applying the asset ceiling test, where the net defined benefit surplus is limited to the present value of available refunds and reductions in future contributions to the plan.

Share-based payment arrangements

Investec operates a share option scheme involving share options in Investec Limited and Investec plc. The share option scheme, which is on an equity settled basis, allows the employees of the Ninety One Business to acquire shares of Investec plc and Investec Limited. The fair value of options granted attributable to the Ninety One Business is recognised as an expense with a corresponding payment to the issuing companies for this expense, over the service vesting period during which the employees become unconditionally entitled to the options.

Long-term employee benefits

The obligation in respect of long-term employee benefits other than retirement benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. This future benefit relates to deferred compensation provided by the Ninety One Business to its employees, which the Ninety One Business invests in pooled vehicles managed by entities within the Ninety One Business. At the end of the specified vesting period, employees are entitled to an amount equal to the value of the investments held by the Ninety One Business. It is management's view that the most relevant measure of the employee benefit liability is, therefore, the fair value of the investments held by the Ninety One Business. The investments do not qualify as plan assets and are presented separately in the statement of financial position. The accounting policy for investments designated at fair value addresses the accounting treatment of these investments. As the nature of the scheme is that of an annual bonus award, the charge is booked in full in profit or loss at the time of the award.

Interests in structured entities

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding control, such as when any voting rights relate to administrative tasks only, or when the relevant activities are directed by means of contractual arrangements. The interests in unconsolidated structured entities are described in note 22.

Non-controlling interests

Non-controlling interests represent the equity in a subsidiary not attributable, directly or indirectly, to the Ninety One Business, and in respect of which the Ninety One Business has not agreed any additional terms with the holders of those interests which would result in the Ninety One Business as a whole having a contractual obligation in respect of those interests that meets the definition of a financial liability. The Ninety One Business can elect to measure any non-controlling interests either at fair value or at the non-controlling interests' proportionate share of the subsidiary's net identifiable assets, at initial recognition. Thereafter, non-controlling interests are measured using the proportionate share method. Non-controlling interests are presented in the combined statement of financial position within equity, separately from equity attributable to the equity shareholders of the Ninety One Business. Non-controlling interests in the results of the Ninety One Business are presented on the face of the combined statement of comprehensive income as an allocation of the total profit or loss and total comprehensive income for the year between non-controlling interests and the equity shareholders of the Ninety One Business. Changes in the Ninety One Business' interests in a subsidiary that do not result in a loss of control are accounted for as equity transactions, whereby adjustments are made to the amounts of controlling and non-controlling interests within consolidated equity to reflect the change in relative interests, but no adjustments are made to goodwill and no gain or loss is recognised.

Exceptional items

Exceptional items are defined as income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Ninety One Business and therefore are not expected to recur frequently or regularly. Exceptional items relate primarily to the costs incurred as part of the Demerger and separate listing of the Ninety One Business.

2. Segmental reporting

As an integrated global investment manager, the Ninety One Business operates a single-segment investment management business. All financial, business and strategic decisions are made centrally by the chief operating decision maker (the "**CODM**") of the Ninety One Business. The CODM is the chief executive officer of the Ninety One Business from time to time. Reporting provided to the CODM is on an aggregated basis which is used for evaluating the Ninety One Business' performance and the allocation of resources. Revenue is disaggregated by geographic location of contractual entities, as this best depicts how the nature, amount, timing and uncertainty of the Ninety One Business' revenue and cash flows are affected by economic factors. Non-current assets other than intangibles, investments, deferred tax assets and pension fund assets are allocated based on where the assets are physically located.

	For the six months ended 30 September		For the year ended 31 March		
	2019 £'000	**2018 £'000**	**2019 £'000**	**2018 £'000**	**2017 £'000**
		(Unaudited)			
Revenue from external clients					
United Kingdom and Other	280,451	261,021	516,632	474,790	426,878
Southern Africa	95,810	89,843	179,942	187,291	163,264
Total	**376,261**	**350,864**	**696,574**	**662,081**	**590,142**
Performance fees included in revenue above	5,825	5,156	11,040	18,366	27,969
Revenue from external clients is stated gross of commission expense.					
Non-current assets					
United Kingdom and Other	6,673	2,803	5,082	1,310	1,566
Southern Africa	3,228	2,391	2,603	2,133	2,189
Total	**9,901**	**5,194**	**7,685**	**3,443**	**3,755**

3. Operating expenses

	For the six months ended 30 September		For the year ended 31 March		
	2019 £'000	**2018 £'000**	**2019 £'000**	**2018 £'000**	**2017 £'000**
		(Unaudited)			
Staff costs (Note 3.1)	141,756	135,586	263,161	252,068	231,705
Operating lease expenses	–	4,373	11,667	8,327	7,914
Depreciation of right-of-use assets (Note 17)	5,190	–	–	–	–
Depreciation of property and equipment (Note 6)	1,115	821	1,985	1,865	1,756
Auditors' remuneration (Note 3.2)	592	662	1,233	1,063	1,063
Other operating expenses	62,603	58,308	115,660	98,249	90,552
Goodwill impairment (Note 7)	–	–	–	–	1,614
	211,256	**199,750**	**393,706**	**361,572**	**334,604**

3.1 **Staff costs**

	For the six months ended 30 September		For the year ended 31 March		
	2019 £'000	**2018 £'000**	**2019 £'000**	**2018 £'000**	**2017 £'000**
		(Unaudited)			
Salaries, wages and other related costs	127,382	120,560	235,682	226,471	207,780
Share-based payments expense (Note 18)	634	1,631	2,366	2,082	3,005
Social security costs	8,928	8,989	16,729	15,968	14,080
Pension costs	4,812	4,406	8,384	7,547	6,840
	141,756	**135,586**	**263,161**	**252,068**	**231,705**

3.2 **Average number of employees**

The monthly average number of persons employed by the Ninety One Business during the six months ended 30 September 2019 (excluding 488 (31 March 2019: 506; 30 September 2018: 523; 31 March 2018: 569; 31 March 2017: 641) those employed by the Silica subsidiaries), including the directors, by activity is: A1.15.1

	For the six months ended 30 September		For the year ended 31 March		
	Number of employees		**Number of employees**		
	2019	**2018**	**2019**	**2018**	**2017**
Investment	248	235	238	229	222
Client group and marketing	405	389	394	375	342
Operations and central services	491	451	462	430	401
	1,144	**1,075**	**1,094**	**1,034**	**965**

3.3 **Auditors' remuneration**

Fees payable to the auditors and their associates for audit and other services:

	For the six months ended 30 September		For the year ended 31 March		
	2019 £'000	**2018 £'000**	**2019 £'000**	**2018 £'000**	**2017 £'000**
		(Unaudited)			
Audit of the subsidiaries of the Ninety One Business pursuant to legislation	285	276	552	508	473
Audit-related assurance services	144	144	290	207	198
Tax compliance services	47	48	81	70	81
Tax advisory services	14	33	56	21	48
Other assurance services	85	96	185	195	175
Other non-audit services	17	65	69	62	88
	592	**662**	**1,233**	**1,063**	**1,063**

4. **Net interest income**

	For the six months ended 30 September		For the year ended 31 March		
	2019 £'000	**2018 £'000**	**2019 £'000**	**2018 £'000**	**2017 £'000**
		(Unaudited)			
Interest income	2,428	2,828	5,745	5,566	5,867
Interest expense on lease liabilities (Note 17)	(1,394)	–	–	–	–
Other interest expense	(39)	(37)	(63)	(155)	(392)
	995	**2,791**	**5,682**	**5,411**	**5,475**

Interest income consists of interest on financial assets measured at amortised cost.

5. **Income tax**

	For the six months ended 30 September		For the year ended 31 March		
	2019 £'000	**2018 £'000**	**2019 £'000**	**2018 £'000**	**2017 £'000**
		(Unaudited)			
Current tax – current year	15,806	17,853	40,020	41,229	35,712
Current tax – adjustment for prior years	143	(224)	112	85	(31)
	15,949	**17,629**	**40,132**	**41,314**	**35,681**
Deferred tax – current year	3,655	945	(2,027)	(3,560)	(775)
Deferred tax – adjustment for prior years	–	–	49	(572)	263
Deferred tax – change in corporate tax rate	61	(286)	435	378	409
	3,716	**659**	**(1,543)**	**(3,754)**	**(103)**
	19,665	**18,288**	**38,589**	**37,560**	**35,578**

The UK tax rate was reduced from 20 per cent. to 19 per cent. (effective from 1 April 2017) and there will be a further reduction to 17 per cent. effective from 1 April 2020.

Reconciliation of effective tax rate

	For the six months ended 30 September		For the year ended 31 March		
	2019 %	**2018 %**	**2019 %**	**2018 %**	**2017 %**
		(Unaudited)			
Effective rate of taxation	21.4	19.9	21.6	21.1	21.8
Tax effect of non-deductible expenses	(0.1)	(0.1)	(0.2)	(0.2)	(0.3)
Adjustment to tax charge in respect of prior year	(0.2)	0.2	(0.2)	0.1	(0.3)
Foreign tax credit relief	(0.7)	–	(0.3)	–	–
Effect of different tax rates applicable in foreign jurisdictions	(1.4)	(1.0)	(1.9)	(2.0)	(1.2)
United Kingdom standard tax rate	**19.0**	**19.0**	**19.0**	**19.0**	**20.0**

6. **Property and equipment**

	Leasehold improvements £'000	Computer equipment £'000	Fixtures and fittings £'000	Motor vehicles £'000	Total £'000
As at 30 September 2019					
Cost					
Opening balance	6,092	12,061	1,280	35	19,468
Additions	1,623	942	699	–	3,264
Disposals	–	(3,811)	–	–	(3,811)
Exchange adjustment	99	53	(2)	–	150
Closing balance	**7,814**	**9,245**	**1,977**	**35**	**19,071**
Accumulated depreciation					
Opening balance	(1,317)	(9,494)	(937)	(35)	(11,783)
Depreciation	(153)	(849)	(113)	–	(1,115)
Disposals	–	3,811	–	–	3,811
Exchange adjustment	(55)	(24)	(4)	–	(83)
Closing balance	**(1,525)**	**(6,556)**	**(1,054)**	**(35)**	**(9,170)**
Closing net book value	**6,289**	**2,689**	**923**	**–**	**9,901**
As at 31 March 2019					
Cost					
Opening balance	2,050	12,506	2,010	38	16,604
Additions	4,391	1,970	144	–	6,505
Disposals	(369)	(1,632)	(766)	–	(2,767)
Exchange adjustment	20	(783)	(108)	(3)	(874)
Closing balance	**6,092**	**12,061**	**1,280**	**35**	**19,468**
Accumulated depreciation					
Opening balance	(1,301)	(10,279)	(1,543)	(38)	(13,161)
Depreciation	(405)	(1,469)	(111)	–	(1,985)
Disposals	411	1,685	605	–	2,701
Exchange adjustment	(22)	569	112	3	662
Closing balance	**(1,317)**	**(9,494)**	**(937)**	**(35)**	**(11,783)**
Closing net book value	**4,775**	**2,567**	**343**	**–**	**7,685**
As at 31 March 2018					
Cost					
Opening balance	2,432	11,415	1,959	40	15,846
Additions	–	1,459	236	–	1,695
Disposals	(162)	(390)	(197)	(2)	(751)
Exchange adjustment	(220)	22	12	–	(186)
Closing balance	**2,050**	**12,506**	**2,010**	**38**	**16,604**
Accumulated depreciation					
Opening balance	(1,223)	(9,249)	(1,580)	(39)	(12,091)
Depreciation	(323)	(1,389)	(152)	(1)	(1,865)
Disposals	127	363	197	2	689
Exchange adjustment	118	(4)	(8)	–	106
Closing balance	**(1,301)**	**(10,279)**	**(1,543)**	**(38)**	**(13,161)**
Closing net book value	**749**	**2,227**	**467**	**–**	**3,443**

	Leasehold improvements £'000	Computer equipment £'000	Fixtures and fittings £'000	Motor vehicles £'000	Total £'000
As at 31 March 2017					
Cost					
Opening balance	2,193	9,199	1,691	32	13,115
Additions	105	1,516	148	–	1,769
Disposals	(185)	(284)	–	–	(469)
Exchange adjustment	319	984	120	8	1,431
Closing balance	**2,432**	**11,415**	**1,959**	**40**	**15,846**
Accumulated depreciation					
Opening balance	(912)	(7,586)	(1,341)	(29)	(9,868)
Depreciation	(360)	(1,270)	(124)	(2)	(1,756)
Disposals	185	284	–	–	469
Exchange adjustment	(136)	(677)	(115)	(8)	(936)
Closing balance	**(1,223)**	**(9,249)**	**(1,580)**	**(39)**	**(12,091)**
Closing net book value	**1,209**	**2,166**	**379**	**1**	**3,755**

7. Intangible assets

	As at 30 September 2019		2019		As at 31 March 2018		2017	
	Software licences £'000	Goodwill £'000	Software licences £'000	Goodwill £'000	Software licences £'000	Goodwill £'000	Software licences £'000	Goodwill £'000
Cost								
Opening balance	385	27,200	1,124	30,751	1,496	30,486	1,408	24,189
Additions	44	–	8	–	165	–	97	–
Disposals	–	–	(652)	–	(551)	–	(375)	–
Exchange adjustment	1	153	(95)	(3,551)	14	265	366	6,297
Closing balance	**430**	**27,353**	**385**	**27,200**	**1,124**	**30,751**	**1,496**	**30,486**
Accumulated amortisation/ impairment losses								
Opening balance	(361)	(27,200)	(992)	(30,751)	(1,387)	(30,486)	(1,344)	(22,939)
Amortisation/ impairment	(29)	–	(49)	–	(144)	–	(68)	(1,614)
Disposals	–	–	596	–	551	–	375	–
Exchange adjustment	(1)	(153)	84	3,551	(12)	(265)	(350)	(5,933)
Closing balance	**(391)**	**(27,353)**	**(361)**	**(27,200)**	**(992)**	**(30,751)**	**(1,387)**	**(30,486)**
Closing net book value	**39**	**–**	**24**	**–**	**132**	**–**	**109**	**–**

8. **Deferred taxation**

	As at 30 September	As at 31 March		
	2019 £'000	**2019 £'000**	**2018 £'000**	**2017 £'000**
Deferred tax asset arising from:				
Accelerated capital allowances	524	565	657	704
Employee benefits	8,135	9,963	10,125	10,865
Tax loss carried forward	3,040	803	1,324	437
Capital gains tax on fair value gains	(251)	(183)	(20)	(206)
Deferred compensation payments	10,483	14,177	12,659	9,147
Deferred income	–	–	–	46
Prepayment	(64)	(63)	(105)	(78)
	21,867	**25,262**	**24,640**	**20,915**
Opening balance	25,262	24,640	20,915	18,697
Deferred tax (credit)/charge to profit from operations	(3,716)	1,543	3,754	103
Deferred tax (credit)/charge to other comprehensive income:				
Deferred tax on revaluation of pension fund asset	249	404	(99)	498
Deferred tax on share options vested	5	(2)	(6)	(67)
Exchange adjustments	67	(1,323)	76	1,684
Closing balance	**21,867**	**25,262**	**24,640**	**20,915**
Deferred tax liabilities arising from:				
Deferred capital allowances	8	–	–	3
Unrealised capital gain	16,785	15,354	14,236	16,168
	16,793	**15,354**	**14,236**	**16,171**
Opening balance	**15,354**	**14,236**	**16,171**	**13,643**
Deferred tax charge to profit from operations	1,371	2,879	(2,005)	(788)
Exchange adjustment	68	(1,761)	70	3,316
Closing balance	**16,793**	**15,354**	**14,236**	**16,171**

9. Linked investments backing policyholder funds

	As at 30 September 2019 £'000	2019 £'000	As at 31 March 2018 £'000	2017 £'000
Quoted investments at fair value				
Equities	792,339	836,945	789,417	746,169
Interest-bearing stocks, debentures and other loans	1,775,975	1,760,498	1,855,945	1,576,330
	2,568,314	**2,597,443**	**2,645,362**	**2,322,499**
Unquoted investments at fair value				
Collective investment schemes	3,500,271	3,396,190	3,902,268	3,524,724
Mutual funds	1,304,601	1,125,398	755,226	865,946
Equities	4,931	4,854	587	3,920
Interest-bearing stocks, debentures and other loans	992,189	907,260	414,587	434,590
Derivatives	(16,136)	(12,919)	12,345	(4,943)
Cash and cash equivalents	246,612	155,433	693,861	533,055
	6,032,468	**5,576,216**	**5,778,874**	**5,357,292**
	8,600,782	**8,173,659**	**8,424,236**	**7,679,791**
Opening balance	**8,173,659**	**8,424,236**	**7,679,791**	**5,793,360**
Net fair value gains on linked investments backing policyholder funds	84,439	159,745	99,290	29,301
Net acquisition of linked investments backing policyholder funds	304,337	592,655	553,543	318,620
Exchange adjustment	38,347	(1,002,977)	91,612	1,538,510
Closing balance	**8,600,782**	**8,173,659**	**8,424,236**	**7,679,791**

10. Investments

	As at 30 September 2019 £'000	2019 £'000	As at 31 March 2018 £'000	2017 £'000
Non-current				
Investments in unlisted investment vehicles	7,234	5,255	4,008	3,463
Current				
Deferred compensation investments	84,647	71,210	70,917	65,544
Investments in pooled vehicles	1,417	1,236	1,122	917
	86,064	**72,446**	**72,039**	**66,461**

11. Cash and cash equivalents and other cash flow information

Cash at bank and on hand	92,830	82,578	76,019	74,805
Money Market Funds	137,614	186,663	232,315	196,782
	230,444	**269,241**	**308,334**	**271,587**

Cash balances within linked investments backing policyholder funds are not included as they are not due to the Ninety One Business.

Reconciliation of liabilities arising from financing activities

The table below details changes in the Ninety One Business' liabilities from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are liabilities for which cash flows were, or future cash flows will be, classified in the combined cash flow statement as cash flows from financing activities.

	Lease liabilities
	£'000
As at 31 March 2019	**–**
Impact on initial application of IFRS 16	88,639
Changes from financing cash flows:	
Principal elements of lease payments	(1,686)
Interest elements of lease payments	(1,394)
	(3,080)
Other changes:	
Increase in lease liabilities from entering into new leases during the period	772
Interest expenses	1,394
	2,166
Exchange adjustments	450
As at 30 September 2019	**88,175**

12. Equity (Net Assets)

The net assets of the Ninety One Business are derived by aggregating the net assets of IAM UK and IAM SA and their direct and indirect subsidiaries. The remaining changes in net assets relate to other equity components which include all remeasurements of the net obligation from defined benefit plans recognised in other comprehensive income and the effect of the translation of foreign subsidiaries.

Since the combined group does not have any share capital, earnings per share information is not presented.

13. Policyholder investment contract liabilities

	As at 30 September	As at 31 March		
	2019 £'000	**2019 £'000**	**2018 £'000**	**2017 £'000**
Opening balance	8,190,926	8,446,056	7,692,747	5,816,667
Net fair value change on policyholder investment contract liabilities	284,038	543,763	460,301	348,598
Investment income on linked investments backing policyholder funds	231,678	442,663	413,203	364,495
Net fair value gains on linked investments backing policyholder funds	84,439	159,745	99,290	29,301
Investment and administration expenses	(14,005)	(24,890)	(23,534)	(19,549)
Income tax expense – Policyholders' funds	(3,588)	(6,700)	(3,739)	(3,072)
Surplus transferred to shareholders	(14,486)	(27,055)	(24,919)	(22,577)
Contributions	509,288	929,973	994,488	1,760,462
Withdrawals	(399,969)	(723,455)	(793,509)	(1,777,592)
Exchange adjustment	38,348	(1,005,411)	92,029	1,544,612
	8,622,631	**8,190,926**	**8,446,056**	**7,692,747**

14. **Other liabilities**

	As at 30 September 2019 £'000	As at 31 March 2019 £'000	2018 £'000	2017 £'000
Non-current deferred compensation liabilities	48,941	44,862	59,069	59,495
Current deferred compensation liabilities	43,144	32,633	17,679	11,686
	92,085	**77,495**	**76,748**	**71,181**

The above liabilities include employer's National Insurance.

15. **Trade and other payables**

Employee-related payables	89,905	152,677	148,873	136,477
Trade payables	150,301	154,773	129,893	147,119
	240,206	**307,450**	**278,766**	**283,596**

16. **Transactions with related parties**

Transactions with key management personnel

The key management personnel of the Ninety One Business are defined as the directors of IAM UK and IAM SA.

	For the six months ended 30 September 2019 £'000	2018 £'000 *(Unaudited)*	For the year ended 31 March 2019 £'000	2018 £'000	2017 £'000
Remuneration paid to the key management personnel					
Short-term employee benefits	567	3,003	8,173	10,061	8,776
Post-employment benefits	21	–	19	–	–

In addition to the directors' remuneration disclosed above, certain directors are not paid directly by the Ninety One Business but receive remuneration from Investec, in respect of their services to the larger group which includes the Ninety One Business.

Transactions with Investec

	For the six months ended 30 September 2019 £'000	2018 £'000 *(Unaudited)*	For the year ended 31 March 2019 £'000	2018 £'000	2017 £'000
Interest income on deposit account – Investec Bank Limited	169	223	426	468	547
Administration fee expense	6,241	6,273	12,831	13,234	13,010

Balances with Investec

	As of 30 September 2019 £'000	As at 31 March 2019 £'000	2018 £'000	2017 £'000
Amounts payable to Investec	(3,839)	(3,723)	(3,184)	(3,696)
Current account with Investec Bank Limited	9,581	5,098	8,505	6,597
Current account with Investec Bank (Channel Islands) Limited	935	1,215	1,205	1,670

The current accounts with Investec Bank Limited and Investec Bank (Channel Islands) Limited earn interest at 6.3 per cent. (2019: 6.6 per cent., 2018: 6.3 per cent., 2017: 6.8 per cent.) and 0 per cent. (2019: 0 per cent., 2018: 0 per cent.; 2017: 0 per cent.) per annum respectively. Included in the amounts payable to Investec is an amount owing to Investec Bank Limited, interest is payable at Investec Bank Limited's prime rate plus 1 per cent. per annum, which is the same as the prior years.

Except for amounts disclosed above, all the other amounts outstanding are unsecured, interest free, due on demand and will be settled through the normal operations of the Ninety One Business.

Balance and transaction with Marathon Trust and Forty Two Point Two

As at 30 September 2019, Ninety One employees indirectly hold interest in the Ninety One Business through the Marathon Trust (the "**Trust**") and Forty Two Point Two. The Trust owns 100 per cent. of Forty Two Point Two and Forty Two Point Two owns 19.9999 per cent. (31 March 2019: 19.9999 per cent., 31 March 2018: 17 per cent.; 31 March 2017: 16 per cent.) of the Ninety One Business. Forty Two Point Two has made an additional investment in Ninety One Business of 1 per cent. each financial year ended 31 March 2018 and 2017 and 2.9999 per cent. during the financial year ended 31 March 2019. The terms and conditions of the transaction were no more favourable than those available, or which might be expected to be available, on a similar transactions to non-related entities on an arm's length basis.

17. Leases

17.1 Amount recognised in the balance sheet applying IFRS 16

	As at 30 September 2019 £'000
Right-of-use assets	
Office premises	81,286
Additions to the right-of-use assets during the six months ended 30 September 2019 were £772,000.	
Lease liabilities	
Current	7,783
Non-current	80,392
	88,175

The following table shows the remaining contractual maturities of the Ninety One Business' lease liabilities at the end of the current reporting period:

	As at 30 September 2019	
	Present value of the minimum lease payments £'000	**Total minimum lease payments £'000**
Within one year	7,783	5,474
Between one and five years	18,835	29,176
Between five and ten years	61,557	77,458
	88,175	**112,108**

17.2 **Amount recognised in the statement of profit or loss applying IFRS 16**

	For the six months ended 30 September 2019 £'000
Depreciation charge of right-of-use assets	5,190
Interest expense on lease liabilities	1,394

The total cash outflow for leases during the six months ended 30 September 2019 was £3.1 million. As at 30 September 2019, the Ninety One Business was committed to enter into a lease for an office in Durban of five years that has not yet commenced, the lease payments under which will amount to £37,000 per annum.

17.3 **For each of the previous reporting periods, commitments for minimum lease payments in relation to non-cancellable operating leases were payable as follows:**

	As at 31 March		
	2019 £'000	**2018 £'000**	**2017 £'000**
Within one year	5,890	7,220	7,181
Between one and five years	26,407	11,079	15,527
Between five and ten years	81,543	714	1,830
	113,840	**19,013**	**24,538**

18. Share-based payments

Employees of the Ninety One Business participated in the share-based payment program of Investec. Investec operates a share option scheme for employees, which is on an equity-settled basis. The purpose of the staff share option scheme is to promote an "esprit de corps" within the organisation, create an awareness of performance and provide an incentive to maximise individual and Investec performance by allowing staff to share in the risks and rewards of Investec. For the purposes of the Combined HFI, the expenses arising from share-based payments were recognised in the financial statements of those Ninety One entities which incurred the expenses. Further information on the share options and long-term incentive plans are provided in the remuneration report of the combined consolidated financial statements of Investec plc and Investec Limited for the years ended 31 March 2019, 2018 and 2017 and for the six months ended 30 September 2019.

	For the six months ended 30 September		For the year ended 31 March		
	2019 £'000	2018 £'000	2019 £'000	2018 £'000	2017 £'000
	(Unaudited)				
Expense charged to statement of comprehensive income:					
Equity-settled	634	1,631	2,366	2,082	3,005
Fair value of share options at grant date, granted in the year/period	1,274	1,116	1,203	3,534	1,625

UK schemes

	As at 30 September		As at 31 March					
	2019		2019		2018		2017	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Outstanding at start of the year/period	308,274	£0.13	320,229	£0.24	292,516	£0.24	580,508	£0.31
Relocation of employees during the year/period	–	£–	1,068	£–	(1,600)	£–	(250)	£–
Granted during the year/period	389,354	£–	113,560	£–	143,557	£0.27	50,080	£–
Exercised during the year/period	(11,590)	£–	(106,753)	£0.23	(92,606)	£0.34	(299,082)	£0.11
Lapsed during the year/period	(23,638)	£0.31	(19,830)	£0.76	(21,638)	£–	(38,740)	£1.92
Outstanding at end of the year/period	662,400	£0.05	308,274	£0.13	320,229	£0.24	292,516	£0.24
Exercisable at end of year/period	1,650	£5.87	4,860	£–	2,996	£–	1,250	£–

South African schemes

	As at 30 September		As at 31 March					
	2019		2019		2018		2017	
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
Outstanding at start of the year/period	803,416	R–	1,184,359	R–	1,793,130	R–	1,983,736	R–
Relocation of employees during the year/period	(20,965)	R–	10,396	R–	2,870	R–	(16,288)	R–
Granted during the year/period	–	R–	115,722	R–	524,702	R–	264,738	R–
Exercised during the year/period	(29,672)	R–	(456,346)	R–	(949,267)	R–	(411,118)	R–
Lapsed during the year/period	(21,275)	R–	(50,715)	R–	(187,076)	R–	(27,938)	R–
Outstanding at end of the year/period	731,504	R–	803,416	R–	1,184,359	R–	1,793,130	R–
Exercisable at end of year/period	–	R–	14,508	R–	6,089	R–	750	R–

The exercise price range and weighted average remaining contractual life for share options outstanding at year/period end were as follows:

	UK Schemes				South African Schemes			
	As at 30 September 2019	As at 31 March 2019	2018	2017	As at 30 September 2019	As at 31 March 2019	2018	2017
Exercise price range	£0 – £5.87	£0 – £5.87	£0 – £5.87	£0 – £5.72	R–	R–	R–	R–
Weighted average remaining contractual life (years)	3.51	2.21	2.43	2.01	1.66	2.15	2.26	1.50
Share price at date of grant	£4.79	£5.59	£5.03 – £5.87	£4.71 – £5.20	n/a	R90.96 – R92.55	R94.94 – R97.45	R89.97 – R105.30
Exercise price	£-	£-	£–	£–	n/a	R–	R–	R–
Expected volatility	n/a	n/a	28.54%	n/a	n/a	n/a	n/a	n/a
Option life	7 years	4.75 years	4.75 – 5 years	4.75 – 5 years	n/a	4.75 years	4.75 years	4.5 – 5 years
Expected dividend yields	n/a	n/a	5.59%	n/a	n/a	n/a	n/a	n/a
Risk-free rate	n/a	n/a	0.62%	n/a	n/a	n/a	n/a	n/a

The expected volatility is based on the respective share price movement over the last six months but also includes an element of forward expectation.

The Demerger will not cause an accelerated vesting of the existing share schemes. Share awards held by Ninety One Business' employees under the existing share schemes will continue on their vesting schedule. Upon the completion of the Demerger, the shares awards under the existing share schemes will refer to both Investec's and Ninety One's shares.

19. Pension schemes

Defined benefit schemes

(a) The Ninety One Business participated in the Guinness Mahon Group Pension Scheme, which was a non-contributory defined benefit scheme, and its assets were held in separate trustee administered funds. During the year of 2018, this scheme entered into a buy-out with the assets and liabilities being transferred to the insurer Aviva. Members now receive their pension from Aviva and the Ninety One Business has no remaining liability relating to this scheme.

(b) The Ninety One Business participates in the Investec Asset Management Pension Scheme (the-"Scheme"), which is a closed defined benefit scheme. The Scheme is a registered defined benefit final salary scheme subject to the UK regulatory framework for pensions and is administered by the trustee with their assets held separately from those of the Ninety One Business. The trustees are required by the Trust Deed to act in the best interest of the scheme participants. The Scheme was funded by contributions from the Ninety One Business in accordance with an independent actuary's recommendation based on actuarial valuations. The latest independent actuarial valuations of the Scheme were at 30 September 2019 by qualified independent actuaries. There is no restriction to the amount of surplus that can be recognised as the Ninety One Business has the right to a refund of the surpluses, assuming the gradual settlement of the Scheme over time until all members have left the Scheme. The Scheme exposes the Ninety One Business to actuarial risks, such as interest rate risk, investment risk and longevity risk.

	As at 30 September	As at 31 March		
	2019 £'000	2019 £'000	2018 £'000	2017 £'000
The pension fund (obligation)/asset in respect of the Scheme is as follows:				
Investec Diversified Growth Fund	9,090	8,893	18,653	21,637
Investec Cautious Managed Fund	8,839	8,712	–	–
Trustees' bank account	68	185	80	12
Total fair value of plan assets	17,997	17,790	18,733	21,649
Present value of obligation	(19,330)	(17,610)	(16,108)	(19,574)
Pension fund (obligation)/asset recognised in the combined statement of financial position	(1,333)	180	2,625	2,075

Investec Diversified Growth Fund and Investec Cautious Managed Fund are managed funds, which invest primarily in a globally diversified portfolio of assets, mainly consisting of global equities, bonds issued by governments, physical gold and silver bullion and money market instruments. The funds are quoted in an active market and their underlying investments are either level 1 or level 2 investments.

	As at 30 September	As at 31 March		
	2019 £'000	2019 £'000	2018 £'000	2017 £'000
Movements in plan assets:				
Plan assets at the beginning of the year	17,790	18,733	21,649	21,971
Benefits paid including expenses	(249)	(609)	(3,550)	(1,934)
Interest income	211	487	505	726
Return on plan assets, excluding interest income	245	(821)	129	886
Plan assets at the end of the year	**17,997**	**17,790**	**18,733**	**21,649**
Movements in the present value of the defined benefit obligation:				
Obligations at the beginning of the year	17,610	16,108	19,574	17,275
Actuarial (gains)/losses arising from changes in demographic	–	(290)	94	–
Actuarial losses/(gains) arising from changes in financial assumptions	1,711	1,847	(546)	3,553
Benefits paid including expenses	(249)	(609)	(3,550)	(1,934)
Interest cost	209	420	455	568
Administration costs	49	134	81	112
Obligations at the end of the year	**19,330**	**17,610**	**16,108**	**19,574**
Amounts recognised in the combined statement of comprehensive income are as follows:				
Net interest on net defined benefit asset	2	67	50	158
Actuarial (losses)/gains	(1,711)	(1,557)	452	(3,553)
Return on plan assets, excluding interest income	245	(821)	129	886
Total defined benefit (costs)/income	**(1,464)**	**(2,311)**	**631**	**(2,509)**
The major assumptions used were:				
Inflation assumption	3.1%	3.3%	3.2%	3.2%
Rate of increase in pensions in payment for post 1997 service	3.1%	3.2%	3.1%	3.2%
Rate of increase in pensionable salaries	3.1%	3.3%	3.2%	3.2%
Discount rate	1.8%	2.4%	2.7%	2.5%

The defined benefit obligations are not expected to be materially different as a result of a 0.25 per cent. change in the above major assumptions. This sensitivity assessment is based on the assumption that changes in actuarial assumptions are not correlated and, therefore, it does not take into account the correlations between the actuarial assumptions.

20. Financial risk management and fair values of financial instruments

The Ninety One Business has exposure to credit and liquidity risk which arises in the normal course of the business. The Ninety One Business is also exposed to market risk arising from its financial instruments.

This note presents information about the Ninety One Business' exposure to each of the above risks and the objectives, policies and processes for measuring and managing risk.

The management of the Ninety One Business has overall responsibility for the establishment and oversight of the risk management framework. The Ninety One Business' Risk Committee, which is responsible for developing and monitoring the Ninety One's risk management policies, reports quarterly to management on its activities.

Ninety One's risk management policies are established to identify and analyse the risks faced by the Ninety One Business, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The Risk Committee meets once every two months and risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Ninety One Business' activities.

The Audit Committee oversees how management monitors compliance with Ninety One's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Ninety One Business. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

Policyholders' assets and liabilities

The Ninety One Business has no credit or market risk related to policyholders' investments and trade and other receivables as they are matched by the liability that Ninety One has to its policyholders for the value of these assets. Therefore, the credit and market risk disclosure in the remainder of this note only deals with the financial risks related to non-policyholder financial assets.

Credit risk

Credit risk is the risk of financial loss to the Ninety One Business if a client or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Ninety One Business' trade receivables. The Ninety One Business' credit risk arising from cash and cash equivalents is limited because the counterparties are reputable banks or financial institutions with a minimum credit rating of Ba1 or BB+ assigned by Moody's and S&P, respectively, for which the management of the Ninety One Business considers to have low credit risk. The maximum exposure to credit risk is represented by the carrying value of trade receivables and cash and cash equivalents.

The Ninety One Business has no significant concentrations of credit risk with respect to trade receivables as the client bases are widely dispersed in different sectors and industries. Aging of trade receivables at year/period end was:

	As at 30 September	As at 31 March		
	2019 £'000	**2019 £'000**	**2018 £'000**	**2017 £'000**
Less than 30 days	200,108	226,387	200,266	206,706
Between 30 and 90 days	4,713	4,439	3,844	1,632
More than 90 days	90	97	171	46
	204,911	**230,923**	**204,281**	**208,384**

Outstanding balances are aged monthly and long outstanding balances are actively followed up. Prior to 1 April 2018, an impairment loss was recognised only when there was objective evidence of impairment.

Expected credit losses ("ECL")

Effective 1 April 2018, the Ninety One Business applies the IFRS 9 simplified approach to measuring ECL for trade receivables at an amount equal to lifetime ECLs. The ECLs on trade receivables are determined by grouping together trade receivables with similar credit risk characteristics and collectively assessing them for likelihood of recovery, taking into account prevailing economic conditions. While cash and cash equivalents are also subject to the impairment requirement of IFRS 9, the identified impairment loss was immaterial.

Expected loss rates are based on the payment profiles of trade receivables over the preceding 10 years and the corresponding historical credit losses experienced within this period. These rates are adjusted to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Ninety One Business' view of economic conditions over the expected lives of the receivables.

The ECL is considered insignificant as the results of the assessment showed an insignificant impact, therefore, no loss allowance has been provided for the year ended 31 March 2019 and the six months ended 30 September 2019.

The Ninety One Business considers a trade receivable to be credit impaired when one or more detrimental events have occurred, such as significant financial difficulty of the client or it becoming probable that the client will enter bankruptcy or other financial reorganisation.

Trade receivables are written off when it is considered credit impaired or there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, among others, the failure of a debtor to engage in a repayment plan with the Ninety One Business after the contractual payment has been past due. The Ninety One Business has not written off any trade receivables for the Track Record Period.

Liquidity risk

Liquidity risk is the risk that the Ninety One Business will not be able to meet its financial obligations as they fall due. The Ninety One Business' approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due. The maximum exposure to liquidity risk is represented by current financial liabilities which are contractually due on demand. All amounts are unsecured and interest free.

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Ninety One Business' income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters.

Currency risk

The Ninety One Business is exposed to currency risk in the ordinary course of business on portions of its trade receivables, amounts payable to Investec, cash and cash equivalents and trade payables. Foreign currency exchange rate fluctuations may create unpredictable earnings and cash flow volatility. Entities within the Ninety One Business conducting business with international counterparties that leads to future cash flows denominated in a currency other than their functional currencies are exposed to the risk from changes in foreign currency exchange rates. Outstanding amounts are regularly monitored and settled to mitigate currency exposures. The risk is also mitigated by, as far as possible, closing all types of business transactions mainly in the functional currency.

Effects of foreign currency translation

The financial statements of those entities located outside of the United Kingdom are translated into GBP for the preparation of the Combined HFI of the Ninety One Business. Investments in foreign-based operations are permanent and that reinvestment is continuous. Effects from foreign currency exchange rate fluctuations on the translation of net asset amounts into GBP are reflected in the combined equity position.

Cash flow sensitivity analysis

At the six months ended 30 September 2019, if the functional currencies of respective foreign entities had strengthened by 10 per cent., profit before tax of the Ninety One Business would have decreased by: £3,301,000: (31 March 2019: £1,057,000; 31 March 2018: £1,954,000; 31 March 2017: £3,041,000).

A 10 per cent. weakening would have had the equal but opposite effect. Results of the analysis represent an aggregation of the instantaneous effects on each of the Ninety One entities' profit before tax. Differences from the translation of the financial statements of foreign operations into Ninety One's presentation currency are excluded.

Interest rate risk

The Ninety One Business adopts a policy of ensuring that its exposure to changes in interest rates is on a floating rate basis as virtually all such exposures are short term in nature. At year/period end, the Ninety One Business' only interest-bearing financial instruments were cash and cash equivalents, which are variable rate instruments. This was also the case at the previous year-ends.

Sensitivity analysis

An increase of 10 basis points in interest rates at the six months ended 30 September 2019 would have increased profit before tax by: £223,000 (31 March 2019: £271,000; 31 March 2018: £305,000; 31 March 2017: £257,000). A decrease of 10 basis points in interest rates at year end would have had the equal but opposite effect. This assumes that all other variables remain constant and the year-end balance has been constant throughout the year. The analysis is performed on the same basis for the prior year/period.

Price risk

The financial instruments of the Ninety One Business subject to price risk are its deferred compensation investments, investment in unit trusts which are seed capital investments and the investment in unlisted investment vehicles. As the Ninety One Business' deferred compensation investments are matched by the liability the Ninety One Business has to its employees for the value of these investments, there is no impact to the statement of comprehensive income for changes in the values of these investments. Price risk on seed capital investments is not deemed to be significant as the holding in the investments are small. The investment in unlisted investment vehicles are unquoted investments, changes in market conditions will not directly affect the profit or loss for the period/year.

Capital management

The capital of the Ninety One Business is considered to be its total equity less deferred tax assets and the pension fund asset. The Ninety One Business' policy is to retain sufficient capital on hand to meet the external minimum capital requirements of the Financial Conduct Authority ("**FCA**") and certain overseas financial regulators. All regulated entities within the Ninety One Business complied with the externally imposed regulatory capital requirements. Surplus capital is returned to shareholders on a regular basis. There were no changes in the approach to capital management during the year/period.

Fair value measurements

The fair values of all financial instruments are substantially similar to carrying values reflected in the statement of financial position as they are short-term in nature, subject to variable, market-related interest rates or stated at fair value in the statement of financial position. The Ninety One Business measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market price (unadjusted) in an active market for an identical instrument.

Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). The category includes instruments valued using quoted market prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active or other valuation techniques, where all significant inputs are, directly or indirectly, observable from market data.

Level 3: Valuation techniques where one or more significant inputs are unobservable.

The table below analyses financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
As at 30 September 2019				
Deferred compensation investments	84,647	–	–	84,647
Investments in pooled vehicles	1,417	–	–	1,417
Unlisted investment vehicle	–	–	7,234	7,234
Investments backing policyholder funds	2,568,314	5,983,697	48,771	8,600,782
Policyholder investment contract liabilities	(2,568,314)	(6,005,546)	(48,771)	(8,622,631)
	86,064	**(21,849)**	**7,234**	**71,449**
As at 31 March 2019				
Deferred compensation investments	71,210	–	–	71,210
Investments in pooled vehicles	1,236	–	–	1,236
Unlisted investment vehicle	–	–	5,255	5,255
Investments backing policyholder funds	2,597,443	5,568,725	7,491	8,173,659
Policyholder investment contract liabilities	(2,597,443)	(5,585,992)	(7,491)	(8,190,926)
	72,446	**(17,267)**	**5,255**	**60,434**
As at 31 March 2018				
Deferred compensation investments	70,917	–	–	70,917
Investments in pooled vehicles	1,122	–	–	1,122
Unlisted investment vehicle	–	–	4,008	4,008
Investments backing policyholder funds	2,645,362	5,757,494	21,380	8,424,236
Policyholder investment contract liabilities	(2,645,362)	(5,779,314)	(21,380)	(8,446,056)
	72,039	**(21,820)**	**4,008**	**54,227**
As at 31 March 2017				
Deferred compensation investments	65,544	–	–	65,544
Investments in pooled vehicles	917	–	–	917
Unlisted investment vehicle	–	–	3,463	3,463
Investments backing policyholder funds	2,322,499	5,357,292	–	7,679,791
Policyholder investment contract liabilities	(2,322,499)	(5,370,248)	–	(7,692,747)
	66,461	**(12,956)**	**3,463**	**56,968**

During the Track Record Period, there were no transfers between level 1 and level 2, or transfers into or out of level 3. The Ninety One Business' policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

Information about Level 3 fair value measurements

Unlisted investment vehicle represents the Ninety One Business' investment in Investec Africa Private Equity Fund 2 GP LP. The input used in measuring its fair value is the audited net asset value of the underlying investment which is calculated by the General Partner.

Investments backing policyholder funds/policyholder investment contract liabilities include derivatives that are not actively traded and the principal input in their valuation (i.e. credit spreads) are unobservable. Accordingly, an alternative valuation methodology has been applied being either an EBITDA multiple or expected cost recovery. A sensitivity analysis has not been presented as the "stressing" of the significant unobservable inputs applied in the valuation does not have a material impact on the Combined HFI.

The movements during the period/year in the balance of the level 3 fair value measurements are as follows:

	As at 30 September	As at 31 March		
	2019 £'000	2019 £'000	2018 £'000	2017 £'000
Opening balance	5,255	4,008	3,463	1,561
Purchase of investments	1,891	959	957	1,651
Unrealised gain/(loss) on investments	88	288	(412)	251
Closing balance	**7,234**	**5,255**	**4,008**	**3,463**

21. Commitments

The Ninety One Business has a USD 20.0m private equity investment commitment to the Investec Africa Frontier Private Equity Associate Fund L.P. of which USD 18.3m (31 March 2019: USD 18.2m; 31 March 2018: USD 18.1m; 31 March 2017: USD 18.1m) has been paid, USD 7.6m (equivalent to £6.2m) remains receivable as at 30 September 2019 and is included in trade and other receivables. The Ninety One Business also has a USD 10.5m (31 March 2019: USD 10.5m; 31 March 2018: USD 10.5m; 31 March 2017: USD 10.4m) private equity investment commitment to the Investec Africa Private Equity Fund 2 GP L.P. of which USD 8.3m (31 March 2019: USD 7.0m; 31 March 2018: USD 5.8m; 31 March 2017: USD 4.3m) has been paid as at 30 September 2019. This amount has been classified as a non-current investment.

22. Interests in unconsolidated structured entities

The Ninety One Business has concluded that the mutual funds and investment trusts managed by the Ninety One Business are structured entities. The table below describes the types of structured entities that the Ninety One Business does not consolidate but in which it holds an interest:

Type of structured entity	Nature and purpose	Interest held by the Ninety One Business
Mutual funds and investment trusts	To manage assets on behalf of investors and generate fees for the investment manager. These vehicles are financed through the issue of shares or units to investors.	(i) Shares or units issued by the funds or trusts (ii) Management fee and performance fee

The table below sets out interests held by the Ninety One Business in unconsolidated structured entities. The maximum exposure to loss is the carrying amount of the financial assets held and management fee receivables.

	Number of funds	AUM of the funds	Carrying amount included in the combined statement of financial position	Investment management and performance fee for the period/year	Management/ performance fees receivable as at period/ year end
	£'billion		£'000	£'000	£'000
As at 30 September 2019	143	64	139,031	204,711	36,885
As at 31 March 2019	146	58	187,899	376,739	34,139
As at 31 March 2018	131	54	233,437	354,215	32,825
As at 31 March 2017	132	49	197,699	309,170	29,596

During the year/period, the Ninety One Business did not provide financial support to unconsolidated structured entities and has no intention of providing financial or other support.

23. **Financial metrics**

Headline earnings

Headline earnings has been calculated and is disclosed in accordance with the JSE Listings Requirements, and in terms of circular 4/2018 issued by the South African Institute of Chartered Accountants. Disclosure of headline earnings is not a requirement of IFRS, but it is a commonly used measure of earnings in South Africa that is more closely aligned to the operating activities of the entity. The items excluded from the calculation of headline earnings meet the definition of separately identifiable remeasurements as defined in circular 4/2018. The table below reconciles the profit for the financial year/period to headline earnings:

	For the six months ended 30 September		For the year ended 31 March		
	2019 £'000	**2018 £'000** ***(Unaudited)***	**2019 £'000**	**2018 £'000**	**2017 £'000**
Total earnings	72,279	73,838	139,814	140,485	127,630
Impairment of goodwill	–	–	–	–	1,614
Impairment of investment in associate	–	–	42	2,429	–
Gain on disposal of property and equipment	–	–	–	(47)	–
Share of non-controlling interests	(282)	(284)	(536)	(211)	(654)
Gain on disposal of subsidiary	–	(597)	(597)	–	–
Headline earnings	**71,997**	**72,957**	**138,723**	**142,656**	**128,590**

Net tangible asset value

The net tangible assets of the Ninety One Business are reflected as below:

Total equity	202,377	208,642	195,644	211,612	196,617
Less: Intangible assets	(39)	(43)	(24)	(132)	(109)
Net tangible asset value	**202,338**	**208,599**	**195,620**	**211,480**	**196,508**

24. **List of subsidiaries and associated companies**

	Country of incorporation	Equity interest in %			
		As at 30 September 2019	As at 31 March 2019	2018	2017
Investec Asset Management Limited	United Kingdom				
Direct subsidiaries of Investec Asset Management Limited					
Investec Asset Management Guernsey Limited	Guernsey	100	100	100	100
Investec Fund Managers Limited	United Kingdom	100	100	100	100
Investec Asset Management North America Inc	United States	100	100	100	100
Investec Asset Management Luxembourg S.A.	Luxembourg	100	100	100	100
Investec Asset Management Switzerland GmbH	Switzerland	100	100	100	100
Indirect subsidiaries/ associated companies of Investec Asset Management Limited					
Growthpoint Investec African Property Management Limited[1]	Guernsey	47	47	50	100
Guinness Flight (Guernsey) Nominees Limited[2]	Guernsey	–	100	100	100
Investec Africa Frontier Private Equity Fund GP Limited	Guernsey	100	100	100	100
Investec Africa Private Equity Fund 2 GP Limited	Guernsey	100	100	100	100
Investec Asset Management Australia Proprietary Limited	Australia	100	100	100	100
Investec Asset Management Hong Kong Limited	Hong Kong	100	100	100	100
Investec Asset Management Singapore Pte Limited	Singapore	100	100	100	100
Growthpoint Investec African Properties Co-Invest GP Ltd[3]	Guernsey	100	100	100	–
Growthpoint Investec African Properties Co-Invest LP	Guernsey	100	100	100	–
Investec Africa Credit Opportunities Fund 2 GP S.a r.l.[4]	Luxembourg	100	100	–	–
GIAP Manco Empowerment Limited[5]	Guernsey	50	50	–	–
Investec Asset Management Taiwan Limited[6]	Taiwan	–	–	100	100

	Country of incorporation	Equity interest in %			
		As at 30 September 2019	As at 31 March 2019	2018	2017
Investec Asset Management Holdings Proprietary Limited	South Africa				
Direct subsidiaries of Investec Asset Management Holdings Proprietary Limited					
Investec Alternative Investments GP Proprietary Limited	South Africa	100	100	100	100
Investec Alternative Investments Proprietary Limited[7]	South Africa	–	–	–	100
Investec Asset Management Namibia (Proprietary) Limited	Namibia	85	85	85	85
Investec Asset Management Proprietary Limited	South Africa	100	100	100	100
Investec Assurance Limited	South Africa	100	100	100	100
Investec Fund Managers Namibia Limited	Namibia	85	85	85	85
Investec Fund Managers SA (RF) Proprietary Limited	South Africa	100	100	100	100
Investec Asset Management Botswana (Proprietary) Limited	Botswana	70	70	70	70
Investec Investment Management Services Proprietary Limited	South Africa	100	100	100	100
Silica Holdings Proprietary Limited	South Africa	100	100	100	100
Indirect subsidiaries of Investec Asset Management Holdings Proprietary Limited					
Grayston Nominees Proprietary Limited	South Africa	100	100	100	100
Investec Fund Managers Botswana (Proprietary) Limited	Botswana	70	70	70	70
Silica Financial Administration Solutions Proprietary Limited	South Africa	100	100	100	100
Silica Administration Services Proprietary Limited	South Africa	100	100	100	100
Silica Software Solutions Proprietary Limited	South Africa	100	100	100	100
Silica Nominees Proprietary Limited	South Africa	100	100	100	100

Notes:

(1) During the financial year of 2018, the company issued additional shares resulting in a decrease in IAM UK's percentage holding to 50 per cent. and is, therefore, no longer considered a subsidiary. It was classified as an investment in an associate for the financial year 2018 and onward. During the financial year of 2019, IAM UK further transferred 3.5 per cent. of its indirect holding to GIAP Manco Empowerment Limited.

(2) The subsidiary was dissolved on 3 September 2019.

(3) The subsidiary was incorporated on 19 March 2018.

(4) The subsidiary was incorporated on 21 February 2019.

(5) The company was incorporated on 28 September 2018. It was classified as investment in associate for the financial year ended 2019.

(6) The company completed its liquidation process in the financial year ended 2019.

(7) The company was deregistered on 19 March 2018.

Section B1 – Independent Reporting Accountant's Report on the Historical Financial Information of Ninety One Limited, included for the purposes of the JSE Listings Requirements

The Directors
Ninety One Limited
36 Hans Strijdom Avenue
Foreshore
Cape Town, 8001
South Africa

The Directors
Ninety One plc
55 Gresham Street
London, EC2V 7EL
United Kingdom

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF NINETY ONE LIMITED AT 18 OCTOBER 2019

The definitions commencing on page 299 of the prelisting statement to which this letter is attached apply *mutatis mutandis* to this report.

Introduction

At your request, and for the purposes of the prelisting statement, we have audited the historical financial information of Ninety One Limited at 18 October 2019, presented in Sections B2 and B3 of Part XIV, which forms the Report of Historical Financial Information of Ninety One Limited for the purposes of this report.

The historical financial information of Ninety One Limited comprises the statement of financial position, statement of comprehensive income, cash flow statement and the statement of changes in equity and notes thereto, including a summary of the significant accounting policies at 18 October 2019 ("**Historical Financial Information of Ninety One Limited**"), presented in Sections B2 and B3 of Part XIV, and has been prepared in accordance with International Financial Reporting Standards ("**IFRS**"), for the purposes of providing financial information to satisfy the requirements of Section 8 of the JSE Limited Listings Requirements ("**Listings Requirements**") and for no other purpose.

The directors of Ninety One Limited and the directors of Ninety One plc (collectively, "**Directors**") are responsible for the preparation of the Report of Historical Financial Information of Ninety One Limited. The Directors are responsible for the compilation, contents and preparation of the prelisting statement, including the Report of Historical Financial Information of Ninety One Limited, prepared in accordance with IFRS and the Listings Requirements, and presented in Section B2 of Part XIV.

KPMG Inc. is the independent auditor and independent reporting accountant to Ninety One Limited.

Historical Financial Information of Ninety One Limited

Independent Reporting Accountant's Report on the Historical Financial Information of Ninety One Limited

Opinion

We have audited the Historical Financial Information of Ninety One Limited, which comprises the statement of financial position, statement of comprehensive income, cash flow statement and the statement of changes in equity and the notes thereto, including a summary of significant accounting policies at 18 October 2019, prepared in accordance with IFRS and the Listings Requirements, and presented in Sections B2 and B3 of Part XIV.

In our opinion, the Historical Financial Information of Ninety One Limited at 18 October 2019, as presented in Sections B2 and B3 of Part XIV, presents fairly, in all material respects, for the purpose of the prelisting statement, the financial position, the financial performance and cash flows of Ninety One Limited as at 18 October 2019 in accordance with IFRS and the Listings Requirements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("**ISAs**"). Our responsibilities under those standards are further described in the *Independent Reporting Accountant's Responsibilities for the Historical Financial Information of Ninety One Limited* section of our report. We are independent of Ninety One Limited in accordance with the sections 290 and 291 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised January 2018)*, parts 1 and 3 of the Independent Regulatory

Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised November 2018)* (together, the "**IRBA Codes**") and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Historical Financial Information of Ninety One Limited.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Historical Financial Information of Ninety One Limited. These matters were addressed in the context of our audit of the Historical Financial Information of Ninety One Limited as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

No key audit matters were identified in respect of our audit of the Historical Financial Information of Ninety One Limited.

Responsibilities of the Directors for the Historical Financial Information of Ninety One Limited

The Directors are responsible for the preparation of the Historical Financial Information of Ninety One Limited in accordance with IFRS and the Listings Requirements and for such internal control as the Directors determine is necessary to enable the preparation of Historical Financial Information of Ninety One Limited that is free from material misstatement, whether due to fraud or error.

In preparing the Historical Financial Information of Ninety One Limited, the Directors are responsible for assessing the ability of Ninety One Limited to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate Ninety One Limited or to cease operations, or have no realistic alternative but to do so.

Independent Reporting Accountant's Responsibilities for the Historical Financial Information of Ninety One Limited

Our objectives are to obtain reasonable assurance about whether the Historical Financial Information of Ninety One Limited is free from material misstatement, whether due to fraud or error, and to issue an independent reporting accountant's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Historical Financial Information of Ninety One Limited.

As part of audits in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Historical Financial Information of Ninety One Limited, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Ninety One Limited's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Ninety One Limited to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our independent reporting accountant's report to the related disclosures in the Historical Financial Information of Ninety One Limited or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent reporting accountant's report. However, future events or conditions may cause Ninety One Limited to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Historical Financial Information of Ninety One Limited, including the disclosures, and whether the Historical Financial Information of Ninety One Limited represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the Historical Financial Information of Ninety One Limited at 18 October 2019 and are therefore the key audit matters. We describe these matters in our independent reporting accountant's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication. There are no key audit matters to report.

KPMG Inc.

GS Kolbé
Chartered Accountant (SA)
Registered Auditor
Director

26 February 2020

The Halyard
4 Christiaan Barnard Street
Foreshore
Cape Town
8001

Section B2 – Basis of preparation for the Historical Financial Information of Ninety One Limited as at incorporation

The definitions commencing on page 299 of the prelisting statement apply *mutatis mutandis* to this Report of Historical Financial Information of Ninety One Limited.

Paragraph 1: Background

Ninety One Limited, formerly known as Investec Asset Management SA Group Limited (the "**Company**"), was incorporated as a public listed company in the Republic of South Africa on 18 October 2019 (the "**Date of Incorporation**"). The address of its registered office is 36 Hans Strijdom Avenue, Foreshore, Cape Town, 8001, South Africa.

On 14 September 2018, Investec announced its plan to demerge and publicly list the Ninety One Business. On 7 August 2019, Investec further announced that all key regulatory approvals required in order to proceed with the Demerger of the Ninety One Business had been received and that the Ninety One Business would be separately listed using a dual-listed company ("**DLC**") structure. Investec plans to retain a minority stake in the Ninety One Business.

The Ninety One Business consists of IAM UK and IAM SA and their direct and indirect subsidiaries and associates.

In connection with this, a pre-IPO reorganisation of the Ninety One Business is underway including the insertion of the Company as the ultimate parent company of IAM SA and its respective subsidiaries via a share-for-share exchange mechanism expected to take place in March 2020. It is the intention that the Company and Ninety One plc, formerly known as Investec Asset Management UK Group Limited, the ultimate parent company of IAM UK, will enter into the DLC agreement which will implement the Ninety One DLC Structure. Upon the creation of the DLC Structure, the shares in the Company will be admitted to trading on the main board of the Johannesburg Stock Exchange. In addition, Ninety One plc will be admitted to trading on the main board of the London Stock Exchange and for the secondary inward listing on the Johannesburg Stock Exchange.

Paragraph 2: Basis of preparation for JSE Listings Requirements purposes

The historical financial information of the Company comprises of the statement of comprehensive income, statement of financial position, statement of changes in equity and cash flow statement as at the Date of Incorporation, and a summary of significant accounting policies and the notes thereto ("**Historical Financial Information of Ninety One Limited**").

The Historical Financial Information of Ninety One Limited is prepared in accordance with International Financial Reporting Standards ("**IFRS**"), for the purposes of providing financial information to satisfy the requirements of Section 8 of the JSE Listings Requirements and for no other purpose. The Historical Financial Information of Ninety One Limited complies, where applicable, with the requirements of paragraphs 8.11 and 8.12 of the JSE Listings Requirements. The financial statements are prepared on a historical cost basis unless otherwise indicated. The functional and presentation currency of the Company is South African Rand ("**R**").

The Directors of the Company have carried out the going concern assessment and concluded that the Company has an ability to operate as a going concern with or without the Demerger and therefore the Historical Financial Information of Ninety One Limited has been prepared on a going concern basis. The Company will continue to operate in its present form if the Demerger does not take place. The financial statements have been prepared in accordance with the accounting policies to be adopted at the first year end upon the Demerger.

The directors of Ninety One Limited are responsible for the Historical Financial Information of Ninety One Limited.

Directors' commentary

Ninety One Limited has been dormant since incorporation. No dividends were declared or paid in the reporting period.

Section B3 – Historical Financial Information of Ninety One Limited as at incorporation included for the purposes of the JSE Listings Requirements

Statement of comprehensive income at 18 October 2019

	18 October 2019 R *(Audited)*
Revenue	–
Commission expense	–
Net revenue	–
Operating expenses	–
Other income/expenses	–
Profit before tax	–
Income tax expense	–
Profit after tax	–

The Company has been dormant since incorporation and has no activity to report.

Statement of financial position at 18 October 2019

	Notes	As at 18 October 2019 R *(Audited)*
Assets		
Cash and cash equivalents		–
Total current assets		–
Total assets		–
Liabilities		
Other financial liabilities		–
Total current liabilities		–
Equity		
Share capital	*1*	–
Total equity		–
Total equity and liabilities		–

Statement of changes in equity at 18 October 2019

	Notes	Share capital R	Total equity R
At 18 October 2019 (Audited)			
Opening balance		–	–
Issue of ordinary shares	*1*	–	–
Closing balance		–	–

Cash flow statement at 18 October 2019

	Notes	As at 18 October 2019 R *(Audited)*
Cash flows from financing activities		
Proceeds from issue of ordinary share	*1*	–
Net cash flows from financing activities		–
Net change in cash and cash equivalents		–
Cash and cash equivalents at beginning		–
Cash and cash equivalents as at 18 October 2019		–

Notes to financial statements at 18 October 2019

1. **Share capital**

The Company is authorised to issue one billion ordinary shares with no par value. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets. The Company has not issued any shares and remained dormant at the Date of Incorporation.

2. **Segmental reporting**

Segmental information in accordance with IFRS 8 Operating Segments will be presented in the first combined financial statements of the Group. The segment reporting is expected to be the same as that presented in the Historical Financial Information of the Ninety One Business as set out in Section A3 of Part XIV.

3. **Events after the reporting date**

On 17 December 2019, the Company issued one no par value share to Investec Limited for a nominal consideration of one Rand. The issuance of the share results in the increase in share capital and cash and cash equivalents in the statement of financial position amounting to R1.

On 20 December 2019, the name of the Company was changed from Investec Asset Management SA Group Limited to Ninety One Limited.

4. **Forthcoming standards applicable to the Company**

There are new or revised accounting standards and interpretations in issue that are not yet effective. These include the following standards that are applicable to the Company:

4.1 amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors align the wording of the definition of "material" across all IFRSs and the Conceptual Framework for Financial Reporting. It also clarifies when information is material and incorporate some of the guidance in IAS 1 about immaterial information. The amendments are effective for annual periods beginning on or after 1 January 2020.

4.2 amendments to IFRS 3 Business Combinations clarify that the definition of a business requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term "outputs" is amended to focus on goods and services provided to customers, generating investment income and other income, and it excludes returns in the form of lower costs and other economic benefits. The amendment is effective for annual periods beginning on or after 1 January 2020.

The Company is in the process of making an assessment of what the impact of these amendments are expected to be in the period of initial application. So far the Company has concluded that the adoption of them is unlikely to have a significant impact on the financial statements.

Section C1 – Accountant's report on the Historical Financial Information of Ninety One plc, included for the purposes of the Listing Rules

The Directors
Ninety One plc
55 Gresham Street
London, EC2V 7EL
United Kingdom

The Directors
Ninety One Limited
36 Hans Strijdom Avenue
Foreshore
Cape Town, 8001
South Africa

2 March 2020

Ladies and Gentlemen

Ninety One plc

We report on the financial information set out on pages 188 to 190 as at 4 October 2019. This financial information has been prepared for inclusion in the Prospectus dated 2 March 2020 of Ninety One plc and Ninety One Limited on the basis of the accounting policies set out in Section C3 of Part XIV. This report is required by Item 18.3.1 of Annex 1 of Commission Delegated Regulation (EU) 2019/980 (the 'PR Regulation') and is given for the purpose of complying with that item and for no other purpose.

Responsibilities

The Directors of Ninety One plc and Ninety One Limited are responsible for preparing the financial information on the basis of preparation set out in Section C3 of Part XIV and in accordance with International Financial Reporting Standards as adopted by the European Union.

It is our responsibility to form an opinion on the financial information and to report our opinion to you.

Save for any responsibility arising under Prospectus Regulation Rule 5.3.2R (2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Item 1.3 of Annex 1 of the PR Regulation, consenting to its inclusion in the prospectus.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of the significant estimates and judgments made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Opinion on financial information

In our opinion, the financial information gives, for the purposes of the Prospectus dated 2 March 2020, a true and fair view of the state of affairs of Ninety One plc as at 4 October 2019 and of the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity and Cash Flow Statement as at 4 October 2019 in accordance with the basis of preparation set out in Section C3 of Part XIV and in accordance with International Financial Reporting Standards as adopted by the European Union as described in Section C3 of Part XIV.

Declaration

For the purposes of Prospectus Regulation Rule 5.3.2R (2)(f) we are responsible for this report as part of the Prospectus and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that the report makes no omission likely to affect its import. This declaration is included in the Prospectus in compliance with Item 1.2 of Annex 1 of the PR Regulation.

Yours faithfully

KPMG LLP
Chartered Accountants
15 Canada Square
London
E14 5GL

2 March 2020

Section C2 – Independent Reporting Accountant's Report on the Historical Financial Information of Ninety One plc, included for the purposes of the JSE Listings Requirements

The Directors
Ninety One plc
55 Gresham Street
London, EC2V 7EL
United Kingdom

The Directors
Ninety One Limited
36 Hans Strijdom Avenue
Foreshore
Cape Town, 8001
South Africa

INDEPENDENT REPORTING ACCOUNTANT'S REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF NINETY ONE PLC AT 4 OCTOBER 2019

The definitions commencing on page 299 of the prelisting statement to which this letter is attached apply *mutatis mutandis* to this report.

Introduction

At your request, and for the purposes of the prelisting statement, we have audited the historical financial information of Ninety One plc at 4 October 2019, presented in Section C4 of Part XIV, prepared in accordance with the basis of preparation for JSE Listings Requirements purposes presented in Section C3 paragraphs 1 and 3 of this Part XIV, and which collectively form the Report of Historical Financial Information of Ninety One plc for the purposes of this report.

The historical financial information of Ninety One plc comprises the statement of financial position, the statement of comprehensive income, the statement of changes in equity, the cash flow statement and notes thereto, including a summary of the significant accounting policies and notes thereto at 4 October 2019 ("**Historical Financial Information of Ninety One plc**"), presented in Section C4 of Part XIV, and has been prepared in accordance with the basis of preparation for JSE Listings Requirements purposes presented in Section C3 paragraphs 1 and 3, for the purposes of providing financial information to satisfy the requirements of Section 8 of the JSE Limited Listings Requirements ("**Listings Requirements**") and for no other purpose.

The directors of Ninety One plc and the directors of Ninety One Limited (collectively, "**Directors**") are responsible for the preparation of the Report of Historical Financial Information of Ninety One plc. The Directors are responsible for the compilation, contents and preparation of the prelisting statement, including the Report of Historical Financial Information of Ninety One plc presented in Section C4 of Part XIV and prepared in accordance with the basis of preparation for JSE Listings Requirements purposes presented in Section C3 paragraphs 1 and 3 of this Part XIV.

KPMG Inc. is the independent reporting accountant to Ninety One plc.

Historical Financial Information of Ninety One plc

Independent Reporting Accountant's Report on the Historical Financial Information of Ninety One plc

Opinion

We have audited the Historical Financial Information of Ninety One plc, which comprises the statement of financial position, the statement of comprehensive income, the statement of changes in equity, the cash flow statement and the notes thereto, including a summary of significant accounting policies and the notes thereto at 4 October 2019, presented in Section C4 of Part XIV, and prepared in accordance with the basis of preparation for JSE Listings Requirements purposes presented in Section C3 paragraphs 1 and 3 of this Part XIV.

In our opinion, the Historical Financial Information of Ninety One plc at 4 October 2019, as presented in Section C4 of Part XIV, presents fairly, in all material respects, for the purpose of the prelisting statement, the financial position, financial performance and cash flows of Ninety One plc at 4 October 2019 in accordance with the basis of preparation for JSE Listings Requirements purposes presented in Section C3 paragraphs 1 and 3 of this Part XIV.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("**ISAs**"). Our responsibilities under those standards are further described in the *Independent Reporting Accountant's Responsibilities for the Historical Financial Information of Ninety One plc* section of our report. We are independent of Ninety One plc in accordance with the sections 290 and 291 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised January 2018)*, parts 1 and 3 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised November 2018)* (together, the "**IRBA Codes**") and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Codes and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* respectively. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Historical Financial Information of Ninety One plc.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Historical Financial Information of Ninety One plc. These matters were addressed in the context of our audit of the Historical Financial Information of Ninety One plc as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

No key audit matters were identified in respect of our audit of the Historical Financial Information of Ninety One plc.

Responsibilities of the Directors for the Historical Financial Information of Ninety One plc

The Directors are responsible for the preparation of the Historical Financial Information of Ninety One plc in accordance with the basis of preparation for JSE Listings Requirements purposes presented in Section C3 paragraphs 1 and 3 of this Part XIV and for such internal control as the Directors determine is necessary to enable the preparation of Historical Financial Information of Ninety One plc that is free from material misstatement, whether due to fraud or error.

In preparing the Historical Financial Information of Ninety One plc, the Directors are responsible for assessing the ability of Ninety One plc to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate Ninety One plc or to cease operations, or have no realistic alternative but to do so.

Independent Reporting Accountant's Responsibilities for the Historical Financial Information of Ninety One plc

Our objectives are to obtain reasonable assurance about whether the Historical Financial Information of Ninety One plc is free from material misstatement, whether due to fraud or error, and to issue an independent reporting accountant's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Historical Financial Information of Ninety One plc.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Historical Financial Information of Ninety One plc, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Ninety One plc's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of Ninety One plc to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our independent reporting accountant's report to the related disclosures in the Historical Financial Information of Ninety One plc or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent reporting accountant's report. However, future events or conditions may cause Ninety One plc to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Historical Financial Information of Ninety One plc, including the disclosures, and whether the Historical Financial Information of Ninety One plc represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the Historical Financial Information of Ninety One plc at 4 October 2019 and are therefore the key audit matters. We describe these matters in our independent reporting accountant's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication. There are no key audit matters.

KPMG Inc.

GS Kolbé
Chartered Accountant (SA)
Registered Auditor
Director

26 February 2020

The Halyard
4 Christiaan Barnard Street
Foreshore
Cape Town
8001

Section C3 – Basis of preparation of the Historical Financial Information of Ninety One plc as at incorporation

The definitions commencing on page 299 of the prelisting statement apply *mutatis mutandis* to this Report of Historical Financial Information of Ninety One plc.

Paragraph 1: Background

Ninety One plc, formerly known as Investec Asset Management UK Group plc (the "**Company**"), was incorporated as a public limited company in England and Wales with one ordinary share and fifty thousand redeemable preference shares on 4 October 2019 (the "**Date of Incorporation**"). The address of its registered office is 55 Gresham Street, London EC2V 7EL, United Kingdom.

On 14 September 2018, Investec announced its plan to demerge and publicly list the Ninety One Business. On 7 August 2019, Investec further announced that all key regulatory approvals required in order to proceed with the Demerger of the Ninety One Business had been received and that the Ninety One Business would be separately listed using a dual-listed company ("**DLC**") structure. Investec plans to retain a minority stake of the Ninety One Business.

The Ninety One Business consists of IAM UK and IAM SA and their direct and indirect subsidiaries and associates.

In connection with this, a pre-IPO reorganisation of the Ninety One Business is underway including the insertion of the Company as the ultimate parent company of IAM UK and its respective subsidiaries via a share-for-share exchange mechanism expected to take place in March 2020. It is the intention that the Company and Ninety One Limited, formerly known as Investec Asset Management SA Group Limited, the ultimate parent company of IAM SA, will enter into the DLC agreement which will implement the Ninety One DLC structure. Upon the creation of the DLC structure, the shares in the Company will be admitted to trading on the main board of the London Stock Exchange and for the secondary inward listing on the Johannesburg Stock Exchange. In addition, Ninety One Limited will be admitted to trading on the main board of the Johannesburg Stock Exchange.

Paragraph 2: Basis of preparation for Listing Rules purposes

The historical financial information of the Company comprises of the statement of comprehensive income, statement of financial position, statement of changes in equity and cash flow statement as at the Date of Incorporation, and a summary of significant accounting policies and the notes thereto ("**Historical Financial Information of Ninety One plc**").

The Historical Financial Information of Ninety One plc is prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS**"), for the purposes of and in accordance with the requirements of the Prospectus Regulation Rules, together with the Prospectus Regulation requirements of the FCA (the "**UK Prospectus Regime**") and those parts of Companies Act 2006 that are applicable to the Company. The Historical Financial Information of Ninety One plc is not the Company's statutory accounts. The financial statements are prepared on a historical cost basis unless otherwise indicated. The functional and presentation currency of the Company is pounds sterling ("**£**"). The Directors of the Company have carried out the going concern assessment and concluded that the Company has an ability to operate as a going concern with or without the Demerger and therefore the Historical Financial Information of Ninety One plc has been prepared on a going concern basis. The Company will continue to operate in its present form if the Demerger does not take place. The financial statements have been prepared in accordance with the accounting policies to be adopted at the first year end upon the Demerger.

The directors of Ninety One plc are responsible for the Historical Financial Information of Ninety One plc.

Paragraph 3: Basis of preparation for JSE Listings Requirements purposes

The historical financial information of the Company comprises of the statement of comprehensive income, statement of financial position, statement of changes in equity and cash flow statement as at the Date of Incorporation, and a summary of significant accounting policies and the notes thereto ("**Historical Financial Information of Ninety One plc**").

The Historical Financial Information of Ninety One plc is prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("**IFRS**"), for the purposes of providing financial information to satisfy the requirements of Section 8 of the JSE Listings Requirements and for no other purpose. The Historical Financial Information of Ninety One plc complies, where applicable, with the requirements of paragraphs 8.11 and 8.12 of the JSE Listings Requirements. The financial statements are prepared on a historical cost basis unless otherwise indicated. The functional and presentation currency of the Company is pounds sterling ("**£**"). The Directors of the Company have carried out the going concern assessment and concluded that the Company has an ability to operate as a going concern with or without the Demerger and therefore the Historical Financial Information of Ninety One plc has been prepared on a going concern basis. The Company will continue to operate in its present form if the Demerger does not take place. The financial statements have been prepared in accordance with the accounting policies to be adopted at the first year end upon the Demerger.

The directors of Ninety One plc are responsible for the Historical Financial Information of Ninety One plc.

Directors' commentary

Ninety One plc has been dormant since incorporation. No dividends were declared or paid in the reporting period.

Section C4 – Historical Financial Information of Ninety One plc as at incorporation

Statement of comprehensive income at 4 October 2019

	4 October 2019 £ *(Audited)*
Revenue	–
Commission expense	–
Net revenue	–
Operating expenses	–
Other income/expenses	–
Profit before tax	–
Income tax expense	–
Profit after tax	–

The Company has been dormant since incorporation and has no activity to report.

Statement of financial position at 4 October 2019

	Notes	As at 4 October 2019 £ *(Audited)*
Assets		
Other receivables	*3*	50,000
Cash and cash equivalents	*2*	1
Total current assets		50,001
Total assets		50,001
Equity		
Ordinary share capital	*1*	1
Redeemable preference share	*4*	50,000
Total equity		50,001
Total equity and liabilities		50,001

Statement of changes in equity at 4 October 2019

	Ordinary share capital £	Redeemable preference share £	Total equity £
As at 4 October 2019 (Audited)			
Opening balance	–	–	–
Issue of ordinary share	1	–	1
Issue of redeemable preference share	–	50,000	50,000
Closing balance	1	50,000	50,001

Cash flow statement at 4 October 2019

	As at 4 October 2019 £ *(Audited)*
Cash flows from operating activities	
Profit before tax	–
Working capital changes	
Other receivables	(50,000)
Net cash flows from operating activities	**(50,000)**
Cash flows from financing activities	
Proceed from issue of ordinary share	1
Proceed from issue of redeemable preference share	50,000
Net cash flows from financing activities	**50,001**
Net change in cash and cash equivalents	1
Cash and cash equivalents at beginning	–
Cash and cash equivalents as at 4 October 2019	1

Notes to the report of Historical Financial Information of Ninety One plc

1. **Ordinary share capital**

Ordinary share capital consists of one authorised, issued and fully paid-up ordinary share with a nominal value of £1. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

2. **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand which are subject to an insignificant risk of changes in value.

3. **Other receivables**

Other receivables includes receivables for which collection is expected in one year or less. Receivables are recognised initially at fair value and subsequently measured at amortised cost, less provision for impairment. Other receivables relates to the undertaking by the subscriber shareholder amounted to £50,000 for paying the redeemable preference shares.

4. **Redeemable preference share**

Redeemable preference share relates to 50,000 redeemable preference shares with a nominal value of £1 each. Redeemable preference share does not entitle its holder to vote at meetings of the Company or to receive any dividends as declared from time to time. The Company has the right to redeem the preference shares at any time and shall pay for each preference share an amount equal to the nominal value.

5. **Transactions with key management personnel**

Directors of the Company receive remuneration from relevant entities of the Ninety One Business, in respect of their services to the Ninety One Business. The Directors have not received remuneration from the Company as they have provided no services to the Company at the Date of Incorporation.

6. **Segmental reporting**

Segmental information in accordance with IFRS 8 "Operating Segments" will be presented in the first combined financial statements of the Group. The segment reporting is expected to be the same as that presented in the Historical Financial Information of the Ninety One Business as set out in Section A3 of Part XIV.

7. **Events after the reporting date**

On 19 November 2019, the Company effected a subdivision of share (from 1 share to 10,000 shares) with the nominal value per share reduced from £1 to £0.0001, and subsequent cancellation of 9,999 shares.

On 2 December 2019, the accounting reference period of the Company ending 31 October 2020 is shortened so as to end on 31 March 2020. Subsequent periods will end on the same day and month in future years.

On 6 December 2019, the name of the Company was changed from Investec Asset Management UK Group plc to Ninety One plc.

8. **Forthcoming standards applicable to the Company**

There are new or revised accounting standards and interpretations in issue that are not yet effective. These include the following standards that are applicable to the Company:

8.1 Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors align the wording of the definition of "material" across all IFRSs and the Conceptual Framework for Financial Reporting. They also clarify when information is material and incorporate some of the guidance in IAS 1 about immaterial information. The amendment is effective for annual periods beginning on or after 1 January 2020.

8.2 Amendments to IFRS 3 Business Combinations clarify that the definition of a business requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term "outputs" is amended to focus on goods and services provided to customers, generating investment income and other income, and it excludes returns in the form of lower costs and other economic benefits. The amendment is effective for annual periods beginning on or after 1 January 2020.

The Company is in the process of making an assessment of what the impact of these amendments are expected to be in the period of initial application. So far the Company has concluded that the adoption of these amendments is unlikely to have a significant impact on the financial statements.

Section D1 – Accountant's report on the compilation of pro forma financial information of the Group included for the purposes of the Listing Rules

The Directors
Ninety One plc
55 Gresham Street
London, EC2V 7EL
United Kingdom

The Directors
Ninety One Limited
36 Hans Strijdom Avenue
Foreshore
Cape Town, 8001
South Africa

2 March 2020

Ladies and Gentlemen

Ninety One plc and Ninety One Limited

We report on the pro forma financial information (the "**Pro forma financial information**") set out in Section D3 of Part XIV of the Prospectus dated 2 March 2020, which has been prepared on the basis described in note 1, for illustrative purposes only, to provide information about how the Demerger, reduction of share capital and implementation of the Ninety One Share Plans (collectively the "Transactions") might have affected the financial information presented on the basis of the accounting policies to be adopted by the Group in preparing the financial statements for the period ending 31 March 2020. This report is required by Section 3 of Annex 20 of Commission Delegated Regulation (EU) 2019/980 (the "**PR Regulation**") and is given for the purpose of complying with that Section and for no other purpose.

Responsibilities

It is the responsibility of the directors of Ninety One plc and Ninety One Limited to prepare the Pro forma financial information in accordance with Annex 20 of the PR Regulation.

It is our responsibility to form an opinion, as required by Section 3 of Annex 20 of the PR Regulation, as to the proper compilation of the Pro forma financial information and to report that opinion to you.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the *Pro forma* financial information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Save for any responsibility arising under Prospectus Regulation Rule 5.3.2R (2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Item 1.3 of Annex 1 of the PR Regulation, consenting to its inclusion in the Prospectus.

Basis of Opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro forma financial information with the directors of Ninety One plc and Ninety One Limited.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro forma financial information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies that will be applied by the Group going forward.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in the United States of America or other jurisdictions and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion:

- the Pro forma financial information has been properly compiled on the basis stated; and
- such basis is consistent with the accounting policies of the Group.

Declaration

For the purposes of Prospectus Regulation Rule 5.3.2R (2)(f) we are responsible for this report as part of the Prospectus and declare that, to the best of our knowledge, the information contained in this report is in accordance with the facts and that the report makes no omission likely to affect its import. This declaration is included in the Prospectus in compliance with Item 1.2 of Annex 1 of the PR Regulation.

Yours faithfully

KPMG LLP
Chartered Accountants
15 Canada Square
London
E14 5GL

2 March 2020

Section D2 – Independent Reporting Accountant's assurance report on the compilation of pro forma financial information of the Group included for the purposes of the JSE Listings Requirements

The Directors
Ninety One plc
55 Gresham Street
London, EC2V 7EL
United Kingdom

The Directors
Ninety One Limited
36 Hans Strijdom Avenue
Foreshore
Cape Town, 8001
South Africa

Introduction

The definitions in Part XIX: "*Definitions*" of the prelisting statement to which this letter is attached apply *mutatis mutandis* to this independent reporting accountant's assurance report on the compilation of the pro forma financial information of the Group (the "**Report**").

We have completed our assurance engagement to report on the compilation of the *pro forma* financial information of the Group, by the directors of Ninety One Limited and Ninety One plc (the "**Directors**"). The *pro forma* financial information consists of:

- the *pro forma* net asset value and net tangible asset value per share of the Group, the *pro forma* combined statement of financial position of the Group, including a reconciliation showing all of the *pro forma* adjustments to the share capital, reserves and other equity items relating to the Group, and the related notes, set out in Section D3 of Part XIV to this prelisting statement (collectively, the "***Pro forma* SOFP**"), as if the Demerger, reduction of share capital and implementation of the Ninety One Share Plans (collectively the "**Transactions**") had taken place on 30 September 2019; and
- the *pro forma* basic earnings and diluted basic earnings, headline and diluted headline earnings per share of the Group, the *pro forma* combined statement of comprehensive income of the Group and the related notes (collectively, "***Pro forma* SOCI**"), as if the Transactions had taken place on 1 April 2019.

The *pro forma* SOFP and the *Pro forma* SOCI are collectively referred to as the *Pro forma* Financial Information of the Group for purposes of this Report. The applicable criteria on the basis of which the Directors have compiled the *Pro forma* Financial Information of the Group is specified in the Listings Requirements of the JSE Limited ("**JSE Listings Requirements**") and described in the Basis of Preparation paragraph of Section D3 of Part XIV to this prelisting statement.

The purpose of the *Pro forma* Financial Information of the Group included in the prelisting statement is solely to illustrate the impact of the Transactions on the unadjusted reviewed combined financial information of the Ninety One Business for the six months ended 30 September 2019 ("**Reviewed Financial Information**") as if the Transactions had been undertaken on 1 April 2019 for purposes of the *Pro forma* SOCI and on 30 September 2019 for purposes of the *Pro forma* SOFP. Accordingly, we do not provide any assurance that the actual outcome of the Transactions, subsequent to its implementation, will be as presented in the *Pro forma* Financial Information of the Group.

As part of this process, the basic earnings, diluted basic earnings, headline earnings and diluted headline earnings, net asset value and net tangible asset value, statement of comprehensive income and statement of financial position of the Group have been extracted by the Directors from the Reviewed Financial Information.

Directors' Responsibility for the Pro forma Financial Information of the Group

The Directors are responsible for compiling the *Pro forma* Financial Information of the Group on the basis of the applicable criteria specified in the JSE Listings Requirements and described in the Basis of Preparation paragraph of Section D3 of Part XIV to this prelisting statement ("**Applicable Criteria**").

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Sections 290 and 291 of the Independent Regulatory Board for Auditors *Code of Professional Conduct for Registered Auditors (Revised January 2018)* and parts 1 and 3 of Independent Regulatory Board for Auditors *Code of Professional Conduct for Registered Auditors (Revised November 2018)* (together the **IRBA Codes**), which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* respectively.

KPMG Inc. applies the International Standard on Quality Control 1, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Independent Reporting Accountant's responsibilities

Our responsibility is to express an opinion, based on our procedures performed, about whether the *Pro forma* Financial Information of the Group has been compiled, in all material respects, by the Directors on the basis specified in the JSE Listings Requirements.

We conducted our engagement in accordance with International Standard on Assurance Engagements ("**ISAE**") 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* which is applicable to an engagement of this nature, issued by the International Auditing and Assurance Standards Board. This standard requires that we plan and perform procedures to obtain reasonable assurance about whether the *Pro forma* Financial Information of the Group has been compiled, in all material respects, on the basis specified in the JSE Listings Requirements.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the *Pro forma* Financial Information of the Group. We have performed a review of the Reviewed Financial Information used as the basis for compiling the *Pro forma* Financial Information of the Group.

The purpose of the *Pro forma* Financial Information of the Group included in the prelisting statement is solely to illustrate the impact of the Transactions on the unadjusted Reviewed Financial Information as if the Transactions had been undertaken on 1 April 2019 for purposes of the *Pro forma* SOCI and on 30 September 2019 for purposes of the *Pro forma* SOFP. Accordingly, we do not provide any assurance that the actual outcome of the Transactions, subsequent to its implementation, will be as presented in the *Pro forma* Financial Information of the Group.

A reasonable assurance engagement to report on whether the *Pro forma* Financial Information of the Group has been properly compiled, in all material respects, on the basis of the Applicable Criteria involves performing procedures to assess whether the Applicable Criteria used by the Directors in the compilation of the *Pro forma* Financial Information of the Group provide a reasonable basis for presenting the significant effects directly attributable to the Transactions and to obtain sufficient appropriate evidence about whether:

- The related *pro forma* adjustments give appropriate effect to the Applicable Criteria; and
- The *Pro forma* Financial Information of the Group reflects the proper application of those *pro forma* adjustments to the unadjusted Reviewed Financial Information.

Our procedures selected depend on our judgement, having regard to our understanding of the nature of the Group, the Transactions in respect of which the *Pro forma* Financial Information of the Group has been compiled and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the *Pro forma* Financial Information of the Group.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the *Pro forma* Financial Information of the Group has been compiled, in all material respects, on the basis of the Applicable Criteria.

Restriction on use

This Report has been prepared for the purpose of satisfying the requirements of the JSE Listings Requirements, and for no other purpose.

KPMG Inc.

GS Kolbé
Chartered Accountant (SA)
Registered Auditor
Director

26 February 2020

The Halyard
4 Christiaan Barnard Street
Foreshore
Cape Town, 8001

Section D3 – Pro forma financial information of the Group

1. Basis of preparation

The definitions in Part XIX: "*Definitions*" have been used throughout this Section D3.

The pro forma financial information of the Group ("**Pro Forma Financial Information**") set out below has been prepared to illustrate the effect of the Demerger, reduction of share capital and implementation of the Ninety One Share Plans (collectively the "**Transactions**") on the Ninety One Business' financial position and results of operations.

The Pro Forma Financial Information is based on the combined historical financial information of the Ninety One Business for the six months ended 30 September 2019 prepared in terms of the basis of preparation as set out in Section A3 paragraphs 1, 2 and 3 of Part XIV: "*Historical Financial Information*" of this prelisting statement and assumes that the pro forma adjustments were processed with effect from 1 April 2019 for the Ninety One Business' pro forma combined statement of comprehensive income purposes and as at 30 September 2019 for the Ninety One Business' pro forma combined statement of financial position purposes.

The Pro Forma Financial Information has been prepared to illustrate the effect of the following pro forma adjustments arising as a consequence of the Transactions:

- recognition of the issued shares and merger reserve arising as a result of the Demerger;
- reduction of capital to convert its share premium into distributable reserves upon the Demerger; and
- recognition of the new long-term incentive plans with effect from, and on, the Admission date, namely, the Ninety One Share Plans.

The Pro Forma Financial Information has been prepared using the accounting policies that will be applied by the Group going forward, in accordance with International Financial Reporting Standards ("**IFRS**") and the interpretations of the IFRS Interpretations Committee ("**IFRIC**") as adopted by the European Union ("**EU**"), which comply with IFRS as issued by the International Accounting Standards Board ("**IASB**"), and are consistent with those applied in the Combined Historical Financial Information of the Ninety One Business set out in Section A4 of Part XIV.

The *Pro Forma* Financial Information has been prepared for illustrative purposes only and because of its nature addresses a hypothetical situation and therefore does not represent the Group's actual financial position or results. It may not, therefore, give a true picture of the Group's financial position or results nor is it indicative of the results that may, or may not, be expected to be achieved in the future.

The Directors are responsible for the Pro Forma Financial Information.

KPMG Inc.'s independent reporting accountant's report on the Pro forma Financial Information is set out in Section D2 of Part XIV. This report is included solely to comply with the JSE Listings Requirements.

KPMG LLP's independent reporting accountant's report on the Pro Forma Financial Information is set out in Section D1 of Part XIV. This report is included solely to comply with the Prospectus Delegated Regulation.

2. ***Pro forma*** **combined statement of comprehensive income for the six months ended 30 September 2019**

		Adjustment 1	Adjustment 2	Adjustment 3	
	Ninety One Business for the six months ended 30 September 2019 £'000 ***(Reviewed/ Audited)***	**Ninety One Demerger £'000** ***(Pro forma)***	**Reduction of capital £'000** ***(Pro forma)***	**Recognition of Ninety One Share Plans £'000** ***(Pro forma)***	**Ninety One after pro forma adjustments £'000** ***(Pro forma)***
	Note 1	**Note 2**		**Note 3**	
Revenue	**376,261**	–	–	–	**376,261**
Commission expense	**(76,886)**	–	–	–	**(76,886)**
Net revenue	**299,375**	–	–	–	**299,375**
Operating expenses	**(211,256)**	–	–	5,889	**(205,367)**
Other income					
Net interest income	**995**	–	–	–	**995**
Net gain on investments	**4,256**	–	–	–	**4,256**
Foreign exchange gain	**3,959**	–	–	–	**3,959**
Operating profit	**97,329**	–	–	5,889	**103,218**
Exceptional items					
Financial impact of group restructures	**(5,385)**	–	–	–	**(5,385)**
Profit from operations before changes in Policyholder investment contract ("IC") liabilities	**91,944**	–	–	5,889	**97,833**
IC surplus transferred to shareholders	**(14,486)**	–	–	–	**(14,486)**
IC investment and administration expenses	**(14,005)**	–	–	–	**(14,005)**
IC income tax	**(3,588)**	–	–	–	**(3,588)**
IC net fair value adjustment	**32,079**	–	–	–	**32,079**
Profit before tax	**91,944**	–	–	5,889	**97,833**
Income tax expense	**(19,665)**	–	–	(97)	**(19,762)**
Profit after tax	**72,279**	–	–	5,792	**78,071**

		Adjustment 1	Adjustment 2	Adjustment 3	
	Ninety One Business for the six months ended 30 September 2019 £'000 *(Reviewed/ Audited)*	**Ninety One Demerger £'000 *(Pro forma)***	**Reduction of capital £'000 *(Pro forma)***	**Recognition of Ninety One Share Plans £'000 *(Pro forma)***	**Ninety One after pro forma adjustments £'000 *(Pro forma)***
	Note 1	**Note 2**		**Note 3**	
Other comprehensive income for the year (net of tax)					
Items that will not be reclassified to profit or loss:					
Actuarial losses on pension plan	**(1,217)**	–	–	–	**(1,217)**
Other comprehensive gains	**5**	–	–	–	**5**
	(1,212)	–	–	–	**(1,212)**
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translation of foreign operations	**571**	–	–	–	**571**
Other comprehensive loss for the year	**(641)**	–	–	–	**(641)**
Total comprehensive income for the year	**71,638**	–	–	5,792	**77,430**
Attributable to:					
Shareholders	**71,356**	–	–	5,792	**77,148**
Non-controlling interests	**282**	–	–	–	**282**
	71,638	–	–	5,792	**77,430**
Earnings and diluted earnings per share (pence) – Note 4	**8.51**				
Headline and diluted headline earnings per share (pence) – Note 5	**8.51**				

Notes:

(1) The financial information for the six months ended 30 September 2019 has been extracted without adjustment from the combined historical financial information set out in Section A4 of Part XIV: "*Historical Financial Information*". The combined historical financial information set out in Section A4 of Part XIV: "*Historical Financial Information*" reflects the combined historical financial information of IAM UK and IAM SA, prepared in accordance with the basis of preparation set out in Section D3 paragraphs 1, 2 and 3 of Part XIV: "*Historical Financial Information*". The financial information is audited for Listing Rules purposes and reviewed for JSE Listings Requirements purposes.

(2) As the separation process as part of the Demerger was substantially completed before 30 September 2019, majority of the exceptional expenses and the incremental operating expenses in relation to the demerger project have already been captured in the financial information for the six months ended 30 September 2019. Therefore, no further pro forma adjustments are required.

(3) The Group will introduce two new long-term incentive plans and a UK tax advantaged share incentive plan with effect from the Admission, namely the Ninety One plc Long Term Incentive Plan, the Ninety One Limited Long Term Incentive Plan and the Ninety One Share Incentive Plan (collectively known as the "**Ninety One Share Plans**"). It is intended that employee benefit trusts ("**Ninety One EBTs**") are established to purchase shares and satisfy the awards to be granted under the Ninety One Share Plans. The Ninety One EBTs, which are funded and operated by the relevant entity of the Group, will hold shares that have not vested unconditionally to employees of the Group. These shares are recorded at cost and consolidated into the financial information of the Group and classified as treasury shares in the equity section of the Combined Statement of Financial Position.

Under the Ninety One Share Plans, awards will be granted on the day of the Admission over shares in Ninety One plc and Ninety One Limited (collectively, "**Ninety One Shares**") in the following circumstances:

i) listing awards – on the day of Admission, awards over approximately £2,000 worth of Ninety One Shares will be made to all employees of selected subsidiaries of the Group as at the date of Admission. These listing awards will normally vest after three years;

ii) for annual bonus deferral into Ninety One Shares – the Ninety One Business currently operates a bonus deferral arrangement where a portion of selected employees' annual bonuses are deferred into investment funds managed by the Ninety One Business ("**DBOP**"). The Ninety One Share Plans are intended to complement this arrangement and allow for a portion of the annual bonus to be deferred into an award under one of the Ninety One Share Plans. The bonus deferral awards over Ninety One Shares will normally vest after three years, in line with the vesting period of awards deferred into investment funds; and

iii) one-off awards for strategically important employees and new hires, excluding the Group's Executive Directors. These awards may be subject to forward-looking performance conditions and will normally vest in equal tranches on the third, fourth and fifth anniversaries of grant.

Note 3 illustrates the *pro forma* adjustments to the Combined Statement of Comprehensive Income ("**SOCI**") as if the Ninety One Share Plans were established on 1 April 2019, which is thus assumed to be the grant date of the abovementioned awards. For the purpose of calculating the pro forma adjustments, it is assumed that the Group's share price at 30 September 2019 is £2.05, approximate to the Offer Price as set out in the Pricing Statement. It is intended that Ninety One Shares are purchased on the market at the grant date of the award to satisfy the awards.

Note 3 represents the net effect of the following accounting impacts:

- reversal of the deferred bonus expenses previously included in the Group's Combined Financial Information amounting to £9.7 million in respect of those employees who have elected to forfeit the DBOP payment and accept shares in terms of the Ninety One Share Plans. This adjustment will not have an on-going effect on the SOCI;
- recognition of IFRS 2 charges of £3.8 million relating to Ninety One Share Plans, including the IFRS 2 charge for six months in respect of the listing awards and the one-off awards. This adjustment will have an on-going effect on the SOCI;
- increase in income tax expense by a net amount of £0.1 million to reflect the reversal of the deferred tax asset relating to the DBOP of £0.9 million partly offset by the reduction in the income tax expense due to the recognition of the deferred tax asset relating to the Ninety One Share Plans of (£0.8 million). The adjustments relating to the Ninety One Share Plans will have an on-going impact on the SOCI.

Share awards outstanding at the date of the Demerger under the existing share schemes, the Investec Share Plans, will continue on their vesting schedule after the Demerger, modified such that the awards are over a combination of Investec Ordinary Shares and Ninety One Shares, in the same ratio as received by the holders of Investec Ordinary Shares. As the obligation of settling both Investec and Ninety One Shares to Ninety One's employees under the existing share schemes remains with Investec, no pro forma adjustments are required.

(4) Basic earnings per share is calculated by dividing the profit attributable to the ordinary shareholders in the Group by the weighted average number of ordinary shares in issue excluding treasury shares held by the EBT. Basic and diluted earnings per share are calculated following the requirement in IAS 33 Earnings per Share. Diluted earnings per share is equal to basic earnings per share as there are no items that would have a dilutive impact to the basic earnings per share.

The table below summarises the calculation of the earnings and weighted average number of ordinary shares for the purposes of calculating the basic earnings per share:

		£'000
i)	Profit for the calculation of earnings per share:	
	Profit after tax	78,071
	Earnings attributable to non-controlling interests	(282)
	Total earnings and total headline earnings for the purposes of basic and diluted earnings per share calculation	**77,789**
ii)	Weighted average number of shares for the purposes of calculating earnings per share:	
	Weighted average number of shares in issue	922,714,075
	Number of shares held in Ninety One EBTs	(8,309,388)
	Weighted average number of shares in issue for the purposes of basic and diluted earnings per share calculation	**914,404,687**
	Earnings and diluted earnings per share (pence)	**8.51**

(5) Headline earnings and diluted headline earnings have been calculated in accordance with the JSE Listings Requirements, and in terms of circular 4/2018 issued by the South African Institute of Chartered Accountants. No adjusting items are required to profit attributable to the ordinary shareholders of the Group, therefore headline earning and diluted headline earnings per share are equal to the earnings and diluted earnings per share as prepared in accordance with IAS 33.

3. Pro forma combined statement of financial position as at 30 September 2019

		Adjustment 1		Adjustment 2	Adjustment 3	
	Ninety One Business as at 30 September 2019 £'000 *(Reviewed/ Audited)*	**Ninety One Demerger £'000 *(Pro forma)***	**The Group after the Demerger £'000 *(Pro forma)***	**Reduction of capital £'000 *(Pro forma)***	**Recognition of Ninety One Share Plans £'000 *(Pro forma)***	**Ninety One after *pro forma* adjustments £'000 *(Pro forma)***
	Note 1	**Note 2**		**Note 3**	**Note 4**	
Assets						
Investments	**7,234**	–	**7,234**	–	–	**7,234**
Investment in associate	**37**	–	**37**	–	–	**37**
Property and equipment	**9,901**	–	**9,901**	–	–	**9,901**
Right-of-use assets	**81,286**	–	**81,286**	–	–	**81,286**
Intangible assets	**39**	–	**39**	–	–	**39**
Deferred tax asset	**21,867**	–	**21,867**	–	(488)	**21,379**
Total non-current assets	**120,364**	–	**120,364**	–	(488)	**119,876**
Investments	**86,064**	–	**86,064**	–	(5,178)	**80,886**
Linked investments backing policyholder funds	**8,600,782**	–	**8,600,782**	–	–	**8,600,782**
Income tax recoverable	**4,202**	–	**4,202**	–	–	**4,202**
Trade and other receivables	**230,740**	50	**230,790**	(50)	–	**230,740**
Cash and cash equivalents	**230,444**	–	**230,444**	–	(11,851)	**218,593**
Total current assets	**9,152,232**	50	**9,152,282**	(50)	(17,029)	**9,135,203**
Total assets	**9,272,596**	50	**9,272,646**	(50)	(17,517)	**9,255,079**
Liabilities						
Other liabilities	**48,941**	–	**48,941**	–	(5,401)	**43,540**
Lease liabilities	**80,392**	–	**80,392**	–	–	**80,392**
Pension fund obligation	**1,333**	–	**1,333**	–	–	**1,333**
Deferred tax liabilities	**16,793**	–	**16,793**	–	–	**16,793**
Total non-current liabilities	**147,459**	–	**147,459**	–	(5,401)	**142,058**
Policyholder investment contract liabilities	**8,622,631**	–	**8,622,631**	–	–	**8,622,631**
Other liabilities	**43,144**	–	**43,144**	–	–	**43,144**
Lease liabilities	**7,783**	–	**7,783**	–	–	**7,783**
Trade and other payables	**240,206**	–	**240,206**	–	(4,003)	**236,203**
Amounts payable to Investec	**3,839**	–	**3,839**	–	–	**3,839**
Income tax payable	**5,157**	–	**5,157**	–	(215)	**4,942**
Total current liabilities	**8,922,760**	–	**8,922,760**	–	(4,218)	**8,918,542**
Equity						
Ordinary share capital	–	615,092	**615,092**	–	–	**615,092**
Share premium	–	1,020,750	**1,020,750**	(1,020,750)	–	–
Redeemable preference share	–	50	**50**	(50)	–	–
Retained earnings	–	106,075	**106,075**	–	6,342	**112,417**
Net assets attributable to shareholders	**225,982**	(225,982)	–	–	–	–
Distributable reserve	–	–	–	1,020,750	–	**1,020,750**

		Adjustment 1		Adjustment 2	Adjustment 3	
	Ninety One Business as at 30 September 2019 £'000 *(Reviewed/ Audited)*	**Ninety One Demerger £'000 *(Pro forma)***	**The Group after the Demerger £'000 *(Pro forma)***	**Reduction of capital £'000 *(Pro forma)***	**Recognition of Ninety One Share Plans £'000 *(Pro forma)***	**Ninety One after *pro forma* adjustments £'000 *(Pro forma)***
	Note 1	**Note 2**		**Note 3**	**Note 4**	
Merger reserve	–	255,158	**255,158**	–	–	**255,158**
DLC reserve	–	(1,771,093)	**(1,771,093)**	–	–	**(1,771,093)**
Share-based payment reserve	–	–	–	–	2,789	**2,789**
Treasury shares	–	–	–	–	(17,029)	**(17,029)**
Other components of equity	**(24,240)**	–	**(24,240)**	–	–	**(24,240)**
Total equity attributable to shareholders	**201,742**	**50**	**201,792**	(50)	(7,898)	**193,844**
Non-controlling interests	**635**	–	**635**	–	–	**635**
Total equity	**202,377**	**50**	**202,427**	(50)	(7,898)	**194,479**
Total equity and liabilities	**9,272,596**	**50**	**9,272,646**	(50)	(17,517)	**9,255,079**
Number of ordinary shares in issue						**922,714,075**
Number of treasury shares held by Ninety One EBTs						**(8,309,388)**
Number of ordinary shares in issue (excluding treasury shares)						**914,404,687**
Net asset value per share (pence) – Note 5						**21.27**
Net tangible asset value per share (pence) – Note 6						**21.26**

Notes:

(1) The financial information as at 30 September 2019 has been extracted without adjustment from the combined historical financial information set out in Section A4 of Part XIV: "*Historical Financial Information*". The combined historical financial information set out in Section A4 of Part XIV: "*Historical Financial Information*" reflects the combined historical financial information of IAM UK and IAM SA, prepared in accordance with the basis of preparation set out in Section D3 paragraphs 1, 2 and 3 of Part XIV: "*Historical Financial Information*". The financial information is audited for Listing Rules purposes and reviewed for JSE Listings Requirements purposes.

(2) The Demerger was effected through a share for share exchange in which Investec transferred the shares held by it in IAM UK and IAM SA to Ninety One plc and Ninety One Limited respectively, in exchange for Ninety One plc and Ninety One Limited issuing shares to Investec's ordinary shareholders, Investec and Forty Two Point Two on a pro rata basis. For the purpose of calculating the pro forma adjustments, it is assumed that the Group's share price at 30 September 2019 is £2.05, approximate to the Offer Price as set out in the Pricing Statement. Adjustment 1 illustrates the accounting impact of the Demerger which reflects the result of the following steps:

(a) Reversal of net assets attributable to shareholders of £255,982, refer to the basis of preparation set out in Section D3 paragraphs 1, 2 and 3 of Part XIV: "*Historical Financial Information*" for the details relating to this financial statement caption, to reinstate the ordinary share capital, share premium and retained earnings of the Ninety One Business amounting to £14.6 million, £105.3 million and £106.1 million, respectively.

(b) The issue of 622,624,621 shares by Ninety One plc at £2.05 amounting to £1,276 million in exchange for the net assets of IAM UK The legally created merger reserve represents the value of the 20 per cent. of shares in Ninety One plc issued to Forty Two Point Two above its nominal value. The merger reserve cannot be transferred to a distributable reserve at any future time;

Movement of the capital of Ninety One plc

	Number of shares in issue	Share capital £'000	Share premium £'000	Merger reserve £'000	Total £'000
Balances as at 30 September 2019	1	–	–	–	–
Issued during the Demerger:					
Ordinary shares	622,624,621	62	1,020,750	255,188	1,276,000
Balances of ordinary shares upon Demerger	622,624,622	62	1,020,750	255,188	1,276,000
Special shares:					
Special Converting Shares	300,089,454	30	*	(30)	–
UK DAS Share	1	*	*	*	–
UK DAN Share	1	*	*	*	–
Special Voting Share	1	*	*	*	–
Balances upon the completion of the Demerger	922,714,078	92	1,020,750	255,158	1,276,000

*Issue at a nominal value of £0.0001. The details of Special Converting Shares, UK DAS Share, UK DAN Share and Special Voting Share are set out in Part X: "*Details of the DLC Structure*".

(c) The issue of 300,089,452 shares by Ninety One Limited at £2.05 amounting to £615 million in exchange for the net assets of IAM SA.

Movement of the capital of Ninety One Limited

	Number of shares in issue	Share capital £'000
Balances as at 17 December 2019	1	–
Issued during the Demerger:		
Ordinary shares	300,089,453	615,000
Balances of ordinary shares upon Demerger	300,089,454	615,000
Special shares:		
Special Converting Shares	622,624,622	*
SA DAS Share	1	*
SA DAN Share	1	*
Special Voting Share	1	*
Balances upon the completion of the Demerger	922,714,079	615,000

*Issue at no par value. The details of Special Converting Shares, SA DAS Share, SA DAN Share and Special Voting Share are set out in Part X: "*Details of the DLC Structure*".

Following the issuance of shares, Ninety One plc and Ninety One Limited gained control of the Ninety One Business, which results in the consolidation of the financial information of Ninety One Business. Consequently, investment in subsidiaries by Ninety One Plc and Ninety One Limited amounting to £1,891 million, being the purchase consideration paid (i.e. value of shares issued by Ninety One plc and Ninety One Limited), are eliminated against the ordinary share capital and share premium of IAM UK and IAM SA amounting to £120 million, with the difference of £1,771 million represented as a reserve in equity namely "**DLC reserve**". The Demerger and the relevant consolidation journals affected the following items in the Combined Statement of Financial Position of the Group.

(3) Following the Demerger and Admission, Ninety One plc will effect a court approved reduction of capital to convert its share premium of £1,021 million into distributable reserves to facilitate future dividend payments. Ninety One plc also redeems 50,000 redeemable shares from the subscriber.

(4) The Group will introduce two new long-term incentive plans and a UK tax advantaged share incentive plan with effect from the Admission, namely the Ninety One plc Long Term Incentive Plan, the Ninety One Limited Long Term Incentive Plan and the Ninety One Share Incentive Plan (collectively known as the "**Ninety One Share Plans**"). It is the intended that employee benefit trusts ("**Ninety One EBTs**") are established to purchase shares and satisfy the awards to be granted under the Ninety One Share Plans. The Ninety One EBTs, which are funded and operated by the relevant entity of the Group, will hold shares that have not vested unconditionally to employees of the Group. These shares are recorded at cost and consolidated into the financial information of the Group and classified as treasury shares in the equity section of the Combined Statement of Financial Position.

Under the Ninety One Share Plans, awards will be granted on the day of the Admission over shares in Ninety One plc and Ninety One Limited (collectively, "**Ninety One Shares**") in the following circumstances:

i) listing awards – on the day of Admission, awards over approximately £2,000 worth of Ninety One Shares will be made to all employees of selected subsidiaries of the Group as at the date of Admission. These listing awards will normally vest after three years;

ii) for annual bonus deferral into Ninety One Shares – the Ninety One Business currently operates a bonus deferral arrangement where a portion of selected employees' annual bonuses are deferred into investment funds managed by the Ninety One Business. The Ninety One Share Plans are intended to complement this arrangement and allow for a portion of the annual bonus to be deferred into an award under one of the Ninety One Share Plans. The bonus deferral awards over Ninety One Shares will normally vest after three years, in line with the vesting period of awards deferred into investment funds; and

iii) one-off awards for strategically important employees and new hires, excluding the Group's Executive Directors. These awards may be subject to forward-looking performance conditions and will normally vest in equal tranches on the third, fourth and fifth anniversaries of grant.

Note 4 illustrates the pro forma adjustments to the Combined Statement of Comprehensive Income as if the Ninety One Share Plans were established on 30 September 2019, which is thus assumed to be the grant date of the abovementioned awards. It is the intended that Ninety One Shares are purchased on the market at the grant date of the award to satisfy the awards.

Note 4 represents the net effect of the following accounting impacts:

a. deferred tax asset has been adjusted by (£0.5 million) to reverse the deferred tax asset relating to the DBOP of (£0.9 million) and raise the deferred tax asset relating to the Ninety One Share Plans of £0.4 million. There are no financial effects in respect of the listing awards or the one off awards as at 30 September 2019;

b. Investments has been adjusted for the reversal of the deferred compensation investment relating to the DBOP amounting to £5.2 million in respect of those employees who have elected to forfeit the DBOP payment and accept shares in terms of the Ninety One Share Plans;

c. Investments has been adjusted for the liquidation of the deferred compensation investment relating to the DBOP and recognition of the cash amounting to £5.2 million; acquisition of shares by the Ninety One EBTs which shares are accounting for as treasury shares, amounting to £17.0 million resulting in a net cash outflow of £11.8 million;

d. Other liabilities has been adjusted for the reversal of the other liabilities relating to the DBOP of £5.7 million and the raising of the liabilities for social security liabilities to employee amounting to £0.3 million;

e. Trade and other payables has been adjusted for the reversal of the accrual relating the DBOP of £4 million;

f. Income tax payable has been decreased by £0.2 million. There are no financial effects in respect of the listing awards or the one off awards as at 30 September 2019;

g. Retained earnings has been adjusted as follows:

- reversal of a deferred bonus expenses previously included in the Group's Combined Financial Information amounting to £9.7 million in respect of those employees who have elected to forfeit the DBOP payment and accept shares in terms of the Ninety One Share Plans;
- recognition of IFRS 2 charges £3.0 million relating to Ninety One Share Plans. There are no financial effects in respect of the listing awards or the one off awards as at 30 September 2019; and
- increase in the income tax expense by a net amount of £0.3 million to reflect the reversal of the deferred tax asset relating to the DBOP of £0.9 million partly offset by the reduction in the income tax expense due to the recognition of deferred tax asset relating to the Ninety One Share Plans of (£0.6 million). There are no financial effects in respect of the listing awards or the one off awards as at 30 September 2019; and

h. Treasury shares has been adjusted to reflect the following: purchase 8,309,388 treasury shares for a cash consideration of £17.0 million through the Ninety One EBTs.

Share awards outstanding at the date of the Demerger under the existing share schemes, the Investec Share Plans, will continue on their vesting schedule after the Demerger, modified such that the awards are over a combination of Investec Ordinary Shares and Ninety One Shares, in the same ratio as received by the holders of Investec Ordinary Shares. As the obligation of settling both Investec and Ninety One Shares to Ninety One's employees under the existing share schemes remains with Investec, no pro forma adjustments are required.

(5) Net asset value per share is calculated as total assets minus total liabilities divided by the total number of ordinary shares in issue excluding treasury shares.

(6) Net tangible asset value per share is calculated as total assets minus intangible assets minus total liabilities divided by the total number of shares in issue excluding treasury shares.

Equity reconciliation of the Group	£'000
Opening balance	50
Net assets attributable to shareholders	225,982
Shares issued in respect of the Demerger – Ninety One plc	
Ordinary share capital	62
Share premium	1,020,750
Merger reserve	255,158
Ninety One Special Converting shares	30
Other special shares	–
Shares issued in respect of the Demerger – Ninety One Ltd	
Share capital	615,000
Special shares	–
Share capital relating to the IAM Business	14,619
Share premium relating to the IAM Business	105,288
Retained earnings relating to the IAM Business	106,075
Reversal of net assets attributable to shareholders	(225,982)
Elimination of share capital relating to the IAM Business	(14,619)
Elimination of the share premium relating to the IAM Business	(105,288)
DLC reserve	(1,771,093)
Other components of equity relating to the IAM Business	(24,240)
Non-controlling interests relating to the IAM Business	635
After the Ninety-One Demerger	202,427
Reduction of share premium	(1,020,750)
Redemption of preference share	(50)
Distributable reserve	1,020,750
Adjustment to retained earnings	
Reduction in staff costs – DBOP	9,664
IFRS 2 charge – EBT	(3,049)
Increase in taxation expense	(273)
Share based payment reserve	2,789
Treasury shares	(17,029)
After *pro forma* adjustments	194,479

Section E – Independent Reporting Accountant's report on the Non-IFRS Measures, included for the purposes of the JSE Listings Requirements

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INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON THE COMPILATION OF THE NON-IFRS FINANCIAL INFORMATION

The definitions commencing on page 299 of the prelisting statement to which this letter is attached apply *mutatis mutandis* to this report.

Introduction

We have completed our assurance engagement to report on the compilation of the non-IFRS financial information relating to the asset management business of Investec Limited and Investec plc comprising of the combined historical financial information of Investec Asset Management Limited and Investec Asset Management Holdings Proprietary Limited (the "**Ninety One Business**") in the prelisting statement by the directors of Ninety One Limited and Ninety One plc (collectively "**Directors**").

The non-IFRS financial information in the Non-IFRS Measures section of Part XI: "*Selected Financial Information*" of the prelisting statement comprises of the following adjusted financial statement captions, for the three years ended 31 March 2017, 31 March 2018 and 31 March 2019, and the six-month periods ended 30 September 2019 and 30 September 2018:

- adjusted operating revenue;
- adjusted operating expenses;
- adjusted operating profit; and
- adjusted net interest income

(collectively, "**Adjusted figures**"); and

- adjusted operating profit margin ("**Adjusted ratio**").

The applicable criteria on the basis of which the Directors have compiled the Adjusted figures and the Adjusted ratio (collectively, "**Non-IFRS Financial Information**") is specified in the JSE Limited Listings Requirements ("**Listings Requirements**") and described in the basis of preparation for JSE purposes only set out in the Non-IFRS Measures section of Part XI: "*Selected Financial Information*" on page 105 of the prelisting statement.

The Non-IFRS Financial Information has been compiled by the Directors to present a better understanding of its financial performance and financial condition. In particular, these non-IFRS measures have been prepared to illustrate certain financial metrics excluding the impact of identified revenue and expense items.

As part of this process, the audited combined historical financial information captions for the years ended 31 March 2019, 31 March 2018 and 31 March 2017 ("**Audited Combined Financial Information**") and the reviewed combined financial information captions for the six months ended 30 September 2019 ("**Reviewed Combined Financial Information**") have been extracted by the Directors from the Combined Historical Financial Information of the Ninety One Business set out in Section A4 of Part XIV and prepared in accordance with the basis of preparation set out in Section A3 paragraphs 1 and 3 of Part XIV. The independent reporting accountant's report in respect of the Report of Combined Historical Financial Information of the Ninety One Business is set out in Section A2 of Part XIV. The unaudited and unreviewed combined financial information captions for the six months ended 30 September 2018 have been extracted from the Combined Historical Financial Information of the Ninety One Business set out in Section A4 of Part XIV for the six months ended 30 September 2018 ("**Unreviewed Combined Financial Information**").

Directors' responsibility for the Non-IFRS Financial Information

The Directors are responsible for compiling the Non-IFRS Financial Information on the basis of the Applicable Criteria specified in the Listings Requirements, and described in the basis of preparation for JSE purposes only set out in the Non-IFRS Measures section of Part XI: "*Selected Financial Information*" (the "**Applicable Criteria**").

Our independence and quality control

We have complied with the independence and other ethical requirements of the Sections 290 and 291 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised January 2018)* and parts 1 and 3 of the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors (Revised November 2018)* (together, the "**IRBA Codes**"), which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*, respectively.

KPMG Inc. applies the International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Independent Reporting Accountant's responsibility

Our responsibility is to express an opinion about whether the Non-IFRS Financial Information has been compiled, in all material respects, by the Directors in accordance with the basis of preparation for JSE purposes only set out in the Non-IFRS Measures section of Part XI: "*Selected Financial Information*", based on our procedures performed.

We conducted our engagement in accordance with International Standard on Assurance Engagements ("**ISAE**") 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards Board. This standard requires that the independent reporting accountant plans and performs procedures to obtain reasonable assurance about whether the Directors have compiled, in all material respects, the Non-IFRS Financial Information in accordance with the basis of preparation for JSE purposes only set out in the Non-IFRS Measures section of Part XI: "*Selected Financial Information*".

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Non-IFRS Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Non-IFRS Financial Information other than our audits and reviews of the Audited Combined Financial Information and the Reviewed Combined Financial Information, respectively.

The purpose of the Non-IFRS Financial Information included in the prelisting statement is to present a better understanding of its financial performance and financial condition. In particular, these non-IFRS measures have been prepared to illustrate certain financial metrics excluding the impact of identified revenue and expense items.

A reasonable assurance engagement to report on whether the Non-IFRS Financial Information has been compiled, in all material respects, on the basis of the Applicable Criteria involves performing procedures to assess whether the Applicable Criteria used by the Directors in the compilation of the Non-IFRS Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the events and to obtain sufficient appropriate evidence about whether:

- The *pro forma* adjustments give appropriate effect to the Applicable Criteria; and
- The Non-IFRS Financial Information reflects the proper application of the *pro forma* adjustments to the unadjusted Audited Combined Financial Information, the Reviewed Combined Financial Information and Unreviewed Combined Financial Information, respectively.

Our procedures selected depend on our judgement, having regard to our understanding of the nature of the Ninety One Business or the purpose for which the *pro forma* adjustments in respect of the Non-IFRS Financial Information has been compiled, and other relevant engagement circumstances.

Our engagement also involves evaluating the overall presentation of the Non-IFRS Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the Non-IFRS Financial Information has been compiled, in all material respects, in accordance with the basis of preparation for JSE purposes only set out in the Non-IFRS Measures section of Part XI: "*Selected Financial Information*".

Restriction on use

This report has been prepared for the purpose of satisfying the requirements of the Listings Requirements, and for no other purpose.

KPMG Inc.

Per GS Kolbé
Chartered Accountant (SA)
Registered Auditor
Director

26 February 2020

The Halyard
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Cape Town
8001

Section F – Independent Reporting Accountant's review report on the policyholders and shareholders information, included for the purposes of the JSE Listings Requirements

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The Directors
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INDEPENDENT REPORTING ACCOUNTANT'S REVIEW REPORT ON THE POLICYHOLDERS' AND SHAREHOLDERS' INFORMATION

Introduction

The definitions commencing on page 299 of the prelisting statement to which this report relates apply, *mutatis mutandis* to this independent reporting accountant's review report on the policyholders' and shareholders' information set out in the Key Information on the Issuers in Part I: *Summary Information* of this prelisting statement (the "**Report**").

We have reviewed the allocation of the assets, equity, liabilities and cash flow movements to the policyholder and shareholder categories, as reflected in the policyholders and shareholders columns of the condensed combined statements of financial position of the Ninety One Business and the condensed combined cash flow statements of the Ninety One Business for the years ended and as at 31 March 2019, 2018 and 2017 and for the six months ended and as at 30 September 2019, included in the Key Information on the Issuers in Part I: *Summary Information* of this prelisting statement (the "**Financial Information**"), as required by paragraph 8.45(b) of the JSE Limited Listings Requirements.

Directors' Responsibility for the Financial Information

The directors of Ninety One Limited and the directors of Ninety One plc (the "**Directors**") are responsible for the preparation and presentation of the Financial Information in accordance with the basis of preparation set out in note 2 to the condensed combined statements of financial position of the Ninety One Business and the condensed combined cash flow statements of the Ninety One Business in the Key Information on the Issuers in Part I: *Summary Information* of this prelisting statement, respectively, and for purposes of compliance with paragraph 8.45(b) of the JSE Listings Requirements.

Reporting Accountant's responsibility

Our responsibility is to express a review conclusion on the Financial Information. We conducted our review in accordance with the International Standard on Review Engagements ("**ISRE**") 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity ("**ISRE 2410**").

Scope of review

A review of financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the Financial Information is not prepared in all material respects, in accordance with the basis of preparation set out in note 2 to the condensed combined statements of financial position of the Ninety One Business and the condensed combined cash flow statements of the Ninety One Business in the Key Information on the Issuers in Part I: *Summary Information* of this prelisting statement, respectively, and for purposes of compliance with paragraph 8.45(b) of the JSE Listings Requirements.

Purpose of this Report

This Report has been prepared for the purpose of satisfying the requirement of paragraph 8.45(b) of the JSE Listings Requirements, and for no other purpose.

KPMG Inc.

Per GS Kolbé
Chartered Accountant (SA)
Registered Auditor
Director

26 February 2020

The Halyard
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Cape Town
8001

REGULATORY OVERVIEW

The Group is subject to regulation by various regulatory bodies across the jurisdictions in which it operates. The nature and extent of applicable regulation varies from jurisdiction to jurisdiction, but typically requires companies carrying out specified activities to obtain and maintain authorisation from one or more regulators to carry on those activities and, consequently, to comply with various prudential and conduct of business rules, among other requirements. Regulators also typically require the persons who control authorised firms to obtain and maintain approval to act as a controller.

This section is intended to provide an overview of certain principal regulations to which particular Group members will be subject if carrying on certain regulated activities in the United Kingdom, in EEA Member States or in South Africa. This overview is not intended to be a comprehensive description of all the regulatory requirements to which Group members are subject in every jurisdiction and should be read in conjunction with the rest of this document.

Aside from the jurisdictions described above, the Group also includes entities that are regulated by the appropriate regulator in the jurisdictions indicated below:

Jurisdiction	Regulator(s)
Australia	Australian Securities and Investments Commission
Botswana	Non-Bank Financial Institutions Regulatory Authority Botswanan Accounting Oversight Authority
Guernsey	Guernsey Financial Services Commission
Hong Kong	Hong Kong Securities and Futures Commission
Luxembourg	Commission de Surveillance du Secteur Financier
Namibia	Namibia Financial Institutions Supervisory Authority
Singapore	Monetary Authority of Singapore
US	Securities and Exchange Commission

Although the regulatory requirements and approach of regulators would be expected to be broadly similar across jurisdictions, there may be significant differences compared with the regulatory requirements in the United Kingdom or South Africa. As the majority of the Group's business is carried out by IAM UK in the United Kingdom and IAM SA in South Africa, this section provides an overview of the regulation applicable to the Group's business carried out by those entities.

1. Regulatory framework applicable to IAM UK

There are five English incorporated entities in the Group: Ninety One plc, Ninety One Global, Ninety One International, IAM UK and IFML. The Group's business involves carrying out a range of activities that are regulated activities in the United Kingdom. These regulated activities are carried out by IAM UK and IFML, each of which is duly authorised by the FCA and has appropriate permissions in respect of the activities it undertakes. Full details of the permissions and associated client types for each of IAM UK and IFML can be found in the UK Financial Services Register maintained by the FCA.

1.1 Summary of regulatory requirements in the United Kingdom

The FSMA sets out the framework for the regulation of the UK financial services industry. Responsibility for financial services regulation is split between the FCA, the Prudential Regulation Authority (the "**PRA**") and the Bank of England.

The FCA is the independent conduct of business regulator and is broadly responsible for: (i) regulating standards of conduct in the retail and wholesale markets; (ii) supervising trading infrastructures that support those markets; (iii) the authorisation and prudential regulation of non-PRA authorised firms; and (iv) regulating consumer credit. The FCA has the strategic objective of ensuring the retail and wholesale markets function well and has operational objectives focused on market integrity, consumer protection and effective competition.

The PRA is a subsidiary of the Bank of England and was established as the regulator responsible for the authorisation and prudential regulation and supervision of institutions that manage significant risks on their balance sheets, including banks, building societies, credit unions, insurers and major investment firms.

The Bank of England is responsible for the regulation of systemically important clearing, payment and settlement infrastructure.

The Group is required to comply with the FSMA (and various pieces of secondary legislation made under it), other relevant UK legislation, directly applicable EU legislation, the FCA Handbook of Rules and Guidance (the "**FCA Handbook**") and certain other requirements. The rules and guidance in the FCA Handbook are contained in a number of sourcebooks. Key sourcebooks include: Principles for Businesses, the Senior Management Arrangements, Systems and Controls Sourcebook, the Conduct of Business Sourcebook and the Client Assets Sourcebook.

The points set out below comprise a summary of some of the requirements that apply to firms in the United Kingdom that are regulated by the FCA, such as the Group. This is a very high-level summary, however, and should not be taken as a comprehensive description of the regulatory requirements to which the Group is subject in the United Kingdom.

1.1.1 **Prudential supervision.** The FCA supervises IFML and IAM UK with respect to its prudential requirements (rather than the PRA, which supervises banks and certain designated investment firms). Prudential capital and liquidity requirements apply on both an individual basis (i.e. to an authorised firm based on its own situation) and at least for capital, on a consolidated basis (i.e. the consolidated capital requirement is determined based on the regulatory consolidation group of which the relevant authorised firm which triggers the consolidation requirement (in this case, IAM UK) forms part, see further paragraph 1.1.10 below). Each authorised firm is required to submit various periodic returns to demonstrate compliance with certain prudential requirements applicable to it.

1.1.2 **Conduct rules.** IFML and IAM UK must follow detailed and comprehensive conduct of business rules and guidance that deal with various aspects of dealing with clients, such as client categorisation, communicating with clients, client agreements, best execution of client orders and preparing product information and providing such information to clients.

1.1.3 **Client money and assets.** IFML is authorised to hold client money; IAM UK is not authorised to do so. Client assets and client money held on behalf of a client are generally deemed to be held by authorised firms on trust. Firms are required under the FCA Handbook to hold such assets and money separately from the firm's own assets and funds and are also required to put systems and controls in place so that firm holdings of client assets and funds are recorded effectively.

1.1.4 **Market abuse.** The FCA has wide powers to combat and uncover market abuse, which includes insider dealing, improper disclosure, misuse of information, manipulating transactions or devices, dissemination and misleading behaviour and distortion. The FCA has wide investigatory powers and also has powers to take action against firms and individuals engaging in abusive practices. The FCA's rules relating to market abuse apply in conjunction with the Market Abuse Regulation ("**MAR**"), as described in paragraph 1.2.3 below.

1.1.5 **Senior managers and certified persons.** An authorised firm is required to obtain approval from the FCA in respect of individuals who carry on specific senior management functions such as executive directors and individuals that have responsibility for compliance. The FCA will only approve an individual to undertake a senior management function if that individual is assessed and determined to be a fit and proper person. In order to approve a person as fit and proper, the FCA must be satisfied as to the person's honesty, integrity and reputation, competence and capability for the role that the person is to assume in the firm as well as their financial soundness. For other employees who perform roles with the potential to cause significant harm to the firm, its customers or the market generally, firms are required to provide regular certifications that their employees remain fit and proper.

1.1.6 **Investigation and discipline.** The FCA has wide powers to investigate misconduct or suspicions of misconduct by firms and has a wide array of sanctions that it can impose on firms that the FCA finds have breached rules or guidance in the FCA Handbook or other regulatory requirements. This can include unlimited fines, restitution, public censure, the suspension of employees and the withdrawal of authorisation.

1.1.7 **Shareholder controllers.** Any person who wishes to acquire or increase control of an authorised firm must seek approval from the FCA as soon as the decision to acquire or increase control has been made. Control of a firm is taken to include voting powers and owning shares set at certain thresholds. Acquiring or increasing control of an authorised firm without FCA approval may constitute a criminal offence. There are also certain notification requirements that must be satisfied if a controller wishes to decrease its degree of control over an authorised firm below certain thresholds.

1.1.8 **Money laundering and other financial crime.** All firms regulated by the FCA are required to observe and apply certain administrative procedures and checks that are designed to prevent money laundering and financial crime. Failure to observe and apply appropriate procedures and checks can itself constitute a criminal offence.

1.1.9 **Consumer complaints and compensation.** The rules of the FCA require that authorised firms have in place appropriate complaints handling procedures. The Financial Services Compensation Scheme has been set up as an independent body under the FSMA and provides for limited compensation to be paid to certain categories of customers (broadly private individuals) where the authorised firm is unable or unlikely to be able to meet claims against it. A Financial Ombudsman Service has also been set up under the FSMA. This operates independently of the FCA and allows certain categories of customer to escalate complaints about a firm (for example, in relation to mis-selling or the provision of a poor service or product by the firm).

1.1.10 **Regulatory capital and liquidity.** Regulatory capital and liquidity requirements form an integral part of the FCA's prudential supervision of UK authorised firms. The FCA has detailed rules relating to the maintenance of minimum levels of regulatory capital and liquidity for authorised firms which amplify the general principle under which a firm must maintain adequate financial resources in order to be able to meet its liabilities as they fall due. In general, the overall adequacy of a firm's financial resources is assessed in relation to the particular risks to which the firm may be exposed given its business activities. The FCA also expects firms to take a proactive approach to monitoring and managing risks.

Regulatory capital requirements apply on two levels. The first is a solo requirement applicable to individual authorised entities. This applies to IFML and IAM UK, each of which is required to hold a certain amount of capital at all times. In addition, there is a consolidated (or group) requirement. To date, this has been assessed based on there being two separate regulatory consolidation groups for the wider Investec Group, one for each of the UK and South African parts of the Investec Group dual listed companies structure. However, the supervisory approach in the UK has also been concerned to ensure that an amount representing the consolidated capital requirements referable to the Ninety One sub-group of asset management companies in the UK part of the Investec Group dual listed companies structure and of which IAM UK and IFML form part, is held within that sub-group. Historically, this has largely been held at the level of IAM UK and is currently comfortably in excess of capital requirements.

On Demerger, a similar supervisory approach is expected to apply to the restructured Group (i.e. that there would be two separate regulatory consolidation groups one for each part of the Group's DLC Structure) and current forecasts indicate that the consolidated capital held post Demerger by Ninety One plc and its subsidiaries consolidation group will continue to be in excess of consolidated capital requirements.

Given the regulatory nature of IAM UK and IFML, relatively simple solo liquidity requirements apply and consolidated liquidity requirements do not apply.

1.2 Summary of regulatory requirements in the European Economic Area

1.2.1 MiFID II

As part of the goal to create a single European market in financial services across the EEA, the second Market in Financial Instruments Directive (2014/65/EU) ("**MiFID II**") and the Markets in Financial Instruments Regulation ((EU) No 600/2014) ("**MiFIR**" and, together with MiFID II, the "**MiFID II Framework**") repealed and partially replaced the MiFID I framework. Both came into force across the EU on 3 January 2018. As a directive, MiFID II is not directly applicable and applies through its transposition by EEA Member States into national law. MiFIR is directly applicable as a regulation.

MiFID I provided, in general terms, that as long as an investment firm complies with the requirements of its home state regulator, that firm does not have to comply with any additional conduct of business requirements in the other EEA states in which it provides services on a cross-border basis. MiFID I also, in general terms, provided for a framework for the authorisation and supervision of firms carrying on business through a branch established in EEA states other than their home state. The MiFID II Framework broadened the scope of MiFID I to include financial products and services that were not previously caught and also enhanced and extended the rules that regulated firms were required to comply with. In particular, the conduct of business requirements, organisational requirements and requirements relating to market transparency have been enhanced and new rules on corporate governance have been introduced. The MiFID II Framework also introduced new forms of, and rules governing, financial market infrastructure. IAM UK is authorised to perform investment services and is subject to the requirements of the MiFID II Framework.

1.2.2 AIFMD

The Alternative Investment Fund Managers Directive (the "**AIFMD**") was required to be transposed into national law by Member States by 22 July 2013 and is generally now in force across the EU. The Group is permitted to manage unauthorised AIFs within the scope of the AIFMD. The AIFMD was implemented in the United Kingdom by a combination of HM Treasury statutory instruments and FCA Handbook rules. The effectiveness of the AIFMD's implementation is subject to review by the European Commission and the AIFMD will be potentially subject to revision thereafter.

EU delegated legislation, in the form of Commission Delegated Regulation (EU) 231/2013, has implemented various aspects of AIFMD into EU law. This regulation applied from 22 July 2013 and is directly applicable in all Member States.

The aim of the AIFMD is to create a comprehensive and effective regulatory and supervisory framework for alternative investment fund managers within the EU. The AIFMD introduced a raft of new requirements for alternative investment fund managers, including, among others: new authorisation and operating requirements; requirements for cross-border marketing and passporting; that a single depositary must be appointed in respect of each fund; requirements relating to transparency and providing information to investors; and capital requirements. IFML and Investec Asset Management Luxembourg S.A. ("**IAM Luxembourg**") are authorised as alternative investment fund managers and are subject to the requirements of the AIFMD regime.

1.2.3 MAD II

The revised Market Abuse Directive reforms, known as "MAD II", came into force on 3 July 2016. The MAD II reforms comprise a regulation, MAR, which amends and restates certain parts of the previous market abuse regime and captures behaviour in relation to instruments traded on multilateral trading facilities and organised trading facilities, and related over-the-counter financial instruments, and a directive ("**CSMAD**"), which introduces EU-wide minimum rules on criminal offences and criminal sanctions for market abuse. MAR, being a regulation, is directly applicable across Member States. As a directive, CSMAD must be transposed into national law by Member States. The United Kingdom has opted out of CSMAD as it already has a criminal regime for insider dealing which goes beyond that proposed in CSMAD.

The MAD II reforms extended the market abuse framework to abusive behaviour with respect to spot commodity contracts, algorithmic and high-frequency trading, and benchmarks. In particular, the regime captures cross-market abusive behaviour and addresses the difficulties in monitoring possible market abuse caused by the increase in trading across different venues.

1.2.4 UCITS

Undertakings for collective investment in transferable securities ("**UCITS**") are regulated investment funds that can be sold to retail clients throughout the EU. The UCITS IV Directive came into force on 1 July 2011 and contains the framework of rules for the UCITS regime including, among other rules, requirements relating to authorisation and organisational standards of UCITS management companies. The UCITS regime creates a framework for the creation, administration, marketing and distribution of these funds and has been updated several times since its inception. In particular, the UCITS regime permits cross-border marketing of UCITS funds throughout the EU through a "marketing passport". The latest directive (UCITS V) imposed additional requirements relating to the depositary function and the remuneration of UCITS managers. IFML and IAM Luxembourg are authorised as UCITS management companies and are subject to the requirements of the UCITS regime.

1.3 Upcoming developments

1.3.1 EU developments

The EU is undertaking significant reform in a number of other areas of financial services regulation. Reforms applicable to EU investment firms and fund management companies include the introduction of the EU Sustainable Finance Package establishing a taxonomy and disclosure requirements for sustainable investment to ensure that environmental, social and governance factors are taken into account in investment decisions. The European Securities and Markets Authority has also indicated that its regulatory priorities in respect of the asset management sector will include examining the performance of active versus passive funds and the performance of equity exchange traded funds, the performance scenarios and the presentation and calculation of costs in respect of packaged retail investment and insurance products.

The European Commission has also adopted proposals to introduce a new prudential regulatory regime for investment firms (including capital, liquidity, large exposure and consolidation rules). It will be implemented through the new Investment Firms Regulation (IFR) and Investment Firms Directive (IFD) which came into force on 25 December 2019, though most provisions will not take effect until mid-2021, subject to certain transitional arrangements. Under the IFR and IFD, the application of the prudential requirements will depend more precisely on the size and nature of the business of the investment firm. Only a small number of entities in the Group will be subject to IFR/IFD and the expectation is that its impact would not be material at a Group level.

1.3.2 United Kingdom developments

From 30 September 2020, the United Kingdom regulators will apply new rules relating to ability of certain types of fund to invest in illiquid assets, liquidity management and the suspension of dealings in certain circumstances, and requirements relating to the disclosure of liquidity risk to investors. The rules are intended to reduce the potential for harm to investors in funds that hold illiquid assets, particularly under stressed market conditions. The FCA has also indicated that asset managers' disclosure of costs and charges to investors will continue to be a focus.

1.3.3 Brexit

Financial regulation in the United Kingdom has been substantially influenced by EU regulation. In light of the United Kingdom's exit from the EU on 31 January 2020 ("Brexit"), significant changes to EU laws applicable in the United Kingdom are expected following the expiry of the transitional period during which EU law continues to apply in the United Kingdom in substantially the same way as immediately before Brexit. The transitional period is currently anticipated to expire on 31 December 2020). However, the terms of the United Kingdom's future relationship with the EU following the transitional period remain unclear and will be determined by the negotiations which have been taking (and will continue to take) place. Until these negotiations have concluded, the impact of Brexit on the regulation of financial services in the United Kingdom and the ability of firms to provide services on a cross-border basis in the United Kingdom and EU-27 countries is unclear. The Group has appropriate contingency measures in place in order to allow it to continue to service its clients following the United Kingdom's exit from the European Union. These plans remain under review pending final determination of the terms of the future relationship.

2. Regulatory framework applicable to IAM SA

2.1 Regulation

The Group's business is subject to extensive regulation in South Africa. In order to conduct a regulated activity in South Africa, a company needs to obtain licences and/or gain approvals from the relevant regulatory authorities.

2.2 Regulatory authorities

The following authorities are responsible for financial services regulation in South Africa, including for the regulation of IAM SA:

2.2.1 South African Reserve Bank ("SARB")

The SARB is, as South Africa's central bank and macro-prudential regulator, responsible for, among other things, contributing to the achievement and maintenance of a stable financial system and for protecting and enhancing financial stability and restoring and maintaining financial stability in terms of systemic events. The SARB holds various international memberships, including the G-20, the IMF, the Bank for International Settlements and the Committee of Central Bank Governors in the Southern African Development Community. The SARB serves on various Bank for International Settlements' committees, including the Basel Committee and the Committee on Payments and Settlement Systems.

2.2.2 The Prudential Authority ("SARB PA")

The SARB PA, which is a juristic body operating within the administration of the SARB, launched on 1 April 2018. The SARB PA is responsible for, among other things, prudential regulation and supervision of banks, banking groups and financial conglomerates (which may include insurers) in South Africa with the purpose of promoting and enhancing the safety and soundness of financial institutions and assisting in maintaining financial stability. The SARB PA is additionally responsible for prudential regulation in relation to over-the-counter ("**OTC**") derivative providers and plays an important role in South Africa's developing derivatives regulation.

The SARB PA has extensive regulatory and supervisory powers which, among other things, oblige banks and insurers, as well as their controlling companies, to furnish certain prescribed returns to the SARB PA in order to enable the SARB PA to monitor compliance with the various prudential and other regulatory requirements imposed on banks, insurers and their controlling companies in terms of the Banks Act, No. 94 of 1990, the Regulations Relating to Banks and bank controlling companies, and any other applicable regulatory instruments (e.g. the Insurance Act, No. 18 of 2017 and the Financial Sector Regulation Act, No. 9 of 2017). The Chief Executive Officer of the SARB PA is a Deputy Governor of the SARB and a member of the SARB's Financial Stability Oversight Committee.

2.2.3 The SA FSCA

As a financial institution, the market conduct of the SA entities within the Group is now regulated by the SA FSCA, which was also launched on 1 April 2018.

The objective of the SA FSCA is to enhance and support the efficiency and integrity of financial markets, to protect financial customers and to assist in maintaining financial stability. Specifically, the SA FSCA is responsible for licensing and regulating providers of financial advice and intermediary services to clients ("**Financial Services Providers**") and their key representatives and employees under the Financial Advisory and Intermediary Services Act, No. 37 of 2002 ("**FAIS**"), and together with the SARB PA is jointly responsible for South Africa's developing derivatives regulation.

2.2.4 **Financial exchanges**

(a) The purpose of the Financial Markets Act, No. 19 of 2012 ("**FMA**") is to: (i) provide for the regulation of financial markets; (ii) license and regulate exchanges, central securities depositories, central counterparties, clearing houses and trade repositories; (iii) regulate and control securities trading, clearing and settlement and the custody and administration of securities; (iv) prohibit insider trading and other market abuses; and (v) provide for the approval of nominees.

(b) The JSE Limited is licensed as an exchange under the FMA. The various JSE Listings Requirements, rules and directives set out what is expected from issuers and their directors and member companies. The JSE connects buyers and sellers in a variety of different financial markets, namely equities, equity derivatives, agricultural derivatives and interest rate and currency instruments. The JSE also enables companies to access both debt and equity capital through its interest rate and currency markets, equities Main Board and the equities Alternative Exchange. The JSE and Strate Proprietary Limited ("**Strate**"), which is licensed as a central securities depository under the FMA, largely operate as self-regulating organisations. They, therefore, regulate their own activities and those of authorised users (exchange members) and participants (members of central securities depositories) in terms of their own rules and the FMA. The supervisory or surveillance division of the JSE additionally monitors trades in the market for potential market abuses, including insider trading and market manipulation.

2.2.5 **Anti-money laundering regulations**

The Financial Intelligence Centre (the "**FIC**") was created under the Financial Intelligence Centre Act, No. 38 of 2001 ("**FICA**") in order to assist in the identification of the proceeds of unlawful activities and terrorist financing activities, and the combating of money laundering and terrorist financing activities. FICA, the Prevention of Organised Crime Act, No. 76 of 1996 and the Protection of Constitutional Democracy Against Terrorist and Related Activities Act, No. 33 of 2004 form the body of legislation regulating anti-money laundering and anti-terror financing activities. In terms of FICA, designated accountable institutions, which include the majority of Group entities, are required to perform adequate client identification, risk rating and record keeping processes, and to report suspicious transactions to the FIC. The FIC Amendment Act, No. 1 of 2017 ("**FIC Amendment Act**") was promulgated in 2017 with the aim of bringing South Africa's anti-money laundering and combating of financial terrorism regimes into line with international standards, by introducing the "risk based approach" in South Africa. Several provisions of the FIC Amendment Act have not yet come into effect.

2.2.6 **The Department of Trade and Industry**

The Department of Trade and Industry develops and reviews regulatory systems in the areas of competition, consumer protection and company and intellectual property, as well as public interest regulation. The Consumer Protection Act, No. 68 of 2008 ("**CPA**") was signed into law on 24 April 2009. The CPA sets out the minimum requirements to ensure adequate consumer protection in South Africa. Sector-specific legislation is to be read in conjunction with the provisions of the CPA, where applicable. The CPA constitutes an overreaching framework for consumer protection, and all other laws which provide for consumer protection (usually within a particular sector) will need to be read with the CPA to ensure a common standard of protection. The National Consumer Commission is tasked with investigating complaints under the CPA.

2.2.7 **The FAIS Ombud**

The FAIS Ombud was set up in terms of FAIS, which as described above regulates the rendering of certain financial advisory and intermediary services to clients. FAIS also sets "Fit and Proper" requirements for the representatives and key individuals of a licensed Financial Services Providers, in terms of which these individuals are required to have the necessary qualifications, experience and meet honesty and integrity requirements to be able to provide financial advisory and intermediary services to clients. FAIS additionally sets up a complaints process, which is an alternative dispute-resolution process for which the FAIS Ombud is the arbiter.

2.2.8 **Collective Investment Schemes Control Act, No. 45 of 2000 ("CISCA")**

Under CISCA, the SA FSCA regulates and controls the establishment and administration of collective investment schemes ("**CISs**") and hedge funds. CISCA places significant restrictions on the asset classes in which a CIS can invest as well as concentration limits and other prudential restrictions on CIS and hedge fund portfolio exposure.

Foreign investment funds approved by the SA FSCA under CISCA may be marketed publicly in South Africa in the same manner as CISs and hedge funds. In order to qualify for South African registration, the foreign investment fund must have an investment policy which is consistent with the requirements set out under CISCA. CISCA has significantly more restrictive prudential requirements than, for example, the European Undertakings for the Collective Investment of Transferable Securities regime.

2.3 **Conduct of regulation**

The South African regulators undertake both prudential and conduct of business regulation and supervision in respect of the Companies' activities. Supervision is carried out by way of on-site visits by the regulators and off-site supervision through the completion and submission of statutory returns in respect of capital adequacy, liquidity, market risk, foreign exchange, large exposures, counterparty risk, credit risk, consolidated supervision and similar matters. The regulators prescribe certain rules promoting good practice and conduct and prohibiting undesirable practices with which the Companies' regulated subsidiaries are required to comply.

2.4 **South African regulatory developments**

Important regulatory developments in South Africa include the POPI Act, the Conduct of Financial Institutions Bill ("**CoFI Bill**") and finalisation of the South African Resolution Framework in line with international standards.

2.4.1 **POPI Act**

The POPI Act introduces certain minimum conditions for the processing of personal information, including having a justification to do so, such as consent and provides for the establishment of an Information Protection Regulator. The POPI Act, although signed in 2013 and enacted, is not yet fully in force. Only certain administrative provisions, namely those relating to the establishment of the Information Regulator and the making of regulations, came into force on 11 April 2014. Regulations relating to the administrative aspects of the POPI Act were published on 14 December 2018 ("**POPI Regulations**") and, despite being in final form, the commencement date of the POPI Regulations has not yet been announced. It is expected that the commencement date of the POPI Regulations will be aligned with the commencement date of the remaining provisions of the POPI Act. Once the remaining provisions of the POPI Act come into force, there will be a one-year transitional period to allow for organisations to become compliant with the provisions of the POPI Act before penalties for non-compliance are enforced. The POPI Act imposes a range of obligations, including restrictions on direct marketing and on cross-border transfers of personal information and an obligation to keep personal information secure. This legislation provides for conditions of privacy and protection of personal information. The POPI Act affects the Group subsidiaries and their operations, particularly in relation to the manner in which they use, record and transfer information. The POPI Act empowers the Information Regulator to impose administrative fines of up to R10 million where a responsible party (i.e. data controller) such as an entity within the Group commits an offence under the Act, including failure to comply with an enforcement notice.

2.4.2 **CoFI Bill**

The CoFI Bill represents the legislation which will underpin the supervision conducted by the SA FSCA on financial institutions in South Africa. It is the next phase of the legislative reforms aimed at strengthening the regulation of how the financial services industry treats its customers and will in effect formally legislate the regime formerly known as "Treating Customers Fairly" in South Africa. The CoFI Bill will outline what customers and industry players can expect of financial institutions and will apply to the majority of Group subsidiaries in South Africa. It is unclear when the CoFI Bill will be finalised.

2.4.3 **Finalisation of the South African Resolution Framework in line with international standards**

South Africa is a member of the G20 and of the Financial Stability Board. As such and to meet South Africa's international commitments, the Bank Supervision Department of the SARB in conjunction with the National Treasury is in the process of drafting legislation to provide for bank and bank controlling company resolution in South Africa. In accordance with its Basel III and G20 commitments, the SARB is developing a resolution framework as well as a deposit insurance scheme ("**DIS**") in South Africa. On 5 October 2018, the National Treasury published the Draft Financial Sector Laws Amendment Bill for public comment. The Financial Sector Laws Amendment Bill proposes to establish a framework for the orderly resolution of banks, systemically important non-bank financial institutions and holding companies of banks or systemically important non-bank financial institutions that are designated by the Governor of the SARB as systemically important (the "**Resolution Framework**"). The Financial Sector Laws Amendment Bill also proposes to establish a DIS in line with the proposals set out in the Financial Stability Department's discussion paper published in 2017, and amend the creditor hierarchy under the Insolvency Act No. 24 of 1936. The Resolution Framework has not yet been finalised and only once it is finalised will banks and bank controlling companies be in a better position to fully assess the potential impact of the Resolution Framework on the South African banking market.

2.4.4 **South African regulation of OTC derivative providers in line with international standards**

In keeping with the aim of meeting South Africa's G20 and other international commitments, the SARB PA and the SA FSCA have worked for a number of years to introduce licensing and regulation requirements concerning persons who, as a regular feature of their business and transacting as principal, originate, issue, sell or make a market in OTC derivatives ("**OTC Derivatives Providers**"). Existing OTC Derivatives Providers had until 14 June 2019 to submit to the SA FSCA applications for authorisation as OTC Derivatives Providers. Once authorised, OTC Derivatives Providers will be bound by FMA Conduct Standard 2 of 2018, titled "Conduct Standard for Authorised OTC Derivative Providers" (the "**ODP Conduct Standard**"). The ODP Conduct Standard sets out requirements of authorised OTC Derivatives Providers in relation to, *inter alia*, conduct with clients, forms of OTC derivative agreements, timely confirmations of transactions, portfolio reconciliation and compression, dispute resolution and safeguarding of collateral. Although the regulatory documents associated with the margin requirements have not yet been finalised, OTC Derivatives Providers will become subject to requirements relating to the posting and exchange of margin for non-centrally cleared derivatives, as well as trade data reporting and mandatory clearing. The Companies may become subject to the ODP Conduct Standard prior to publication of this document.

TAXATION

1. **United Kingdom**

The comments set out in this paragraph 1 are based on current United Kingdom tax law and HM Revenue & Customs published practice (which may not be binding on HM Revenue & Customs) as at the date of this document, both of which are subject to change, possibly with retrospective effect. Comments in this paragraph 1 are intended as a general guide and (save in the case of paragraph 1.4 or insofar as express reference is made to the treatment of non-UK residents) apply only to Shareholders resident and, in the case of an individual, domiciled for tax purposes in the United Kingdom and to whom "split year" treatment does not apply (except insofar as express reference is made to the treatment of non-United Kingdom residents), who hold Offer Shares as an investment and who are, or are treated as, the absolute beneficial owners thereof. The discussion does not address all possible tax consequences relating to an investment in the Offer Shares. Certain categories of Shareholders, including those carrying on certain financial activities, those subject to specific tax regimes or benefiting from certain reliefs or exemptions, those connected with Ninety One plc, Ninety One Limited or the Group and those for whom the Offer Shares are employment related securities may be subject to special rules and this summary does not apply to such Shareholders.

Shareholders or prospective Shareholders who are in any doubt about their tax position, or who are resident or otherwise subject to taxation in a jurisdiction outside the United Kingdom, should consult their own professional advisers immediately. In particular, Shareholders should be aware that the tax legislation of any jurisdiction where a Shareholder is resident or otherwise subject to taxation may also have an impact on the tax consequences of an investment in the Offer Shares, including in respect of any income received from the Offer Shares.

1.1 **Taxation of Dividends**

Neither Ninety One plc nor Ninety One Limited will be required to withhold amounts on account of United Kingdom tax at source when paying a dividend (including dividends paid in respect of the Dividend Access Shares), wherever the Shareholder is resident or domiciled for tax purposes.

Individual Shareholders

Dividends received by a United Kingdom resident individual Shareholder from the Companies will generally be subject to tax as dividend income.

An annual tax-free allowance (the "**Dividend Allowance**", currently £2,000 for the tax year ending 5 April 2020) is available for dividend income (including any dividends received from the Companies) received by such a Shareholder.

If a United Kingdom resident individual Shareholder's total dividend income for a tax year exceeds the Dividend Allowance (such excess being referred to as the "**Taxable Excess**"), then the Taxable Excess will be subject to tax depending on the tax rate band or bands it falls within. The relevant tax rate band is determined by reference to the Shareholder's taxable income (including the dividend income benefitting from the Dividend Allowance). The Taxable Excess is, in effect, treated as the top slice of any resulting taxable income and:

- to the extent that the Taxable Excess falls within the basic rate band, the Shareholder will be subject to tax on it at the dividend basic rate of 7.5 per cent.;
- to the extent that the Taxable Excess falls within the higher rate band, the Shareholder will be subject to tax on it at the dividend higher rate of 32.5 per cent.; and
- to the extent that the Taxable Excess falls within the additional rate band, the Shareholder will be subject to tax on it at the dividend additional rate of 38.1 per cent.

In the case of dividends paid by Ninety One Limited, any South African withholding tax withheld from the payment of such a dividend may be available as a credit against the income tax payable by an individual shareholder in respect of the dividend.

Corporate Shareholders

Shareholders who are within the charge to corporation tax will be subject to corporation tax on the gross amount of any dividends paid by the Companies, subject to any applicable credit for South African withholding tax in the case of dividends payable by Ninety One Limited, unless (subject to special rules for such Shareholders that are small companies) the dividends fall within an exempt class and certain other conditions are met. Each Shareholder's position will depend on its own individual circumstances, though it would normally be expected that the dividends paid by the Companies would fall within an exempt class.

1.2 **Taxation of Capital Gains**

Shareholders who are resident in the United Kingdom, or, in the case of individuals, temporary non-residents who return to be resident in the United Kingdom within five years of leaving, may, depending on their circumstances (including the availability of exemptions or reliefs), be liable to United Kingdom taxation on chargeable gains in respect of gains arising from a sale or other disposal of the Offer Shares.

In the case of individual Shareholders described above, an annual tax-free allowance is available for each tax year (the "**Annual Exempt Amount**", currently £12,000 for the tax year ending 5 April 2020). Any chargeable gain arising from a sale or other disposal of Offer Shares will be aggregated with that individual Shareholder's total chargeable gains for the relevant tax year. Any amount of such gains which is in excess of the Annual Exempt Amount and which, when aggregated with that Shareholder's taxable income for the relevant tax year, falls within the basic rate band will be subject to United Kingdom capital gains tax at a rate of 10 per cent. Any amount of such gains which exceeds the basic rate band will be taxed at a rate of 20 per cent.

In the case of United Kingdom resident corporate shareholders, any such gains should be subject to United Kingdom corporation tax on chargeable gains (at a rate of 19 per cent.).

In the event of a conversion of the Ninety One plc Special Converting Shares or the Ninety One Limited Special Converting Shares ("**Special Converting Shares**"), shareholders who are resident in the United Kingdom should not be treated as having made a disposal of their rights in respect of the Special Converting Shares. Instead, the shares in Ninety One plc or Ninety One Limited acquired pursuant to the conversion should be treated as the same asset as the Special Converting Shares, acquired at the same time and for the same consideration as those shares.

1.3 **Inheritance Tax**

Ninety One plc Shares not registered on the South African branch share register

Ninety One plc Shares which are not registered on the South African branch share register of Ninety One plc but which are registered on the main share register of Ninety One plc in the United Kingdom ("**UK Registered Offer Shares**") should be assets situated in the United Kingdom for the purposes of United Kingdom inheritance tax.

A gift of UK Registered Offer Shares by, or a transfer on the death of, an individual holder of such shares may (subject to certain exemptions and reliefs) give rise to a liability to United Kingdom inheritance tax, even if the holder is neither domiciled in the United Kingdom nor deemed to be domiciled there (under certain rules relating to long residence or previous domicile). Generally, United Kingdom inheritance tax is not chargeable on gifts to other individuals if the transfer is made more than seven years prior to the death of the donor. For inheritance tax purposes, a transfer of assets at less than full market value may be treated as a gift in respect of the undervalue element and particular rules apply to gifts where the donor reserves or retains some benefit in respect of the asset gifted. Special rules also apply to close companies and to trustees of settlements who acquire, dispose of or hold UK Registered Offer Shares, potentially bringing them within the charge to inheritance tax. Holders of UK Registered Offer Shares should consult an appropriate professional adviser if they intend to make a gift of, transfer at less than full market value, or hold any UK Registered Offer Shares through such a company or trust arrangement.

Ninety One plc Shares registered on the South African branch share register and shares in Ninety One Limited

Ninety One plc Shares which are registered on the South African branch share register of Ninety One plc in South Africa and Ninety One Limited Shares ("**SA Registered Offer Shares**") should be assets situated outside the United Kingdom for the purposes of United Kingdom inheritance tax.

A gift of SA Registered Offer Shares by, or a transfer on the death of, an individual holder of such shares who is domiciled or is deemed to be domiciled in the United Kingdom (under certain rules relating to long residence or previous domicile) may (subject to certain exemptions and reliefs) give rise to a liability to United Kingdom inheritance tax. As discussed above, generally, United Kingdom inheritance tax is not chargeable on gifts to other individuals if the transfer is made more than seven years prior to the death of the donor. For inheritance tax purposes, a transfer of assets at less than full market value may be treated as a gift in respect of the undervalue element and particular rules apply to gifts where the donor reserves or retains some benefit in respect of the asset gifted. Where a Shareholder is neither domiciled nor deemed domiciled (under certain rules relating to long residence or previous domicile) in the United Kingdom, neither a gift of SA Registered Offer Shares by the holder nor the death of such holder should give rise to a liability to United Kingdom inheritance tax. Special rules also apply to close companies and to trustees of settlements who acquire, dispose of or hold SA Registered Offer Shares, potentially bringing them within the charge to inheritance tax. Holders of SA Registered Offer Shares should consult an appropriate professional adviser if they intend to make a gift of, transfer at less than market value, or hold any SA Registered Offer Shares through such a company or trust arrangement.

Double taxation

If a charge to tax of a similar character to United Kingdom inheritance tax (in other words, tax that is chargeable by reference to death or gifts *inter vivos*) arises in another country in respect of Offer Shares in connection with the same event that gives rise to a charge to United Kingdom inheritance tax, relief may be available under the terms of a double tax agreement or unilateral United Kingdom double tax relief provisions.

Holders of Offer Shares should seek professional advice in a situation where there is potential for a double charge to United Kingdom inheritance tax and an equivalent tax in another country or if they are in any doubt about their United Kingdom inheritance tax position.

1.4 **Stamp Duty and Stamp Duty Reserve Tax ("SDRT")**

The statements in this section are intended as a general guide to the current United Kingdom stamp duty and SDRT position and apply regardless of whether or not a Shareholder is resident, domiciled or deemed domiciled in the United Kingdom. Shareholders should note that certain categories of person are not liable to stamp duty or SDRT and others may be liable at a higher rate or may, although not primarily liable for tax, be required to notify and account for SDRT under the Stamp Duty Reserve Tax Regulations 1986.

Issue

No stamp duty or SDRT will arise on the issue of Ninety One plc Shares in registered form by Ninety One plc. In the case of shares issued to a clearance service or depositary receipt system, this is as a result of case law which has been accepted by HM Revenue & Customs.

No stamp duty or SDRT will arise on the issue of Ninety One Limited Shares.

Ninety One plc Offer Shares Registered on the United Kingdom Principal Share Register: Transfers Outside of Depositary Receipt Systems and Clearance Services

Instruments of transfer of Ninety One plc Shares will generally be subject to stamp duty at the rate of 0.5 per cent. of the amount or value of the consideration given for the transfer (rounded up to the next £5). The purchaser normally pays the stamp duty (although Shareholders should note the comments below in relation to the sale of Ninety One plc Shares by Investec under the Global Offer).

An agreement to transfer Ninety One plc Shares will normally give rise to a charge to SDRT at the rate of 0.5 per cent. of the amount or value of the consideration payable for the transfer. SDRT is, in general, payable by the purchaser (although Shareholders should note the comments below in relation to the sale of Ninety One plc Shares by Investec under the Global Offer).

If a duly stamped transfer completing an agreement to transfer is produced within six years of the date on which the agreement is made (or, if the agreement is conditional, the date on which the agreement becomes unconditional), any SDRT already paid is generally repayable, normally with interest, and any SDRT charge yet to be paid is cancelled.

Ninety One plc Shares Registered on the United Kingdom Principal Share Register: Transfers within CREST

Paperless transfers of Ninety One plc Shares within the CREST system are generally liable to SDRT, rather than stamp duty, at the rate of 0.5 per cent. of the amount or value of the consideration payable. CREST is obliged to collect SDRT on relevant transactions settled within the CREST system. Deposits of shares into CREST will not generally be subject to SDRT or stamp duty, unless the transfer into CREST is itself for consideration.

Ninety One plc Shares Registered on the United Kingdom Principal Share Register: Transfers to and within Depositary Receipt Systems and Clearance Services other than Strate

Subject to the comments in the following paragraphs, where Ninety One plc Shares are transferred: (a) to, or to a nominee or an agent for, a person whose business is or includes the provision of clearance services; or (b) to, or to a nominee or an agent for, a person whose business is or includes issuing depositary receipts, stamp duty or SDRT may be payable at the higher rate of 1.5 per cent. of the amount or value of the consideration given or, in certain circumstances, the value of the shares.

Except in relation to clearance services that have made an election under section 97A(1) of the Finance Act 1986 (to which the special rules outlined below apply), no stamp duty or SDRT is payable in respect of paperless transfers within clearance services or depositary receipt systems.

There is an exception from the 1.5 per cent. charge on the transfer to, or to a nominee or agent for, a clearance service where the clearance service has made and maintains an election under section 97A(1) of the Finance Act 1986, which has been approved by HM Revenue & Customs. In these circumstances, stamp duty or SDRT at the rate of 0.5 per cent. of the amount or value of the consideration payable for the transfer and SDRT at 0.5 per cent. of the amount or value of the consideration given will be payable on subsequent agreements to transfer such shares within such account.

Any liability for stamp duty or SDRT in respect of a transfer into a clearance service or depositary receipt system, or in respect of a transfer within such a service, which does arise will strictly be a liability of the clearance service or depositary receipt system operator, as the case may be, but will, in practice, be payable by the participants in the clearance service or depositary receipt system.

Transfers of Ninety One plc Offer Shares registered on the South African branch share register

Pursuant to a specific exemption for shares registered on an overseas branch register, United Kingdom stamp duty will not be payable on the transfer of Ninety One plc Shares which are registered on the South African branch share register, provided that no instrument of transfer is executed in the United Kingdom in respect of the transfer. A consequence of this stamp duty exemption is that SDRT at the rate of 0.5 per cent. should also not be payable on an agreement to transfer Ninety One plc Shares which are registered on the South African branch register. This exemption does not extend to the 1.5 per cent. SDRT charge where such securities are transferred to a depositary receipt system or clearance service, subject to the comments below in relation to the transfer of shares into Strate.

Ninety One plc understands that, as a result of arrangements agreed with between HM Revenue & Customs and Strate:

- issues or transfers into Strate of shares in United Kingdom companies which are listed on the JSE and registered on a South African branch share register will not be subject to United Kingdom stamp duty or SDRT at the higher rate of 1.5 per cent.; and
- transfers of such shares within Strate should not be subject to United Kingdom stamp duty or SDRT.

This confirmation will be relevant to the issue or transfer of Ninety One plc Shares into Strate and transfers of Ninety One plc Shares within Strate.

Transfers of Ninety One plc Shares between the United Kingdom share register and the South African branch share register

Subject to the commentary above in relation to the 1.5 per cent. charge, no United Kingdom stamp duty or SDRT should arise on the transfer of Ninety One plc Shares between the United Kingdom share register and the South African branch share register provided that: (i) there is no change in beneficial ownership of the Ninety One plc Shares; and (ii) in the case of stamp duty only, the transfer is not a conveyance in contemplation of a sale of the Ninety One plc Shares.

Sale of Ninety One plc Shares by Investec under the Global Offer (or pursuant to the Share Purchase Agreements)

The sale of Ninety One plc Shares by Investec under the Global Offer or pursuant to the Share Purchase Agreements may give rise to a liability to stamp duty and/or SDRT as described above. Investec will meet any such liability to stamp duty and/or SDRT of purchasers of Ninety One plc Shares at the normal rate that will arise on such sale under the Global Offer.

Transfers of Ninety One Limited Shares

Transfers of Ninety One Limited Shares will not give rise to any liability to SDRT.

A written instrument of transfer of Ninety One Limited Shares may be subject to stamp duty at a rate of 0.5 per cent. where the transfer takes place by way of a sale. No stamp duty is payable in relation to a transfer otherwise than on sale. Stamp duty cannot be assessed by HMRC, and there is no requirement for an instrument to be stamped. However, an unstamped instrument cannot be used as evidence in United Kingdom court proceedings unless it: (a) was not executed in the United Kingdom; (b) does not relate to assets situated in the United Kingdom; and (c) does not relate to anything done or to be done in the United Kingdom.

2. South Africa

The following is a summary of the material South African income tax consequences, in relation to the acquisition, ownership and disposal of Shares, for:

(i) a Ninety One Limited Shareholder that is a South African resident for tax purposes, or a company which is not a South African resident for tax purposes with a permanent establishment in South Africa that holds Ninety One Limited Shares as capital assets, not as trading stock ("**SA Ninety One Limited Shareholder**");

(ii) a Ninety One Limited Shareholder that is not a South African resident for tax purposes that holds Ninety One Limited Shares as capital assets, not as trading stock ("**Non-SA Ninety One Limited Shareholder**"); and

(iii) a Ninety One plc Shareholder that is a South African resident for tax purposes, or a company which is not a South African resident for tax purposes with a permanent establishment in South Africa that holds Ninety One plc Shares as capital assets, not as trading stock ("**SA Ninety One plc Shareholder**").

The discussion does not address all possible tax consequences relating to an investment in the Ninety One Limited Shares or the Ninety One plc Shares. These paragraphs are based on South African income tax law and practice in force as at the date of this document, which are subject to change occasioned by future legislative amendments and court decisions, including changes that could have a retrospective effect. The summary is intended only as a general guide and is not intended to be, nor should it be considered to be, legal or tax advice to any particular shareholder. Accordingly, investors should satisfy themselves as to the overall tax consequences in their own particular circumstances by consulting their own tax advisers.

2.1 Income tax

2.1.1 SA Ninety One Limited Shareholders

Normal tax

Dividends declared by a South African resident company (such as Ninety One Limited) to a resident company are generally exempt from income tax in terms of section 10(1)(k)(i) of the South African Income Tax Act No. 58 of 1962 (the "**Income Tax Act**").

Dividends tax

Dividends paid to South African tax resident shareholders will be subject to dividends tax in South Africa at a rate of 20 per cent. subject to certain exemptions. For example, any dividend is exempt from dividends tax to the extent that the beneficial owner is:

- a company which is a resident (section 64F(1)(a) of the Income Tax Act); or
- a fund contemplated in section 10(1)(d)(i) or (ii) (such as a pension fund or a benefit fund) (section 64F(1)(f) of the Income Tax Act),

provided that the shareholder has furnished the requisite declaration to the company declaring the dividend (i.e. Ninety One Limited), before the dividend is paid or becomes due and payable.

Taxation of capital gains

On a disposal of Ninety One Limited Shares, a capital gain or loss will arise, equal to the difference between the disposal proceeds and the base cost of the shares. Such capital gain or loss will be aggregated with all other capital gains or losses derived by the shareholder in the same tax year and in the case of a natural person, will be reduced by the natural person's annual exclusion of R40,000 (R300,000 in the year of death). Please note that the annual exclusion rates may be subject to change.

For natural persons, special trusts and individual policyholder funds the inclusion rate is 40 per cent. of the capital gain resulting in a maximum effective tax rate of 18 per cent. For companies, ordinary trusts and other taxable insurance portfolios the inclusion rate is 80 per cent. of the capital gain resulting in an effective tax rate of 36 per cent. for ordinary trusts and 22.4 per cent. for companies.

Any assessed capital loss will be carried forward for set off against future capital gains. Shareholders are advised to consult their tax advisers if they are in any doubt as to their tax position.

Persons who are not South African tax residents are only subject to capital gains tax in South Africa on the disposal of, *inter alia*, any assets effectively connected with a permanent establishment of that person.

2.1.2 **Non-SA Ninety One Limited Shareholders**

Normal tax

Dividends declared by a South African resident company (Ninety One Limited) to a company which is not a resident in South Africa are generally exempt from income tax in terms of section 10(1)(k)(i) of the Income Tax Act.

Dividends tax

The distribution of a dividend in relation to the Ninety One Limited Shares will be subject to dividends tax at the rate of 20 per cent., unless it is exempted or partially exempted from dividends tax. In this regard, the dividends tax rate may be reduced in terms of a double tax agreement.

Taxation of capital gains

Persons who are not residents of South Africa are only subject to capital gains tax in South Africa on the disposal of, *inter alia*, any assets effectively connected with a permanent establishment of that person. Thus, Non-SA Ninety One Limited Shareholders without a permanent establishment in South Africa, would not be subject to capital gains tax in South Africa on the disposal of Ninety One Limited Shares.

2.1.3 **SA Ninety One plc Shareholder**

Normal tax

Ninety One plc is a foreign company as defined in section 1 of the Income Tax Act. A foreign dividend means an amount that is paid or payable by a foreign company in respect of a share in that company, where that amount is treated as a dividend or similar payment by that foreign company for the purposes of the laws relating to tax on income on companies of the country in which that foreign company has its place of effective management (which for the purposes of this summary is deemed to be the United Kingdom).

Ninety One plc will be a dual-listed foreign company (that is a company listed on the JSE as well as a recognised foreign exchange i.e. the LSE) for the purposes of the Income Tax Act. In terms of Section 10B(2)(d) of the Income Tax Act, foreign dividends (excluding such dividends that consist of a distribution of an asset *in specie*) from Ninety One plc will typically be exempt from income tax in the hands of tax residents of South Africa.

In terms of section 10B(2)(e), foreign dividends from Ninety One plc that constitute a distribution of an asset *in specie* will be exempt in the hands of South African tax resident companies. Where the shareholder is any person other than a South African tax resident company (for example, an individual or trust), a portion (determined in terms of a formula contained in section 10B(3)) of the market value of the distribution *in specie* would be included in the income of the shareholder.

Shareholders who are not South African residents for tax purposes should not be subject to South African income tax in respect of such foreign dividends on the basis that these dividends arise from a source outside South Africa.

Dividends Tax

For purposes of determining a shareholder's liability for Dividends Tax, the definition of a dividend in section 64D of the Income Tax Act, includes a foreign dividend declared by a foreign company listed on the JSE, provided that the foreign dividend does not constitute the distribution of an asset *in specie*. Thus a foreign dividend declared by a company listed on the JSE, will not attract Dividends Tax if it constitutes the distribution of an asset *in specie*.

In terms of section 64D of the Income Tax Act, a cash foreign dividend declared by Ninety One plc will fall within the definition of a dividend for Dividends Tax purposes. Such foreign dividends will attract Dividends Tax calculated at the rate of 20 per cent. of the amount of any foreign dividends paid or becoming due and payable. In terms of section 64F of the Income Tax Act certain foreign dividends are exempt from Dividends Tax. These include foreign dividends declared to South African resident companies, provided that the shareholder in question has made the necessary declaration and undertaking prior to the dividend having been paid or becoming due and payable.

Taxation of capital gains

Similarly as in relation to SA resident Ninety One Limited Shareholders, on a disposal of Ninety One plc Shares, a capital gain or loss will arise, equal to the difference between the disposal proceeds and the base cost of the shares. Such capital gain or loss will be aggregated with all other capital gains or losses derived by the shareholder in the same tax year and will be reduced by the natural person's annual exclusion of R40,000 (R300,000 in the year of death). For natural persons, special trusts and individual policyholder funds the inclusion rate is 40 per cent. of the capital gain resulting in a maximum effective tax rate of 18 per cent. For companies, ordinary trusts and other taxable insurance portfolios the inclusion rate is 80 per cent. of the capital gain resulting in an effective tax rate of 36 per cent. for ordinary trusts and 22.4 per cent. for companies. Any assessed capital loss will be carried forward for set off against future capital gains. Shareholders are advised to consult their tax advisers if they are in any doubt as to their tax position.

2.2 **Securities Transfer Tax ("STT")**

2.2.1 **Ninety One Limited Shareholders whether tax resident in South Africa or not)**

Issue of shares

No STT will arise on the issue of Ninety One Limited Shares by that company.

Transfer of shares

Any subsequent transfer of such shares by the Shareholders of Ninety One Limited will qualify as a "transfer" as defined in section 1 of the STT Act (No. 25 of 2007), and will be subject to STT at a rate of 0.25 per cent. of the amount of the consideration for that security declared by the person who acquires that security or if no amount of consideration is declared, or if the amount so declared is less than the lowest price of that security, the closing price of the Ninety One Limited Share. In terms of the STT Act, the liability to pay STT in relation to the transfer of a share listed on the JSE, rests with:

(a) a member (defined as an "authorised user" in section 1 of the Financial Markets Act) if the listed security is purchased through the agency of, or from such member;

(b) the participant (defined as a person authorised by the central securities depository to hold in custody and administer the listed security), where the listed security is purchased from the participant and the STT has not been settled by a member referred to under paragraph (a) above; or

(c) the purchaser (if no STT was payable under paragraph (a) or (b) above).

The STT Act contains a number of specific exemptions from STT.

2.2.2 **Ninety One plc Shares Registered on the South African Branch Share Register**

Issue of shares

No STT will arise on the issue of Ninety One plc Shares by that company.

Transfer of shares

STT arises on the transfer of a share in a company which is not a South African resident for tax purposes, which is listed on the JSE (including any reallocation of securities from a member's bank restricted stock account or a member's unrestricted and security stock account to a member's general restricted stock account).

Thus, a transfer of Ninety One plc Shares will typically give rise to STT at the rate of 0.25 per cent. of the "taxable amount" generally being the consideration payable for the Shares. STT only arises to the extent that a transfer results in a change in beneficial ownership.

The person liable to pay STT in relation to the transfer of a share listed on the JSE is the same as set out above in relation to the transfer of Ninety One Limited Shares and is thus not repeated here.

Finally, as indicated above, the STT Act contains a number of specific exemptions from STT.

2.3 **Donations Tax**

Donations tax is payable on the value of any property disposed of under any donation made by any South African tax resident. A donation means any gratuitous disposal of property, including any gratuitous waiver or renunciation of a right, and is deemed to include the disposal of an asset to the extent that the consideration is inadequate. Exemptions from donations tax include donations between spouses, donations made in contemplation of death and an annual exemption of R100,000 for individuals.

Donations tax is payable at a rate of 20 per cent. on the value of aggregate donations not exceeding R30 million and 25 per cent. of the aggregate donations exceeding R30 million.

2.4 **Estate Duty**

Inheritance tax in South Africa is referred to as estate duty. Estate duty will be levied on the worldwide assets of any person who is *ordinarily resident* in South Africa at the date of his or her death. Estate duty will also be levied on any person who is not ordinarily resident in South Africa at the date of his or her death in respect of any assets situated in South Africa or rights which are enforceable in South Africa.

Various allowable deductions are permitted to determine the net value of the estate, including the value of all property that accrues to a surviving spouse of the deceased. After deducting a primary abatement of R3.5 million, estate duty is levied at a rate of 20 per cent. on the first R30 million of the dutiable amount of an estate and 25 per cent. on the amount exceeding R30 million. Any foreign death duties proved to have been paid in respect of property situated outside South Africa and included in the estate of any person who at the date of death was ordinarily resident in South Africa may be deducted from the estate duty payable.

The Ninety One Limited Shares and/or Ninety One plc Shares which are registered on the South African branch share register in South Africa will be included in the estate of any person who is ordinarily resident in South Africa at the date of death, and in the South African estate of any person who is not ordinarily resident in South Africa at the date of death, on the basis that any transfer of ownership in such Shares is required to be registered in South Africa.

Estate duty is subject to the provisions of any applicable double taxation agreement in relation to estate duty, and South Africa has entered into such agreements with, *inter alia*, the United Kingdom.

3. United States

3.1 Certain US Federal Income Tax Considerations

The following is a summary of certain US federal income tax consequences relevant to the ownership and disposition of the Shares by a US Holder (as defined below) that holds the Shares as capital assets. The discussion does not cover all aspects of US federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the ownership or disposition of the Shares by particular US Holders (including consequences under the alternative minimum tax or net investment income tax), and does not address state, local, non-US or other tax laws. This summary also does not address tax considerations applicable to US Holders that own (directly, indirectly or by attribution) five per cent. or more of the stock (by vote or value) of Ninety One Limited or Ninety One plc, nor does this summary discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under US federal income tax laws (such as financial institutions, insurance companies, entities and arrangements treated as partnerships for US federal income tax purposes or holders of interests in such entities, individual retirement accounts and other tax-deferred accounts, tax-exempt organisations, dealers in securities or currencies, investors that will hold the Shares as part of straddles, hedging transactions or conversion transactions for US federal income tax purposes, persons that have ceased to be US citizens or lawful permanent residents of the United States, investors holding the Shares in connection with a trade or business conducted outside the United States, or investors whose functional currency is not the US dollar).

As used herein, the term "**US Holder**" means a beneficial owner of Shares that is, for US federal income tax purposes: (i) an individual citizen or resident of the United States; (ii) a corporation created or organised in or under the laws of the United States, any State thereof or the District of Columbia; (iii) an estate the income of which is subject to US federal income tax without regard to its source; or (iv) a trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more US persons have the authority to control all substantial decisions of the trust, or the trust has validly elected to be treated as a domestic trust for US federal income tax purposes.

The US federal income tax treatment of a partner in an entity or arrangement treated as a partnership for US federal income tax purposes that holds the Shares will depend on the status of the partner and the activities of the partnership. US Holders that are entities or arrangements treated as partnerships for US federal income tax purposes should consult their tax advisers concerning the US federal income tax consequences to them and their partners of the ownership and disposition of the Shares by the partnership.

It is expected that the Companies will be passive foreign investment companies ("**PFICs**") for US federal income tax purposes for their current taxable year and are likely to continue to be so classified in future years. The Companies' status as PFICs may subject US Holders of Shares to adverse US federal income tax consequences. See paragraph 3.2.

This summary is based on the tax laws of the United States, including the Internal Revenue Code of 1986, as amended (the "**Code**"), its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, as well as on the income tax treaty between the United States and South Africa (the "**Treaty**"), all as of the date hereof and all of which are subject to change at any time, possibly with retroactive effect.

THE SUMMARY OF US FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL SHAREHOLDERS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF OWNING AND DISPOSING OF THE SHARES, INCLUDING THE APPLICABILITY AND EFFECT OF STATE, LOCAL, NON-US AND OTHER TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

3.2 **Passive Foreign Investment Company Considerations**

A non-US corporation will be a PFIC in any taxable year in which, after taking into account the income and assets of the corporation and certain subsidiaries pursuant to applicable "look-through rules", either: (i) at least 75 per cent. of its gross income is "passive income"; or (ii) at least 50 per cent. of the average value of its assets is attributable to assets which produce passive income or are held for the production of passive income. For this purpose, "passive income" generally includes interest, dividends, royalties, rents and gains from commodities and securities transactions. Additionally, while it is unclear how the PFIC rules apply to a dual-listed company structure such as the Companies, recently issued proposed regulations provide that stapled entities, such as the Companies, are treated as a single entity that holds all of the assets of the stapled entities, conducts all of the activities of the stapled entities, and derives all of the income of the stapled entities.

The Companies, through their subsidiary IAL, own a significant amount of financial assets in connection with IAL's linked insurance business. Such assets would be passive assets unless they are treated as held in connection with an active conduct of an insurance business by a qualified insurance corporation, or another exception applies. It is unlikely that IAL would be treated as engaging in the active conduct of an insurance business as a qualified insurance corporation. In addition, it is unlikely that any other exception would apply. Accordingly, the Companies expect to be classified as PFICs for US federal income tax purposes for their current taxable year and are likely to be so classified in future taxable years. In general, if the Companies are classified as PFICs in any year during which the US Holders hold Shares, the Companies will generally continue to be treated as PFICs in all succeeding years, regardless of whether the Companies continue to meet the income and asset tests discussed above.

If the Companies are PFICs in any year during which a US Holder owns Shares, and the US Holder has not made a mark-to-market or qualified electing fund election (each as described below), the US Holder generally will be subject to special rules (regardless of whether the relevant company continues to be a PFIC) with respect to: (i) any "excess distribution" (generally, any distributions received by the US Holder on the Shares in a taxable year that are greater than 125 per cent. of the average annual distributions received by the US Holder in the three preceding taxable years or, if shorter, the US Holder's holding period for the Shares); and (ii) any gain realised on the sale or other disposition of Shares. Under these rules: (a) the excess distribution or gain will be allocated rateably over the US Holder's holding period; (b) the amount allocated to the current taxable year and any taxable year prior to the first taxable year in which the Companies are PFICs will be taxed as ordinary income; and (c) the amount allocated to each of the other taxable years will be subject to tax at the highest rate of tax in effect for the applicable class of taxpayer for that year and an interest charge for the deemed deferral benefit will be imposed with respect to the resulting tax attributable to each such other taxable year. If the Companies are PFICs, a US Holder of Shares generally will be subject to similar rules with respect to distributions to the Companies by, and dispositions by the Companies of the stock of, any direct or indirect subsidiaries of the Companies that are also PFICs.

US Holders can avoid the interest charge discussed above by making a mark-to-market election with respect to the Shares, provided that the Shares are "marketable". Shares will be marketable if they are regularly traded on certain US stock exchanges, or on a non-US stock exchange if: (i) the non-US exchange is regulated or supervised by a governmental authority of the country in which the exchange is located; (ii) the non-US exchange has trading volume, listing, financial disclosure, surveillance and other requirements designed to prevent fraudulent and manipulative acts and practices, remove impediments to, and perfect the mechanism of, a free and open, fair and orderly, market, and to protect investors; (iii) the laws of the country in which the exchange is located and the rules of the exchange ensure that these requirements are actually enforced; and (iv) the rules of the exchange ensure active trading of listed stocks. For these purposes, the Shares will be considered regularly traded during any calendar year during which they are traded, other than in *de minimis* quantities, on at least 15 days during each calendar quarter. Any trades that have as their principal purpose meeting this requirement will be disregarded. The mark-to-market election generally will not be available with respect to any direct or indirect subsidiaries of the Companies that are

PFICs. US Holders should consult their tax advisers concerning the availability and consequences of making a mark-to-market election with respect to the Shares.

A US Holder that makes a mark-to-market election must include in ordinary income for each year an amount equal to the excess, if any, of the fair market value of the Shares at the close of the taxable year over the US Holder's adjusted basis in the Shares. An electing holder may also claim an ordinary loss deduction for the excess, if any, of the US Holder's adjusted basis in the Shares over the fair market value of the Shares at the close of the taxable year, but this deduction is allowable only to the extent of any net mark-to-market gains for prior years. Gains from an actual sale or other disposition of the Shares will be treated as ordinary income, and any losses incurred on a sale or other disposition of the Shares will be treated as an ordinary loss to the extent of any net mark-to-market gains for prior years. Once made, the election cannot be revoked without the consent of the US Internal Revenue Service ("**IRS**") unless the Shares cease to be marketable. If the Companies are PFICs for any year in which the US Holder owns the Shares but before a mark-to-market election is made, the interest charge rules described above will apply to any mark-to-market gain recognised in the year the election is made.

In some cases, a shareholder of a PFIC can avoid the interest charge and the other adverse PFIC consequences described above by making a "qualified electing fund" ("**QEF**") election to be taxed currently on its share of the PFIC's undistributed income. The Companies do not, however, expect to provide to US Holders the information regarding this income that would be necessary in order for a US Holder to make a QEF election with respect to its Shares.

A US Holder who owns, or who is treated as owning, Shares during any taxable year in which the Companies are classified as PFICs may be required to file IRS Form 8621. US Holders are urged to consult their tax advisers regarding the requirement to file IRS Form 8621 and the potential application of the PFIC regime.

Dividends

General

Subject to the PFIC rules discussed above, distributions paid by the Companies out of current or accumulated earnings and profits (as determined for US federal income tax purposes) generally will be taxable to a US Holder as dividend income and will not be eligible for the dividends received deduction allowed to corporations. Distributions in excess of current and accumulated earnings and profits will be treated as a non-taxable return of capital to the extent of the US Holder's basis in the Shares and thereafter as capital gain. However, the Companies do not maintain calculations of their earnings and profits in accordance with US federal income tax accounting principles. US Holders should therefore assume that any distribution by the Companies with respect to the Shares will be reported as ordinary dividend income. US Holders should consult their own tax advisers with respect to the appropriate US federal income tax treatment of any distribution received from the Companies.

Effect of South African Withholding Taxes

As discussed in paragraph 2 of this Part XVI, payments of dividends by Ninety One Limited to foreign investors may be subject to South African dividends tax. The Treaty generally reduces the rate of withholding tax applicable to US Holders that are eligible for the benefits under the Treaty to 15 per cent. For US federal income tax purposes, US Holders will be treated as having received the amount of South African taxes withheld by Ninety One Limited, and as then having paid over the withheld taxes to the South African taxing authorities. As a result, the amount of dividend income included in gross income for US federal income tax purposes by a US Holder with respect to a payment of dividends may be greater than the amount of cash actually received (or receivable) by the US Holder from Ninety One Limited with respect to the payment.

A US Holder will generally be entitled, subject to certain limitations, to a foreign tax credit against its US federal income tax liability, or a deduction in computing its US federal taxable income, for South African dividends tax withheld by Ninety One Limited. A US Holder will not be able to claim foreign tax credit for any amount of South African tax withheld in excess of the rate such US Holder is entitled to under the Treaty. Dividends generally will constitute "passive category income" for the purposes of the foreign tax credit. The rules governing foreign tax credits are complex. US Holders should consult their tax advisers concerning the foreign tax credit implications of the payment of South African withholding taxes.

Dividends paid in non-US currency

Dividends paid in a currency other than US dollars will be included in income in a US dollar equivalent amount calculated by reference to the exchange rate in effect on the day the dividends are received by the US Holder, regardless of whether the non-US currency is converted into US dollars at that time. If dividends received in non-US currency are converted into US dollars on the day they are received, the US Holder generally will not be required to recognise foreign currency gain or loss in respect of the dividend income.

3.3 Sale or Other Disposition

Subject to the PFIC rules discussed above, upon a sale or other disposition of the Shares, a US Holder generally will recognise capital gain or loss for US federal income tax purposes equal to the difference, if any, between the amount realised on the sale or other disposition and the US Holder's adjusted tax basis in the Shares, in each case, as determined in US dollars. This capital gain or loss will be long-term capital gain or loss if the US Holder's holding period in the Shares exceeds one year.

Any gain or loss generally will be US source. US Holders should consult their own tax advisers about how to account for amounts received on the sale or other taxable disposition of the Shares that are not paid in US dollars.

3.4 Backup Withholding and Information Reporting

Payments of dividends and other proceeds with respect to the Shares by a US paying agent or other US intermediary will be reported to the IRS and to the US Holder as may be required under applicable regulations. Backup withholding may apply to these payments if the US Holder fails to provide an accurate taxpayer identification number or certification of exempt status or fails to comply with applicable certification requirements. Certain US Holders are not subject to backup withholding.

Backup withholding is not an additional tax and may be credited against a US Holder's regular US federal income tax liability, provided that the required information is timely furnished to the IRS.

US Holders should consult their tax advisers about these rules and any other reporting obligations that may apply to the ownership or disposition of the Shares, including requirements related to the holding of certain "specified foreign financial assets".

DETAILS OF THE GLOBAL OFFER

1. Summary of the Global Offer

The Global Offer comprises an offer of Offer Shares to be sold by Investec plc and/or Investec Investments and will be made by way of an offer of the Offer Shares to certain institutional and professional investors in the United Kingdom, South Africa and elsewhere outside the United States in reliance on Regulation S of the US Securities Act.

The Offer Size Range will be up to 51,853,198 Ninety One plc Shares and up to 44,365,424 Ninety One Limited Shares. The final number of Offer Shares to be sold in the Global Offer will be set out in the Pricing Statement, which is expected to be published on 16 March 2020. The actual number of Offer Shares to be sold by Investec plc and/or Investec Investments will depend on, among other things, the Offer Price and the level of demand for Offer Shares from investors and will be determined once the Offer Price is confirmed.

The final number of Offer Shares to be sold pursuant to the Global Offer will be determined following publication of this document, and published in the Pricing Statement prior to Admission.

Investec and the Joint Bookrunners are not bound to proceed with the Global Offer. Completion of the Global Offer will be subject, *inter alia*, to the determination of the Offer Price and the Offer Size and each of Investec's and the Global Coordinator's decisions to proceed with the Global Offer. The Global Offer is also subject to satisfaction of conditions which are customary for transactions of this type as set out in the Underwriting Agreement, including, among others, Admission occurring and becoming effective by no later than 8:00 a.m. (London time) to the LSE and 7:00 a.m. (London time) to the JSE on 16 March 2020 or such later time and/or date as the Companies, Investec plc, Investec Investments, the JSE Sponsor and the Global Coordinator may agree, and the Underwriting Agreement not having been terminated in accordance with its terms. The Global Offer cannot be terminated once unconditional dealings in the Shares have commenced. Further details of the Underwriting Agreement are set out in paragraph 21.1.5 of Part XVIII: "*Additional Information – Underwriting Agreement*".

The distribution of this document and the Global Offer and sale of the Offer Shares are subject to the restrictions set out in paragraph 12 in this Part XVII: "*Details of the Global Offer – Selling and transfer restrictions*".

When admitted to trading on the LSE, the Ninety One plc Shares will be registered with ISIN number GB00BJHPLV88 and SEDOL number BJHPLV8 and it is expected that the Ninety One plc Shares will be traded under the ticker symbol "N91".

The JSE has granted a primary listing of the Ninety One Limited Shares in the "Financial Services – Asset Managers (8771)" sector of the JSE List under the abbreviated name Ninety 1L, Alpha code NY1 and ISIN ZAE000282356, and granted a secondary inward listing of the Ninety One plc Shares in the "Financial Services – Asset Managers (8771)" sector of the JSE List under the abbreviated name Ninety 1P, Alpha code N91 and ISIN ZAE000282349, in each case, subject to the fulfilment of certain conditions. These conditions include Ninety One Limited having satisfied the requirements of the JSE Listings Requirements regarding the spread of its shareholders, including that: (i) there is sufficient liquidity in respect of Ninety One plc Shares held on the South African branch register; and (ii) not less than 20 per cent. of the issued ordinary share capital of Ninety One Limited is held by the public, in each case, at the point of listing on the JSE. The rights attaching to the Ninety One plc Shares, upon Admission, will be uniform in all respects and they will form a single class for all purposes, including with respect to voting and for all dividends and other distributions thereafter declared, made or paid on the ordinary share capital of Ninety One plc. The rights attaching to the Ninety One Limited Shares, upon Admission, will be uniform in all respects and they will form a single class for all purposes, including with respect to voting and for all dividends and other distributions thereafter declared, made or paid on the ordinary share capital of Ninety One Limited. The Offer Shares will, immediately on and from Admission, be freely transferable, subject to the Ninety One plc Articles and Ninety One Limited MoI. Save as described in this Part XVII, there are no other terms and conditions of the Global Offer. There are no convertibility or redemption provisions relating to the Offer Shares. Investec, after consultation with the Global Coordinator and the Companies, reserves the right to determine the aggregate number of Offer Shares sold under the Global Offer.

Investec plc is a public limited company, incorporated in England and Wales. Its registered office is at 30 Gresham Street, London EC2V 7QP, United Kingdom. Investec plc's telephone number is +44 20 7597 4000 and its LEI is 2138007Z3U5GWDN3MY22. Investec Investments is a private company, incorporated in the Republic of South Africa. Its registered office is at 100 Grayston Drive, Sandown, Sandton, 2196, Republic of South Africa. Investec Investments' telephone number is + 27 (0)11 286 7000. Investec Investments does not have a LEI.

2. **Reasons for the Global Offer and use of proceeds**

The Directors believe that the Global Offer, which is expected to be carried out on the same day as Admission, will support the development of an active and liquid market in the Shares on the LSE and the JSE and broaden the investor base of the Companies by allowing new investors to participate in the listing of the Companies, as well as generating proceeds for Investec.

Assuming that the Offer Price is set at the mid-point of the Price Range, that the number of Offer Shares sold is set at the mid-point of the Offer Size Range and an exchange ratio of R1.00 being equal to £0.050, Investec would raise approximately £203,841,943, before taking into account expenses associated with the Global Offer. Assuming that the Offer Price is set at the mid-point of the Price Range, that the number of Offer Shares sold is set at the mid-point of the Offer Size Range and an exchange ratio of R1.00 being equal to £0.050, the aggregate underwriting commissions and amounts in respect of stamp duty or SDRT payable by Investec in connection with the Global Offer would be approximately £37,105,258. The net proceeds of the Global Offer will be retained by Investec, strengthening the overall capital position of Bank and Wealth, supporting its growth plans and funding tax liabilities and costs arising as a result of the Demerger and Global Offer.

The Companies will not receive any proceeds from the Global Offer. No expenses will be directly charged to the purchasers of Offer Shares by the Companies.

Investec plc and Investec Investments may, in their sole discretion, increase or decrease the Global Offer to sell an amount above or below 10.4 per cent. of the total issued share capital of the Companies or may elect to proceed with the Demerger but without undertaking the Global Offer or may proceed with the Demerger but only partially undertake the Global Offer, including only undertaking the Ninety One plc or Ninety One Limited portion of the Global Offer. If Investec chooses not to proceed with the Global Offer or chooses to proceed with a partial Global Offer, after implementation of the Demerger and Admission, Investec plc will retain up to approximately 15.8 per cent. of the total issued share capital of Ninety One plc, representing up to approximately 10.7 per cent. of the combined total issued share capital of the Companies, and Investec Limited (through Investec Investments) will retain up to approximately 13.3 per cent. of the total issued share capital of Ninety One Limited, representing up to approximately 4.3 per cent. of the combined total issued share capital of the Companies, with Investec's aggregate holding in the Companies being up to approximately 15.0 per cent. Each of Investec plc and Investec Investments may seek to sell those retained Shares after the Demerger, having regard to market conditions and subject to the customary lock-up provision in the Underwriting Agreement, which imposes a six-month period following Admission during which Investec plc and Investec Investments each consent not to sell or otherwise dispose of its Shares (subject to certain limited exceptions, including that if the Global Offer does not proceed or there is a partial Global Offer, no lock-up shall apply to such number of Shares that would have otherwise been sold by Investec plc and/or Investec Investments if the Global Offer had been undertaken in full).

3. **Book-building, Offer Size, Offer Price and allocation**

This section should be read in conjunction with Part V: "*Expected Timetable of Principal Events*".

The Global Offer comprises an offer of up to 51,853,198 Ninety One plc Shares and up to 44,365,424 Ninety One Limited Shares which may be offered for sale by Investec plc and Investec Investments, respectively. It is currently expected that the Offer Size will be set within the Offer Size Range. However, the number of Shares to be sold may fall outside the Offer Size Range. The actual number of Shares to be sold by Investec plc and/or Investec Investments in the Global Offer will only be determined at the time the Offer Price is determined and could be higher than that range.

All Shares sold pursuant to the Global Offer will be sold at the Offer Price. It is currently expected that the Offer Price will be in the price range of 190 pence to 235 pence per Ninety One Share but the Offer Price may be set within, above or below that Price Range. A number of factors will be considered in determining the Offer Price, the Offer Size and the basis of allocation, including the level and nature of demand for the Offer Shares during the book-building process, the prevailing market conditions and the objective of establishing an orderly and liquid after-market in the Shares. Accordingly, the Offer Price will not necessarily

be the highest price at which all of the Offer Shares could be sold in the Global Offer. The Offer Price will be determined by Investec after consultation with the Global Coordinator and the Companies.

As part of, or at the same time as, the Global Offer, Investec plc and/or Investec Investments may also sell a number of Shares to the EBT. These Shares will be sold by Investec plc and/or Investec Investments at the Offer Price and will result in a proportionate reduction in the number of Shares available to other investors as part of the Global Offer. The EBT may also acquire Shares directly from the Investec EBT, which will receive Shares pursuant to the Demerger that it does not require. The Shares acquired by the EBT will be used by the EBT in due course to satisfy options and awards to be granted under the Ninety One Share Plans, including the awards of free shares to be granted to the Companies' employees upon Admission. The precise number of Shares to be sold to the EBT will be determined in due course and will be based on the number of Shares required by it to satisfy options and awards.

In the event that demand for the Offer Shares exceeds the number of Offer Shares made available in the Global Offer, allocations may be scaled down in any manner determined by Investec, after consultation with the Global Coordinator and the Companies, and prospective investors may be allocated Offer Shares having an aggregate value which is less than the sum applied for. The final determination as to allocation of such Offer Shares will be made by Investec after consultation with the Global Coordinator and the Companies (and there is no obligation to allocate such Offer Shares proportionately).

The Offer Price and the Offer Size will be determined by Investec, after consultation with the Global Coordinator and the Companies. The Offer Price and the Offer Size are expected to be announced on 16 March 2020. The Pricing Statement, which will contain the Offer Price and the Offer Size, will be published in printed form and available free of charge at the registered office of each Company until 14 days after Admission. In addition, the Pricing Statement will be published in electronic form and available (subject to certain restrictions) at www.investec.com/demerger and www.investecassetmanagement.com/disclosure (and with a link also available via www.ninetyone.com). Investec, in consultation with the Global Coordinator and the Companies, reserves the right to decrease the aggregate number of Offer Shares sold under the Global Offer.

If: (i) the Ninety One plc Offer Price is set above the Price Range or the Price Range is revised higher; and/or (ii) the number of Ninety One plc Offer Shares to be sold by Investec plc is set above the Ninety One plc Offer Size Range or the Ninety One plc Offer Size Range is revised higher, then the Companies will make an announcement via a Regulatory Information Service and prospective investors would have a statutory right to withdraw their application for Shares pursuant to Article 17 of the Prospectus Regulation. In such circumstances, the Pricing Statement would not be published until the period for exercising such withdrawal rights has ended and the expected day of publication of the Pricing Statement would be extended. The arrangements for withdrawing offers to purchase Ninety One plc Offer Shares would be made clear in the announcement. Full details of the statutory right to withdraw an offer to purchase Shares pursuant to Article 17 of the Prospectus Regulation are set out in paragraph 11 of this Part XVIII. The withdrawal rights available to a prospective investor who has applied to purchase Ninety One Limited Offer Shares in the Global Offer will be as described in the relevant contract for purchase entered into by the prospective investor in respect of the Ninety One Limited Offer Shares.

All Offer Shares will be sold at the Offer Price, payable in full. No commissions, fees, expenses or taxes will be charged to investors by the Companies or Investec under the Global Offer. Liability for United Kingdom stamp duty and SDRT is described in paragraph 1.4 of Part XVI: "*Taxation – Stamp Duty and Stamp Duty Reserve Tax ("SDRT")*". The Joint Bookrunners will solicit from prospective investors indications of interest to acquire Offer Shares. The latest date for indications of interest in acquiring Offer Shares is set out in Part V: "*Expected Timetable of Principal Events*" but that time may be extended at the discretion of the Global Coordinator (with the agreement of Investec and the Companies). Prospective investors will be required to specify the number of Offer Shares which they would be prepared to acquire at the Offer Price. Subject to Investec, in consultation with the Global Coordinator and the Companies, determining allocations, there is no minimum or maximum number of Offer Shares which can be applied for and multiple applications may be accepted. Participants in the Global Offer will be notified of the number of Offer Shares that they have been allocated as soon as practicable following pricing and allocation. Each prospective investor in the Global Offer will be contractually committed to acquire the number of Offer Shares allocated to it at the Offer Price and, to the fullest extent permitted by law, will be deemed to have agreed that it will not be entitled to exercise any rights to rescind or terminate or, subject to any statutory withdrawal rights, otherwise withdraw from, such commitment.

4. **Listing, dealing and settlement arrangements**

The Global Offer is subject to the satisfaction of certain conditions contained in the Underwriting Agreement, which are typical for an agreement of this nature. Certain conditions are related to events which are outside the control of the Companies, the Directors, Investec and the Global Coordinator; see paragraph 9 of this Part XVII.

Application will be made to the FCA for all of the Ninety One plc Shares, issued and to be issued, to be admitted to the premium listing segment of the Official List, and to the LSE for the Ninety One plc Shares to be admitted to trading on its main market for listed securities. The JSE has granted a secondary inward listing of the Ninety One plc Shares on its Main Board and has also granted a primary listing of all of the Ninety One Limited Shares, issued and to be issued, on its Main Board. It is expected that Admission to listing and trading on the LSE and the Main Board of the JSE will become effective and that unconditional dealings in the Shares will commence at 8:00 a.m. (London time) on the LSE and 7:00 a.m. (London time) on the JSE on 16 March 2020. There will be no period of conditional dealings. Settlement of dealings in connection with the Global Offer will be on a three-trading day basis (in respect of both Ninety One plc Shares and Ninety One Limited Shares).

The abovementioned dates and times may be changed without further notice.

Each investor will be required to undertake to pay the Offer Price for the Offer Shares sold to such investor in such manner as shall be directed by the Global Coordinator. It is expected that final pricing and other related information will be made available by the Companies at 8:00 a.m. (London time) on the LSE and 7:00 a.m. (London time) on the JSE on 16 March 2020 and the results of the Global Offer will be made public at www.investec.com/demerger and www.investecassetmanagement.com/disclosure (and with a link also available via www.ninetyone.com) at 5:00 p.m. (London time) on 16 March 2020 by means of a Regulatory Information Service.

It is intended that, where applicable, definitive share certificates in respect of the Offer Shares will be despatched by 20 March 2020. Temporary documents of title will not be issued. Dealings in advance of crediting of the relevant CREST stock account shall be at the risk of the person concerned.

The requirements of the LSE rules provide that Ninety One plc must, upon Admission becoming effective, have a facility for the electronic settlement of the Ninety One plc Shares. The shares of companies incorporated in England (and the shares of companies incorporated in certain other jurisdictions) which are quoted on the LSE are settled through CREST, which is an electronic paperless share transfer and settlement system. The CREST system allows shares and other securities to be held in electronic rather than paper form. Similarly, Offer Shares may only be traded on the JSE in electronic form (as dematerialised shares) and will be trading for electronic settlement in terms of Strate. Strate, like CREST, is an electronic paperless share transfer and settlement system and allows shares and other securities to be held in electronic rather than paper form.

Immediately following Admission, it is expected that in excess of 25 per cent. of Ninety One plc's issued ordinary share capital will be held in public hands (within the meaning of Rule 6.14 of the Listing Rules).

In connection with the Global Offer, each of the Joint Bookrunners and any of their respective affiliates may take up a portion of the Offer Shares in the Global Offer as a principal position and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for its own account in the Offer Shares, any other securities of the Companies or other related investments in connection with the Global Offer or otherwise. Accordingly, references in this document to the Offer Shares being offered, acquired, placed or otherwise dealt in should be read as including any offer, acquisition or placement of the Offer Shares to, or dealing by, the Joint Bookrunners and any of their respective affiliates acting in such capacity. In addition certain of the Joint Bookrunners or their affiliates may enter into financing arrangements (including swaps, warrants or contracts for differences) with investors in connection with which the Joint Bookrunners (or their respective affiliates) and may from time to time acquire, hold or dispose of Shares. Such persons do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

Following Admission, the Companies may apply for listing on the Namibian Stock Exchange and the Botswana Stock Exchange.

5. **Admission and dealings in South Africa**

Applications will be made to the JSE for admission of the Shares to the Main Board of the JSE and it is expected that Admission will become effective and that unconditional dealings in the Shares will commence on the JSE at 7:00 a.m. (London time) on 16 March 2020. The Ninety One plc Shares issued and traded on the JSE will be denominated in pounds sterling and traded in Rand and the Ninety One Limited Shares issued and traded on the JSE will be denominated and traded in Rand. The Ninety One plc Shares will be fully transferable between Ninety One plc's UK share register and South African branch share register.

The Shares to be sold in South Africa will be sold in dematerialised form only. The Shares on the exchange operated by the JSE may only be traded in electronic form as dematerialised shares and will trade for electronic settlement in terms of the Strate System immediately following Admission.

6. **CREST**

CREST is a paperless settlement system in the United Kingdom enabling securities to be evidenced otherwise than by a certificate and to be transferred otherwise than by a written instrument. The Ninety One plc Shares are in registered form. With effect from Admission, the Ninety One plc Articles will permit the holding of Ninety One plc Shares under the CREST system. Ninety One plc has applied for the Shares to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in the Ninety One plc Shares following Admission may take place within the CREST system if any Ninety One plc Shareholder so wishes.

CREST is a voluntary system and holders of Ninety One plc Shares who wish to receive and retain share certificates will be able to do so. An investor applying for Ninety One plc Shares in the Global Offer may, however, elect to receive Shares in uncertificated form if that investor is a system-member (as defined in the CREST Regulations) in relation to CREST.

7. **Strate and trading of Shares on the JSE**

Shares may be traded only on the JSE in electronic and uncertificated form (as dematerialised shares) and will be trading for electronic settlement in terms of Strate immediately following Admission. Strate is a system of "paperless" transfer of securities. If you have any doubt as to the mechanics of Strate, please consult your broker, CSDP or other appropriate adviser and you are referred to the Strate website (www.strate.co.za) for more detailed information.

The contents of the Strate website are not incorporated by reference and do not form part of this document and should not be relied upon for the purposes of forming an investment decision.

The principal features of Strate are:

- electronic records of ownership replace certificates and physical delivery of certificates;
- trades executed on the JSE must be settled within three business days;
- all investors owning dematerialised shares or wishing to trade their securities on the JSE are required to appoint either a broker or a CSDP to act on their behalf and to handle their settlement requirements; and
- unless investors owning dematerialised shares specifically request their CSDP to register them as an "own-name" dematerialised shareholder (which entails a fee), their respective CSDP's or broker's nominee company holding Shares on their behalf will be the holder (member) of the relevant company and not the investor. Subject to the agreement between the investor and the CSDP or broker (or the CSDP's or broker's nominee company), generally in terms of the rules of Strate, the investor is entitled to instruct the CSDP or broker (or the CSDP's or broker's nominee company), as to how it wishes to exercise the rights attaching to the Shares and/or to attend and vote at shareholder meetings.

8. South African exchange control

The SA Exchange Control Regulations impose exchange controls on South African residents. FinSurv is responsible for the day-to-day administration of the SA Exchange Control Regulations. In the exercise of the SA Exchange Control Regulations, FinSurv has a wide discretion subject to a set of norms and to the policy guidelines laid down by the Minister of Finance, Director General National Treasury, and SARB. From time to time, FinSurv issues "rulings" and circulars to provide further guidance regarding the implementation of the SA Exchange Control Regulations. In this document, the Authorised Dealer Manual and circulars issued by FinSurv are collectively referred to as "**Excon Rules**".

Certain South African banks have been appointed to act as authorised dealers (as defined by the Excon Rules) ("**Authorised Dealers**") in foreign currency. Authorised Dealers may, among other things, deal in foreign currency and conclude cross-border transactions, subject to conditions and within limits prescribed by FinSurv.

The Authorised Dealers are also required to assist FinSurv in administering the Excon Rules. All applications for approval to enter into a cross-border transaction are required to be made to FinSurv through an Authorised Dealer. The Authorised Dealer Manual sets out the conditions, permissions and limits applicable to the transaction in foreign currency which may be undertaken by Authorised Dealers, as well as details of related administrative responsibilities.

South Africa's Excon Rules provide for restrictions on exporting capital and assets from the Common Monetary Area. Transactions between residents (and corporations) of the Common Monetary Area, and persons whose normal place of residence, domicile or registration is outside of the Common Monetary Area ("**non-residents**") are subject to these Exchange Control Regulations.

Currency and shares are not freely transferable from South Africa to any jurisdiction outside of the Common Monetary Area. These transfers must comply with the Excon Rules as described below.

FinSurv has approved the primary listing of Ninety One Limited and the secondary inward listing of Ninety One plc on the Main Board of the JSE, and classified the inward listed Ninety One plc Shares as "domestic" for exchange control purposes.

In terms of FinSurv's approval, South African shareholders in the Companies must hold/trade their Shares on the JSE in accordance with the provisions of the Excon Rules.

All dividends and any other distributions declared and paid by the Companies to South African shareholders must be remitted to South Africa in terms of the requirements of regulation 6 of the South African Exchange Control Regulations and any requests to issue Shares and/or securities to South African shareholders in lieu of a cash dividend will be subject to the prior approval of FinSurv. Any: (i) utilisation of Shares and/or securities as acquisition currency in the purchase of Common Monetary Area assets; and (ii) participation by holders of Shares registered as such on the South African register in any future capital raising undertaken by the Companies by means of a new issue, rights offer or similar transaction will be subject to the prior approval of FinSurv.

In line with the approval obtained from FinSurv, the Shares listed on the JSE will only be allotted and issued to the applicants on the listing date of the Shares on the JSE. The subscription for Shares listed on the JSE and the trade in Shares listed on the JSE may only be done in terms of the Excon Rules.

Set out below is a summary of the Excon Rules relating to the subscription for Shares listed on the JSE and the trade in Shares listed on the JSE in South Africa.

This summary of the Excon Rules is intended as a guide only and is therefore not comprehensive. If you are in any doubt, you should consult an appropriate professional adviser immediately.

8.1 South African private individuals

South African resident investors may trade in the Shares listed on the JSE without having recourse to their foreign portfolio allowances. A South African private individual need not take any additional administrative actions and can instruct its broker to accept, buy and sell Shares listed on the JSE on its behalf as it would with any other listed security on the JSE. Such Shares listed on the JSE are on the South African branch share register, are denominated in pounds sterling and traded in Rand.

8.2 **South African institutional investors**

As announced by the Minister of Finance in the 2011 Medium-Term Budget Policy Statement, all inward listed shares on the JSE traded and settled in Rand are now classified as domestic for the purposes of the Excon Rules. Accordingly, South African retirement funds, insurers, collective investment scheme management companies and asset managers who have registered with FinSurv as institutional investors for exchange control purposes and Authorised Dealers may now invest in the Shares without depleting their permissible foreign portfolio investment allowances or foreign exposure limits.

South African institutional investors may therefore subscribe for Shares listed on the JSE or acquire Shares listed on the JSE without affecting their foreign portfolio investment allowances or using up foreign exposure limits.

8.3 **Member brokers of the JSE**

The Excon Rules provide for a special dispensation to local brokers to facilitate the trading in inward listed shares. South African brokers are now allowed, as a book-building exercise, to purchase Shares offshore and to transfer the Shares to the South African branch share register. This special dispensation is confined to inward listed shares and brokers may warehouse such shares for a maximum period of 30 days only.

8.4 **South African corporate entities, banks, trusts and partnerships**

South African corporate entities, banks, trusts and partnerships may subscribe for Shares listed on the JSE or acquire Shares listed on the JSE without restriction.

8.5 **Non-residents of the Common Monetary Area**

Non-residents of the Common Monetary Area may subscribe for Shares listed on the JSE or acquire Shares listed on the JSE, provided that payment is received in foreign currency or Rand from a non-resident account.

All payments in respect of subscriptions for or purchases of Shares listed on the JSE by non-residents must be made through an Authorised Dealer. Such non-residents should seek advice as to whether any governmental and/or other legal consent is required and/or whether any other formality must be observed to enable an application to be made in response to the Global Offer.

Share certificates issued in respect of Shares listed on the JSE purchased by non-residents will be endorsed "non-resident" in accordance with the Excon Rules. Holders of dematerialised Shares will have their statements endorsed "non-resident" and their accounts at their CSDP or broker annotated accordingly. Provided that the relevant share certificate is endorsed "non-resident" or the relevant account of the Shareholder's CSDP or broker is annotated accordingly, there is no restriction under the Excon Rules on the payment to a non-resident Shareholder of cash dividends from the distributable profits of the Group in proportion to the Shareholder's percentage holding of Shares. Payment to non-resident Shareholders of other dividends and distributions (including special dividends, dividends *in specie* and capitalisation issues) require the consent of FinSurv.

Cash dividends and any proceeds from the sale of Shares listed on the JSE by non-resident Shareholders may be freely transferred out of South Africa, subject to being converted into a currency other than Rand or paid for the credit of a non-resident Rand account.

Non-residents may sell Shares listed on the JSE on the market and repatriate the proceeds without restriction.

Former residents of the Common Monetary Area who have emigrated may use emigrant blocked funds to subscribe for Shares listed on the JSE or acquire the Shares listed on the JSE on the market. The Shares listed on the JSE will be credited to their blocked share accounts at the CSDP controlling their blocked portfolios. The sale proceeds derived from the sale of the Shares listed on the JSE will be transferred to the Authorised Dealer controlling the emigrants' blocked assets for credit to the emigrants' blocked account.

8.6 Movement of Ninety One plc Shares between registers

Ninety One plc Shares are fully fungible and may be transferred between registers, subject to investors obtaining the exchange control approvals where necessary.

South African resident investors may only acquire Ninety One plc Shares, via the JSE, that are already on the South African branch share register maintained by Computershare Limited, Ninety One plc's transfer secretaries.

Member brokers of the JSE may acquire Ninety One plc Shares on foreign exchanges and transfer Ninety One plc Shares to the South African branch share register as described in paragraph 8.3 above. Non-residents are not subject to South African Exchange Control Regulations and may freely transfer Ninety One plc Shares between branch registers.

9. Underwriting arrangements

The Companies, the Directors, Investec, Investec Investments, the Global Coordinator and, among others, the remaining Joint Bookrunners have entered into the Underwriting Agreement pursuant to which, on the terms and subject to certain conditions contained therein (which are customary in agreements of this nature), the Joint Bookrunners have severally agreed to use their reasonable endeavours to procure purchasers for the Offer Shares to be sold (if any) by Investec plc and/or Investec Investments, failing which the Joint Bookrunners will purchase such Offer Shares themselves at the Offer Price.

The Underwriting Agreement contains provisions which entitle the Global Coordinator (acting on behalf of the Joint Bookrunners) to terminate the Global Offer (and the arrangements associated with it) at any time prior to Admission in certain circumstances. If this right is exercised, the Global Offer and the arrangements relating to the Global Offer will lapse and any moneys received in respect of the Global Offer will be returned to applicants without interest.

The Global Offer is conditional upon, among other things, Admission occurring not later than 8:00 a.m. (London time) to the LSE and 7:00 a.m. (London time) to the JSE on 16 March 2020 (or such later date and time as the Global Coordinator, Investec plc, Investec Investments, the JSE Sponsor and the Companies may agree) and the Underwriting Agreement becoming unconditional in all respects and not having been terminated in accordance with its terms. Certain conditions contained in the Underwriting Agreement are related to events which are outside the control of the Companies, the Directors, Investec, Investec Investments, the Global Coordinator and the Joint Bookrunners.

The Underwriting Agreement provides for the Joint Bookrunners to be paid a commission in respect of the Offer Shares sold. Any commissions received by the Joint Bookrunners may be retained and any Offer Shares acquired by them may be retained or dealt in, by them, for their own benefit. All Offer Shares sold pursuant to the Global Offer will be sold at the Offer Price.

Further details of the terms of the Underwriting Agreement are set out in paragraph 21.1.5 of Part XVIII: "*Additional Information – Underwriting Agreement*".

10. Lock-up arrangements

10.1 Lock-up in relation to the Companies

Pursuant to the Underwriting Agreement, each Company has agreed that during the period of 180 days from the date of Admission, it will not, without the prior written consent of the Global Coordinator, directly or indirectly: (i) issue, offer, lend, mortgage, assign, charge, pledge, sell, contract to sell or issue, sell any option or contract to purchase, purchase any option or contract to sell or issue, grant any option, right or warrant to purchase, lend or otherwise transfer or dispose of, directly or indirectly, any Shares or any interest in Shares or any securities convertible into or exchangeable for, or substantially similar to, Shares or any interest in Shares or file any registration statement under the Securities Act or file or publish any prospectus with respect to any of the foregoing; or (ii) enter into any swap or other agreement or transaction that transfers, in whole or in part, any of the economic consequences of ownership of the Shares, whether any such swap or transaction described in (i) or (ii) above is to be settled by delivery of the Shares or such other securities, in cash or otherwise. The foregoing undertaking shall not apply to the issue by the Companies of any Shares pursuant to the grant, vesting or exercise of options or awards under share option or incentive schemes in existence at the Admission Date in this document.

10.2 **Lock-up in relation to the Directors**

Pursuant to the Underwriting Agreement, each of the Directors has agreed that, subject to customary exceptions and any disposal to satisfy tax liabilities arising from the exercise of any options held by such Directors during the period from the date of this document until 365 days from the date of Admission they will not, without the prior written consent of the Global Coordinator, issue, offer, sell, contract to sell, grant or sell options over, purchase any option or contract to sell, transfer, charge, pledge, grant any right or warrant to purchase or otherwise transfer, lend, or dispose of, directly or indirectly, any Shares or any securities convertible into or exchangeable for or substantially similar to Shares or any interest in Shares or the entry into of any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of Shares, whether any such transaction described above is to be settled by the delivery of Shares or such other securities, in cash or otherwise, or any other disposal or any agreement to dispose of any Shares or any announcement or other publication of the intention to do any of the foregoing.

10.3 **Lock-up in relation to Investec plc and Investec Investments**

Pursuant to the Underwriting Agreement, Investec plc and Investec Investments have agreed that, subject to certain exceptions, during the period from the date of this document until 180 days from the date of Admission they will not, without the prior written consent from the Global Coordinator, issue, offer, sell, contract to sell, grant or sell options over, purchase any option or contract to sell, transfer, charge, pledge, grant any right or warrant to purchase or otherwise transfer, lend, or dispose of, directly or indirectly, any Shares or any securities convertible into or exchangeable for or substantially similar to Shares or any interest in Shares or the entry into of any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of Shares, whether any such transaction described above is to be settled by the delivery of Shares or such other securities, in cash or otherwise, or any other disposal or any agreement to dispose of any Shares or any announcement or other publication of the intention to do any of the foregoing. The exceptions to this lock-up include if the Global Offer does not proceed or there is a partial Global Offer, no lock-up shall apply to such number of Shares that would have otherwise been sold by Investec plc and/or Investec Investments if the Global Offer had been undertaken in full.

10.4 **Lock-up in relation to Forty Two Point Two**

Pursuant to a lock-up deed entered into between the Global Coordinator and Forty Two Point Two on 2 March 2020, Forty Two Point Two has agreed that, subject to certain exceptions, for a period of 365 days from the date of Admission it will not, without the prior written consent of the Global Coordinator, issue, offer, sell, contract to sell, grant or sell options over, purchase any option or contract to sell, transfer, charge, pledge, grant any right or warrant to purchase or otherwise transfer, lend, or dispose of, directly or indirectly, any Shares or any securities convertible into or exchangeable for or substantially similar to Shares or any interest in Shares or the entry into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of Shares, whether any such transaction described above is to be settled by the delivery of Shares or such other securities, in cash or otherwise, or any other disposal or any agreement to dispose of any Shares or any announcement or other publication of the intention to do any of the foregoing.

11. **Withdrawal rights**

In the event that the Companies are required to publish any supplementary prospectus, applicants who have applied for Ninety One plc Offer Shares in the Global Offer shall have at least two clear business days following the publication of the relevant supplementary prospectus within which to withdraw their offer to acquire Ninety One plc Offer Shares in the Global Offer in its entirety.

In addition, in the event that: (i) the Ninety One plc Offer Price is set above the Price Range or the Price Range is revised higher; and/or (ii) the number of Ninety One plc Shares to be sold by Investec plc is set above the Ninety One plc Offer Size Range or the Ninety One plc Offer Size Range is revised higher, then applicants who have applied to purchase Ninety One plc Offer Shares would have a statutory right to withdraw their offer to purchase Ninety One plc Offer Shares in its entirety pursuant to Article 17 of the Prospectus Regulation before the end of a period of two Business Days commencing on the first Business Day after the date on which an announcement of this is published via a Regulatory Information Service

announcement for each later date as may be specified in that announcement. In those circumstances, the Pricing Statement would not be issued until this deadline for exercising such statutory withdrawal rights has ended. The arrangements for withdrawing offers to purchase Ninety One plc Offer Shares would be made clear in the announcement.

The right to withdraw an application to acquire Ninety One plc Offer Shares in these circumstances will be available to all applicants who have applied for Ninety One plc Offer Shares in the Global Offer. If the application is not withdrawn within the stipulated period and in the prescribed manner, any offer to apply for Ninety One plc Offer Shares will remain valid and binding.

Investors wishing to exercise statutory withdrawal rights after the publication of any supplementary prospectus must do so by lodging a written notice of withdrawal by hand (during normal business hours only) at the office of the Global Coordinator at its address set out in Part IV: "*Directors, Company Secretaries, Registered Offices and Advisers*" so as to be received no later than two Business Days after the date on which the supplementary prospectus is published or the date on which an announcement is made. Notice of withdrawal given by any other means or which is deposited with or received after expiry of such period will not constitute a valid withdrawal.

The withdrawal rights available to an applicant who has applied to purchase Ninety One Limited Offer Shares in the Global Offer will be as described in the relevant contract for purchase entered into by the applicant in respect of the Ninety One Limited Offer Shares.

12. Selling and transfer restrictions

The distribution of this document and the offer of Offer Shares in certain jurisdictions may be restricted by law and therefore persons into whose possession this document comes should inform themselves about and observe any restrictions, including those set out in the paragraphs that follow. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The Shares are subject to restrictions on transferability and resale as described above and may not be transferred or resold except as permitted under applicable securities laws and regulations. Investors should be aware that they may be required to bear the financial risks of this investment for an indefinite period of time.

No action has been taken or will be taken in any jurisdiction that would permit a public offering or sale of the Shares, or possession or distribution of this document (or any other offering or publicity material relating to Shares) in any country or jurisdiction where action for that purpose is required or doing so may be restricted by law.

None of the Shares may be offered for subscription, sale or purchase or be delivered, and this document and any other offering material in relation to the Shares may not be circulated, 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.

Persons into whose possession this document comes should inform themselves about and observe any restrictions on the distribution of this document and any offering of the Offer Shares. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This document does not constitute an offer to purchase any of the Offer Shares to any person in any jurisdiction to whom it is unlawful to make such offer of solicitation in such jurisdiction.

12.1 Canada

The Shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this document (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Joint Bookrunners are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this Global Offer.

12.2 **Dubai International Financial Centre**

This document relates to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority ("**DFSA**"). This document is intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this document nor taken steps to verify the information set forth herein and has no responsibility for this document. The Shares to which this document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Shares offered should conduct their own due diligence on the Shares. If you do not understand the contents of this document you should consult an authorised financial advisor.

12.3 **European Economic Area**

In relation to each relevant Member State of the European Economic Area and the United Kingdom (each a "Relevant State"), an offer to the public of any Offer Shares may not be made in that Relevant State prior to the publication of a prospectus in relation to the Offer Shares which has been approved by the competent authority in that Relevant State, or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that an offer to the public in that Relevant State of any Offer Shares may be made at any time under the following exemptions under the Prospectus Regulation:

12.3.1 to any legal entity which is a qualified investor (as defined under the Prospectus Regulation);

12.3.2 to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation); or

12.3.3 in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Offer Shares shall result in a requirement for Ninety One plc to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation and each person who initially acquires any Offer Shares or to whom any offer is made will be deemed to have represented, warranted and agreed to and with the Joint Bookrunners and the Companies that it is a qualified investor within the meaning of Article 2(e) of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to the Offer Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the Global Offer and any Offer Shares to be offered so as to enable an investor to decide to purchase any Offer Shares.

In the case of any Offer Shares being offered to a financial intermediary as that term is used in Article 5(1) of the Prospectus Regulation, each financial intermediary will also be deemed to have represented, warranted and agreed that the Offer Shares acquired by it in the Global Offer have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to offering those Offer Shares to the public, other than their offer or resale in a Relevant State to qualified investors or in circumstances in which the prior consent of the Global Coordinator has been obtained to each such proposed offer or resale.

The Companies, the Joint Bookrunners and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations, acknowledgements and agreements. Notwithstanding the above, a person who is not a qualified investor, and who has notified the Global Coordinator of such fact in writing, may, with the consent of the Global Coordinator, be permitted to purchase Offer Shares in the Global Offer.

12.4 **Japan**

The Shares have not been and will not be registered under the Financial Instruments and Exchange Law, as amended ("**FIEL**"). This document is not an offer of securities for sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or entity organised under the laws of Japan) or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements under the FIEL and otherwise in compliance with such law and any other applicable laws, regulations and ministerial guidelines of Japan.

12.5 **South Africa**

In South Africa, the Global Offer will only be made by way of private placement to, and be capable of acceptance by, (i) persons falling within the exemptions set out in section 96(1)(a) and/or selected persons, acting as principal, acquiring the Offer Shares for a contemplated total acquisition cost of ZAR1,000,000 or more, as envisaged in section 96(1)(b), of the SA Companies Act and to whom the Global Offer will specifically be addressed ("**South African Qualifying Investors**") and this prospectus/pre-listing statement is only being made available to such South African Qualifying Investors. The Global Offer and the prospectus/pre-listing statement do not constitute an offer for the sale of or subscription for, or the solicitation of an offer to buy and to subscribe for, Offer Shares to the public, as defined in the SA Companies Act and will not be made or distributed, as applicable, to any person in South Africa in any manner which could be construed as an offer to the public in terms of the SA Companies Act. Should any person who is not a South African Qualifying Investor receive this prospectus/pre-listing statement, they should not and will not be entitled to acquire any Offer Shares or otherwise act thereon. This prospectus/pre-listing statement does not, nor is it intended to, constitute a prospectus prepared and registered under the SA Companies Act or an advertisement in terms of section 98 of the SA Companies Act. Accordingly, the prospectus/pre-listing statement does not comply with the substance and form requirements for prospectuses or advertisements set out in the SA Companies Act and the SA Companies Regulations of 2011 and has not been approved by, and/or registered with, the South African Companies and Intellectual Property Commission, or any other South African authority. The JSE Limited has approved the document.

The information contained in this prospectus/pre-listing statement constitutes factual information as contemplated in section 1(3)(a) of FAIS and should not be construed as an express or implied recommendation, guidance or proposal that any particular transaction in respect of the Offer Shares is appropriate to the particular investment objectives, financial situations or needs of a prospective investor, and nothing in this prospectus/pre-listing statement should be construed as constituting the canvassing for, or marketing or advertising of, financial services in South Africa.

12.6 **Switzerland**

The Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("**SIX**") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the Shares or the Global Offer may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other offering or marketing material relating to the Global Offer, the Companies, the Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the Global Offer will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA ("**FINMA**"), and the Global Offer has not been and will not be authorised under the Swiss Federal Act on Collective Investment Schemes ("**CISA**"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of Shares.

12.7 **United Kingdom**

This document comprises a prospectus relating to Ninety One prepared in accordance with the Prospectus Regulation Rules and approved by the FCA under section 87A of the FSMA. This document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules.

This document is being distributed only to and is directed at persons who (if they are in the EEA) will fall within one of the categories of persons set out above in this paragraph 12. In addition, this document is being distributed only to and is directed at persons in the United Kingdom who are: (a) persons having professional experience in matters relating to investments falling within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion Order) 2005 as amended (the "**Order**"); or (b) persons who are high net worth bodies corporate, unincorporated associations and partnerships and the trustees of high value trusts, as described in Article 49(2)(a) to (d) of the Order; or (c) persons to whom it may otherwise be lawful to distribute it (all such persons together being referred to as "**relevant persons**").

Any investment or any investment activity to which this communication relates is only available to and will only be engaged in with relevant persons and persons within the United Kingdom who receive this document (other than relevant persons) should not rely on or act upon this document or its contents.

12.8 **United States**

The Shares have not been and will not be registered under the US Securities Act or under any applicable securities laws or regulations of any state of the United States and may not be offered or sold within the United States. The Shares are being offered and sold outside the United States in offshore transactions in reliance on Regulation S of the US Securities Act.

In addition, until 40 days after the commencement of the Global Offer of the Shares, an offer or sale of Shares within the United States by any dealer (whether or not participating in the Offer) may violate the registration requirements of the US Securities Act unless an exemption from registration is available.

The Shares have not been approved or disapproved by the SEC, any state securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the Global Offering or the accuracy or adequacy of this document relating to the Global Offer. Any representation to the contrary is a criminal offence in the United States.

ADDITIONAL INFORMATION

1. Responsibility

1.1 The Companies and the Directors accept responsibility for the information contained in this document. To the best of the knowledge of the Directors and the Companies, the information contained in this document is in accordance with the facts and this document makes no omission likely to affect its import.

1.2 The Directors, collectively and individually, accept full responsibility for the completeness and the accuracy of the information given and certify that, to the best of their knowledge and belief, there are no facts that have been omitted which would make any statement false or misleading, and that all reasonable enquiries to ascertain such facts have been made and that this document contains all information required by South African law and the JSE Listings Requirements (for pre-listing statements).

2. Incorporation and registered office

Ninety One plc

2.1 Ninety One plc was incorporated as a public limited company in England and Wales, under the UK Companies Act, on 4 October 2019 with registered number 12245293. On 6 December 2019, its name changed from Investec Asset Management UK Group plc to Ninety One plc. Ninety One plc's LEI is 549300G0TJCT3K15ZG14.

2.2 The principal legislation under which Ninety One plc operates and under which the Ninety One plc Shares have been created is the UK Companies Act and regulations made thereunder.

2.3 Ninety One plc's registered office is at 55 Gresham Street, London EC2V 7EL, United Kingdom, and its telephone number is +44 20 3938 2000. The business of Ninety One plc, and its principal activity, is to act as one of two dual-listed holding companies of the Group.

2.4 Ninety One plc's website (and that of the Group's) is www.ninetyone.com. Information contained on the Group's website or the contents of any website accessible from hyperlinks on the Group's website are not incorporated into and do not form part of this document.

2.5 By resolution of the Directors dated 19 November 2019, KPMG LLP, whose address is 15 Canada Square, London E14 5GL, was appointed as the Auditors of Ninety One plc. KPMG LLP is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.

2.6 Ninety One plc's accounting reference date is 31 March.

Ninety One Limited

2.7 Ninety One Limited was incorporated as a public limited company in South Africa, under the SA Companies Act, on 18 October 2019 with registered number 2019/526481/06. On 20 December 2019, its name changed from Investec Asset Management SA Group Limited to Ninety One Limited. Ninety One Limited's LEI is 2138006NUUFPDXHSUP38.

2.8 The principal legislation under which Ninety One Limited operates and under which the Ninety One Limited Shares have been created is the SA Companies Act and regulations made thereunder.

2.9 Ninety One Limited's registered office is at 36 Hans Strijdom Avenue, Foreshore, Cape Town 8001, South Africa, and its telephone number is +27 21 901 1000. The business of Ninety One Limited, and its principal activity, is to act as one of two dual-listed holding companies of the Group.

2.10 Ninety One Limited's website (and that of the Group's) is www.ninetyone.com. Information contained on the Group's website or the contents of any website accessible from hyperlinks on the Group's website are not incorporated into and do not form part of this document.

2.11 Upon its incorporation on 18 October 2019, KPMG Inc., whose address is 85 Empire Road, Parktown 2193, Republic of South Africa, was appointed as the Auditors of Ninety One Limited. KPMG Inc. is registered to carry out audit work by the Institute of Registered Auditors.

2.12 Ninety One Limited's accounting reference date is 31 March.

3. Major Subsidiaries for the purposes of the JSE Listings Requirements

The following subsidiaries of the Companies are "Major Subsidiaries" for the purposes of the JSE Listings Requirements, being subsidiaries of the Companies which represent 25 per cent. or more of the total assets or revenue of the consolidated Group based on the latest published interim or year-end financial results.

3.1 Investec Assurance Limited ("IAL")

IAL was incorporated as a private company in South Africa, under the SA Companies Act 1926, as amended, on 25 February 1941 with registered number 1941/014478/06. The principal legislation under which IAL operates is the SA Companies Act, as amended, and regulations made thereunder. IAL's registered office is at 36 Hans Strijdom Avenue, Foreshore, Cape Town, 8001 and its telephone number is +27 (0) 21 901 2000. The business of IAL, and its principal activity, is that of writing linked insurance for retirement funds and individual investors. The issued share capital of IAL is Rand 11 million.

3.2 Investec Asset Management Guernsey Limited ("IAMGL")

IAMGL was incorporated as a company limited by shares in Guernsey, under the Companies (Guernsey) Law, as amended, on 7 February 1980 with registered number 8509. The principal legislation under which IAMGL operates is the Companies (Guernsey) Law, as amended, and regulations made thereunder. IAMGL's registered office is at First Floor, Dorey Court, Elizabeth Avenue, St Peter Port, Guernsey, GY1 2HT and its telephone number is +44 1481 710 404. The business of IAMGL, and its principal activity, is the management of the Group's class B Guernsey schemes and acting as global distributor of investment funds. The issued share capital of IAMGL is £0.2 million.

4. The Companies' share capital

4.1 On incorporation, the issued share capital of the Companies was as follows:

Company	Class of share	Number	Nominal value (£)	Number unpaid
Ninety One plc	Ordinary	1	1.00	Nil
	Non-voting redeemable preference shares of £1.00 each ("**Redeemable Preference Shares**")	50,000	50,000.00	Nil
Ninety One Limited	Ordinary	1	Nil	Nil

4.2 On 19 November 2019, Ninety One plc subdivided its one issued Ninety One plc ordinary share into 10,000 Ninety One plc Shares of £0.0001 each and subsequently cancelled 9,999 of the newly subdivided Ninety One plc Shares. Save for the preceding statement, the issued and fully paid share capital of each Company has not changed since its incorporation. Accordingly, as at 28 February 2020 (being the latest practicable date prior to publication of this document), the issued share capital of Ninety One Limited is as set out in paragraph 4.1 above and the issued share capital of Ninety One plc is as follows:

Company	Class of share	Number	Nominal value (£)	Number unpaid
Ninety One plc	Ordinary	1	0.0001	Nil
	Redeemable Preference Shares	50,000	50,000.00	Nil

4.3 Following the date of this document, and immediately prior to the intended date of Admission, Investec and the Companies intend to implement the Demerger as described in paragraph 5 below, which will result in, among other things, the Companies becoming the ultimate holding companies of the Group and existing ordinary shareholders of Investec plc and Investec Limited receiving one Ninety One plc Share for every two ordinary shares they hold in Investec plc and/or one Ninety One Limited Share for every two ordinary shares they hold in Investec Limited. The Demerger, once completed, is expected to result in the following alterations to the share capital of each Company:

Ninety One plc

4.3.1 Ninety One plc will allot and issue 348,041,309 Ninety One plc Shares to existing ordinary shareholders of Investec plc pursuant to the UK Demerger described in paragraph 5.1 below, following which the Ninety One plc's issued share capital will consist of 348,041,310 Ninety One plc Shares and 50,000 Redeemable Preference Shares;

4.3.2 Ninety One plc will allot and issue 150,059,011 Ninety One plc Shares to Investec plc as described in paragraph 5.4 below, following which, the Ninety One plc's issued share capital will consist of 498,100,321 Ninety One plc Shares and 50,000 Redeemable Preference Shares;

4.3.3 Ninety One plc will allot and issue 124,524,302 Ninety One plc Shares to Forty Two Point Two as described in paragraph 5.6 below, following which Ninety One plc's issued share capital will consist of 622,624,622 Ninety One plc Shares and 50,000 Redeemable Preference Shares;

4.3.4 Ninety One plc will allot and issue one Ninety One plc Special Voting Share, one UK DAS Share, one UK DAN Share, one Ninety One plc Special Rights Share and 300,089,454 Ninety One plc Special Converting Shares to UK Trust Co and redeem, prior to Admission, the 50,000 Redeemable Preference Shares, in each case, as described in Part X: "*Details of the DLC Structure*", following which, Ninety One plc's issued share capital will consist of 622,624,622 Ninety One plc Shares, one Ninety One plc Special Voting Share, one UK DAS Share, one UK DAN Share, one Ninety One plc Special Rights Share and 300,089,454 Ninety One plc Special Converting Shares;

Ninety One Limited

4.3.5 Ninety One Limited will allot and issue 159,452,354 Ninety One Limited Shares to Investec Limited as described in paragraph 5.2 below (all of which, in addition to Investec Limited's initial subscriber Ninety One Limited Share, shall then be distributed by Investec Limited to existing ordinary shareholders of Investec Limited pursuant to the SA Demerger described in paragraph 5.3 below), following which Ninety One Limited's issued share capital will consist of 159,452,355 Ninety One Limited Shares;

4.3.6 Ninety One Limited will allot and issue 80,619,508 Ninety One Limited Shares to Investec Investments as described in paragraph 5.5 below, following which Ninety One Limited's issued share capital will consist of 240,071,863 Ninety One Limited Shares;

4.3.7 Ninety One Limited will allot and issue one Ninety One Limited Special Voting Share, one SA DAS Share, one SA DAN Share and 622,624,622 Ninety One Limited Special Converting Shares to SA Trust Co, in each case, as described in Part X: "*Details of the DLC Structure*", following which, Ninety One Limited's issued share capital will consist of 240,071,863 Ninety One Limited Shares, one Ninety One Limited Special Voting Share, one SA DAS Share, one SA DAN Share and 622,624,622 Ninety One Limited Special Converting Shares; and

4.3.8 following Admission, Ninety One Limited will allot and issue 60,017,591 Ninety One Limited Shares to Forty Two Point Two as described in paragraph 5.6 below, following which Ninety One Limited's issued share capital will consist of 300,089,454 Ninety One Limited Shares, one Ninety One Limited Special Voting Share, one SA DAS Share, one SA DAN Share and 622,624,622 Ninety One Limited Special Converting Shares;

Further details of the Demerger are set out in paragraph 5 of this Part XVIII.

4.4 **Authorities relating to the share capital of Ninety One plc**

Ninety One plc has obtained approval for resolutions of Ninety One plc which, among other matters, grant authorities to the Ninety One plc Directors to allot Ninety One plc Shares and to make purchases of Ninety One plc Shares, in each case, subject to and conditional upon Admission becoming effective and calculated on the basis that the Ninety One plc Reduction of Capital has become effective. The authorities obtained are generally consistent with the approach previously taken by Investec when seeking such authorities, taking into account the views of Investec Shareholders. Additional information on the form of such authorities is set out below:

4.4.1 the Ninety One plc Articles are to be adopted as the new articles of association of Ninety One plc in substitution for, and to the exclusion of, the Ninety One plc articles of association currently in force;

4.4.2 the Ninety One plc Directors are to be generally and unconditionally authorised, in accordance with section 551 of the UK Companies Act, to exercise all powers of Ninety One plc to allot and to grant rights to subscribe for, or to convert any security into, up to an aggregate nominal amount (within the meaning of sections 551(3) and (6) of the UK Companies Act) of:

(a) £12,452.49 in respect of Ninety One plc Shares, being 10 per cent. of the nominal share capital in respect of the issued Ninety One plc Shares as at Admission; and

(b) £6,001.79 in respect of Ninety One plc Special Converting Shares, being 10 per cent. of the nominal share capital in respect of the issued Ninety One plc Special Converting Shares as at Admission,

such authority to expire at the conclusion of the annual general meeting of Ninety One plc to be held in 2021 or, if earlier, at the close of business on 30 September 2021;

4.4.3 that Ninety One plc be generally and unconditionally authorised to make market purchases within the meaning of section 693 of the UK Companies Act of Ninety One plc Shares on such terms and in such manner as the directors of Ninety One plc may determine, such authority being limited:

(a) to a maximum number of 62,262,462 Ninety One plc Shares;

(b) by the condition that the maximum price which may be paid for any Ninety One plc Share purchased under this authority (exclusive of expenses payable by Ninety One plc in connection with the purchase) may not be more than the higher of:

(I) an amount equal to 105 per cent. of the average of the middle market prices shown in the quotations for the Ninety One plc Shares in the LSE Daily Official List for the five business days immediately preceding the day on which that Ninety One plc Share is purchased; and

(II) an amount equal to the higher of the price of the last independent trade of a Ninety One plc Share and the highest current independent bid for a Ninety One plc Share on the trading venue where the purchase is carried out; and

(c) by the condition that the minimum price which may be paid shall be the nominal value of such share at the time of purchase exclusive of expenses payable by Ninety One plc in connection with the purchase,

such authority to expire at the conclusion of the annual general meeting of Ninety One to be held in 2021 or, if earlier, at the close of business on 30 September 2021; and

4.4.4 that, in accordance with section 366 of the UK Companies Act, Ninety One plc and all companies that are subsidiaries of Ninety One plc at any time during the period for which this resolution has effect be authorised to:

(a) make political donations to political parties or independent election candidates;

(b) make political donations to political organisations other than political parties; and

(c) incur political expenditure,

provided that the aggregate amount of any such donations and expenditure shall not exceed £100,000 during the period beginning with the date of the passing of this resolution and ending on 30 September 2021 or, if sooner, the conclusion of the annual general meeting of Ninety One plc to be held in 2021.

For the purpose of this resolution, the terms "political donations", "political parties", "independent election candidates", "political organisations" and "political expenditure" have the meanings given in sections 363 to 365 of the UK Companies Act.

4.5 **Authorities relating to the share capital of Ninety One Limited**

Ninety One Limited has obtained approval for resolutions of Ninety One Limited which, among other matters, grant authorities to the Ninety One Limited Directors to allot and issue Ninety One Limited Shares and to make purchases of Ninety One Limited Shares, in each case (unless otherwise stated), subject to and conditional upon Admission becoming effective and calculated, where applicable, on the basis of the SA Demerger becoming effective. The authorities obtained are generally consistent with the approach previously taken by Investec when seeking such authorities, taking into account the views of Investec Shareholders. Additional information on the form of such authorities is set out below:

4.5.1 the Ninety One Limited Directors are authorised, as they in their discretion think fit, to allot and issue up to a total of:

(a) 30,008,945 Ninety One Limited Shares, being 10 per cent. of the issued Ninety One Limited Shares as at Admission (for which purposes any shares approved to be issued by the company in terms of any share plan or incentive scheme for the benefit of employees shall be excluded); and

(b) 62,262,462 Ninety One Limited Special Converting Shares, being 10 per cent. of the issued Ninety One Limited Special Converting Shares as at Admission,

such general authority to issue shares to endure until the annual general meeting of Ninety One Limited to be held in 2021 or, if earlier, at the close of business on 30 September 2021;

4.5.2 as a general authority provided for in the JSE Listings Requirements, which authority shall be valid until Ninety One Limited's annual general meeting to be held in 2021, or, if earlier, at the close of business on 30 September 2021, that the acquisition by Ninety One Limited or any of its subsidiaries from time to time of the issued Ninety One Limited Shares, upon such terms and conditions and in such amounts as the directors of Ninety One Limited or its subsidiaries may from time to time decide, be approved, but subject to the provisions of the SA Companies Act and the JSE Listings Requirements, it being recorded that, as at the date of this document, the JSE Listings Requirements provide, *inter alia*, that:

(a) any such acquisition of ordinary shares shall be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement;

(b) an announcement containing full details of such acquisitions will be published as soon as Ninety One Limited or any of its subsidiaries has acquired ordinary shares constituting, on a cumulative basis, three per cent. of the number of ordinary shares in issue, as the case may be, when the authority is granted and for each three per cent. in aggregate acquired thereafter;

(c) acquisitions of shares in aggregate in any one financial year may not exceed 20 per cent. of Ninety One Limited's issued ordinary share capital in any one financial year;

(d) in determining the price at which ordinary shares issued by Ninety One Limited are acquired by it, or any of its subsidiaries, in terms of this general authority, the maximum price at which such ordinary shares may be acquired will be 10 per cent. above the weighted average of the market value at which such ordinary shares are traded on the JSE as determined over the five business days immediately preceding the date of acquisition of such ordinary shares, as the case may be, by Ninety One Limited or any of its subsidiaries;

(e) at any point in time, Ninety One Limited may only appoint one agent to effect any acquisition on Ninety One Limited's behalf;

(f) a resolution is passed by the board of directors that it has authorised the acquisition, that Ninety One Limited and its subsidiaries have passed the solvency and liquidity test and that, since the test was performed, there have been no material changes to the financial position of the group; and

(g) neither Ninety One Limited nor its subsidiaries may acquire any shares during a prohibited period as defined by the JSE Listings Requirements unless there is in place a repurchase programme where dates and quantities of shares to be traded during the prohibited period are fixed and full details of the programme have been submitted to the JSE Limited prior to the commencement of the prohibited period; and

4.5.3 to the extent required by the SA Companies Act, the board of directors of Ninety One Limited may, subject to compliance with the requirements of Ninety One Limited's MoI (if any), the SA Companies Act and the JSE Listings Requirements, authorise Ninety One Limited to provide direct or indirect financial assistance by way of loan, guarantee, the provision of security or otherwise to:

(a) any of its present or future subsidiaries and/or any other company or entity that is or becomes related or interrelated to Ninety One Limited, for any purpose or in connection with any matter, including, but not limited to, any option, or any securities issued or to be issued by Ninety One Limited or a related or interrelated company or entity, or for the purchase of any securities of Ninety One Limited or a related or interrelated company or entity; and/or

(b) any of the present or future directors or prescribed officers of Ninety One Limited or of a related or interrelated company or entity (or any person related to any of them or to any company or corporation related or interrelated to any of them), or to any other person who is a participant in any of Ninety One Limited's present or future share or other employee incentive schemes, for the purpose of, or in connection with, the subscription of any option, or any securities, issued or to be issued by Ninety One Limited or a related or interrelated company or entity, or for the purchase of any securities of Ninety One Limited or a related or interrelated company or entity, where such financial assistance is provided in terms of any such scheme, such authority to endure until the next annual general meeting of Ninety One Limited to be held in 2021 or, if earlier, at the close of business on 30 September 2021.

4.6 If, prior to the Demerger becoming effective, the number of Ninety One plc's, Ninety One Limited's, Investec plc's or Investec Limited's issued shares increases or decreases:

4.6.1 the number of Shares to be allotted as described at paragraph 4.3 above; and

4.6.2 the details of the shareholder resolutions for which the Companies have obtained shareholder approval as described at paragraphs 4.4 and 4.5 above, will be adjusted accordingly to reflect the correct number of Shares that exist at Admission.

4.7 Once the steps to implement the Demerger are implemented, on Admission the share capital of each Company is expected to be:

Company	Class of Share	Number	Amount
Ninety One plc	Ordinary shares of £0.0001 each	622,624,622	£62,262.46
	Ninety One plc Special Voting Share of £0.0001	1	£0.0001
	Ninety One plc Special Converting Shares of £0.0001 each	300,089,454	£30.008.95
	UK DAN Share of £0.0001	1	£0.0001
	UK DAS Share of £0.0001 each	1	£0.0001
Ninety One Limited	Ordinary shares of no par value	240 071 863(1)	No par value
	Ninety One Limited Special Voting Share of no par value	1	No par value
	Ninety One Limited Special Converting Shares of no par value	622,624,622	No par value
	SA DAN Share of no par value	1	No par value
	SA DAS Share of no par value	1	No par value

Notes:

(1) Post-Admission on the second date after the record date for JSE settlement purposes, expected to be Friday, 20 March 2020, Ninety One Limited's ordinary share capital will increase to 300,089,454 as a result of the roll-up of Forty Two Point Two's interest in IAM SA. See paragraph 5.6 below for further details.

The final share capital of each Company on Admission will be published prior to Admission.

4.8 Except as disclosed in this document, there is no contract or arrangement, nor has any been proposed, whereby an option or preferential right of any kind has been or will be given to any person to subscribe for any shares in either Company or their subsidiaries.

5. Detailed terms and conditions of the Demerger

5.1 The UK Demerger

The UK Demerger will be implemented by way of a scheme of arrangement (including a reduction of capital), which is a process requiring Court approval under the UK Companies Act. Under the Scheme, Investec plc's share premium account will be reduced by £855,926,402 and part of the shares in IAM UK held by Investec plc representing approximately 55.9 per cent. of the issued share capital of IAM UK will be transferred to Ninety One plc in exchange for Ninety One plc issuing to Investec plc Ordinary Shareholders one Ninety One plc Share for every two Investec plc Ordinary Shares held at the Demerger Record Time. Any excess amount arising from the amount of the reduction of share premium account exceeding the value of IAM UK, which will be informed by the price per share of the Ninety One plc Shares, will be retained by Investec plc and available for future distributions and other purposes.

The UK Demerger will only be implemented if the conditions to the Scheme as set out in paragraph 5.11 below are satisfied.

The Ninety One plc Shares issued to Investec plc Ordinary Shareholders pursuant to the UK Demerger will rank equally in all respects with all other Ninety One plc Shares in issue or issued at the same time, including for all dividends and other distributions (if any) declared, made or paid.

If the number of Investec plc Ordinary Shares held by Investec plc Ordinary Shareholders is not divisible by two, an entitlement to a fraction of a Ninety One plc Share will arise. Fractional entitlements will be rounded down to the nearest whole number and the aggregated excess fractions of the Ninety One plc Shares to which such Investec plc Ordinary Shareholder would otherwise be entitled will not be issued to them, but will instead be sold in the market as soon as practicable after Admission, and the relevant Investec plc Ordinary Shareholder will be entitled to receive a cash equivalent to the fraction.

The Demerger Record Time is expected to be 6.00 p.m. (London time) on Friday, 13 March 2020. Investec plc Ordinary Shareholders on the Investec plc Register at this time will participate in the UK Demerger.

The UK Demerger Effective Time is expected to be 7.00 p.m. (London time) on Friday, 13 March 2020. At this time, Investec plc will transfer part of the IAM UK shares held by it to Ninety One plc and Ninety One plc will issue new Ninety One plc Shares to Investec plc Ordinary Shareholders as described above.

5.2 **Transfer of shares in IAM SA held by Investec Limited to Ninety One Limited**

Investec Limited will transfer part of the shares it holds in IAM SA representing approximately 53.13 per cent. of the total issued share capital of IAM SA to Ninety One Limited in exchange for Ninety One Limited issuing shares to Investec Limited.

The transfer referred to in this paragraph 5.2 will be completed on the day before the SA Demerger Effective Time.

5.3 **The SA Demerger**

The SA Demerger will be implemented by way of a distribution of Ninety One Limited Shares in terms of article 121 of the Investec Limited MoI and section 46(1)(a)(ii) of the South African Income Tax Act and out of Investec Limited as a 'return of capital' (as such term is defined under the South African Income Tax Act). Investec Limited will distribute all of its Ninety One Limited Shares to Investec Limited Ordinary Shareholders on the Investec Limited Register at the record date for JSE settlement purposes.

Each Investec Limited Ordinary Shareholder will receive one Ninety One Limited Share for every two Investec Limited Ordinary Shares held by them.

The Ninety One Limited Shares distributed to Investec Limited Ordinary Shareholders pursuant to the SA Demerger will, on and from Admission, rank equally in all respects with Ninety One Limited Shares in issue or issued at the same time, including for all dividends and other distributions (if any) declared, made or paid.

If the number of Investec Limited Ordinary Shares held by Investec Limited Ordinary Shareholders is not divisible by two, an entitlement to a fraction of a Ninety One Limited Share will arise. Fractional entitlements will be rounded down to the nearest whole number and the aggregated excess fractions of the Ninety One Limited Shares to which such Investec Limited Ordinary Shareholder would otherwise be entitled will not be transferred to them but will instead be sold in the market as soon as practicable after Admission, and the relevant Investec Limited Ordinary Shareholder shall be entitled to receive a cash equivalent to the fraction.

The SA Demerger Effective Time is expected to be 7:00 p.m. (London time) on 13 March 2020. At this time, Investec Limited will declare an unconditional distribution in respect of all of its Ninety One Limited Shares that it will hold at the record date for JSE settlement purposes to Investec Limited Ordinary Shareholders as described above.

The record date for JSE settlement purposes is expected to be Wednesday, 18 March 2020. Investec Limited Ordinary Shareholders on the Investec Limited Register at this time will participate in the SA Demerger.

5.4 **Transfer of remaining shares in IAM UK held by Investec plc to Ninety One plc**

The remaining IAM UK Shares held by Investec plc representing approximately 24.1 per cent. of the total issued share capital of IAM UK, will be transferred to Ninety One plc in exchange for Ninety One plc issuing shares to Investec plc. This step is expected to be completed at least one day after the UK Demerger Effective Time, but prior to Admission.

5.5 **Transfer of shares in IAM SA held by Investec Investments to Ninety One Limited**

The IAM SA shares held by Investec Investments, representing approximately 26.87 per cent. of the total issued share capital of IAM SA, will be transferred to Ninety One Limited in exchange for Ninety One Limited issuing shares to Investec Investments. This step is expected to be completed after the SA Demerger Effective Time but prior to Admission.

5.6 **Roll-up of Ninety One Business management**

Forty Two Point Two currently has a shareholding of 20 per cent. (less one share) in each of IAM UK

and IAM SA. Certain members of the Ninety One Business' management team participate in the Marathon Trust that, in turn, wholly owns Forty Two Point Two. The participants comprise senior managers and employees of the Ninety One Business.

Investec Limited, Investec plc, Investec 1, Forty Two Point Two, IAM SA and IAM UK are currently party to the Shareholders' Agreement, which regulates the respective rights of IAM SA's and IAM UK's shareholders. The Shareholders' Agreement contains, among other things: (i) customary minority protections in favour of Forty Two Point Two; and (ii) provisions setting out the distribution policy applicable to IAM SA and IAM UK.

Immediately following the above steps, Forty Two Point Two will transfer its shares in IAM UK to Ninety One plc in exchange for Ninety One plc issuing shares to Forty Two Point Two.

On the second day after the record date for JSE settlement purposes, currently expected to be Friday, 20 March 2020, Forty Two Point Two will transfer its shares in IAM SA to Ninety One Limited in exchange for Ninety One Limited issuing shares to Forty Two Point Two.

The overall effect of these transactions is to exchange Forty Two Point Two's current shareholdings of 20 per cent. (less one share) in each of IAM SA and IAM UK for an equivalent shareholding in the Companies, which will amount to a shareholding of 19.9999 per cent. in each of Ninety One plc and Ninety One Limited.

Following Admission:

5.6.1 the Shareholders' Agreement will be terminated;

5.6.2 the Dividend Agreement will be terminated; and

5.6.3 the trust deed governing the Marathon Trust will be amended.

Pursuant to a lock-up deed entered into on 2 March 2020 by Forty Two Point Two in favour of the Global Coordinator, Forty Two Point Two's shareholding in the Companies shall be subject to a lock-up for a period of 365 days following Admission. During such time, Forty Two Point Two will consent not to sell or otherwise dispose of its Shares (or interests in Shares), subject to certain limited exceptions. Pursuant to the Underwriting Agreement, Hendrik du Toit and Kim McFarland are expected to each also be subject to a lock-up for a period of 365 days following Admission in respect of any Shares (or interests in Shares) that they will hold directly following Admission, subject to certain customary exceptions and any disposal to satisfy tax liabilities arising from the exercise of any options held by him or her.

5.7 Sale by the Investec EBT to the EBT, Investec plc and/or Investec Investments

The Investec EBT intends to sell Shares to the EBT pursuant to the Share Purchase Agreements in order to allow the EBT to, in due course, satisfy options and awards to be granted under the Ninety One Share Plans, including the awards of free shares to be granted to the Companies' employees upon Admission.

The precise number of Shares to be sold to the EBT will be determined in due course and will be based on the number of Shares required by it to satisfy options and awards. The Investec EBT intends to sell any Shares held by it but not sold to the EBT to Investec plc and/or Investec Investments to form part of the Global Offer, as described in further detail in paragraph 5.9 below.

5.8 The DLC Structure

On or before Admission, the DLC Agreements, which implement the DLC Structure, will come into effect. Information on the DLC Structure is set out in Part X: "*Details of the DLC Structure*".

5.9 The Global Offer

Details of the Global Offer are set out in Part XVII: "*Details of the Global Offer*".

5.10 The Ninety One plc reduction of capital

Following the Demerger, Ninety One plc will effect a court approved reduction of capital, cancelling its share premium account in order to create distributable reserves for future distributions.

5.11 **Conditions to the Demerger**

The Demerger is conditional upon the following conditions having been satisfied (or, in respect of paragraph 5.11.5 below, waived):

5.11.1 the Scheme having been approved by a majority in number of those Investec plc Ordinary Shareholders who are present and vote, either in person or by proxy, at the Court Meeting and who represent 75 per cent. or more in value of the Investec plc Ordinary Shares voted by such Shareholders;

5.11.2 the Demerger Resolution, as set out in the Notices of General Meeting, having been passed by the requisite majority of Investec Ordinary Shareholders at the General Meetings;

5.11.3 the Scheme having been sanctioned by the Court and the reduction of capital required to effect the UK Demerger having been confirmed by the Court;

5.11.4 (i) the SARB having approved the primary listing of the Ninety One Limited Shares and secondary inward listing of the Ninety One plc Shares on the JSE on conditions acceptable to the Companies; (ii) JSE Limited having acknowledged to the Companies or their agents (and such acknowledgement not having been withdrawn) that the application for the admission of the Ninety One Limited Shares and the Shares to the JSE List has been approved and the listing will be granted and become effective; (iii) the FCA having acknowledged to the Companies or their agents (and such acknowledgement not having been withdrawn) that the application for the admission of the Ninety One plc Shares to the UK Official List with a premium listing has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject ("**FCA listing conditions**")) will become effective as soon as a dealing notice has been issued by the FCA and any FCA listing conditions have been satisfied; (iv) the LSE having acknowledged to the Companies or their agents (and such acknowledgement not having been withdrawn) that the Ninety One plc Shares will be admitted to trading; and (v) JSE Limited having acknowledged to the Companies or their agents (and such acknowledgement not having been withdrawn) that the Ninety One Limited Shares and the Ninety One plc Shares will be admitted to trading;

5.11.5 the Demerger Agreements (as described more fully in this paragraph 5 and paragraph 21.1 below) having been entered into and none of them having been terminated in accordance with their respective terms;

5.11.6 a copy of the Scheme Court Order having been delivered to the Registrar of Companies;

5.11.7 a resolution approved by the requisite majority of the board of directors of Investec Limited authorising the distribution of the relevant Shares to give effect to the SA Demerger (as contemplated in paragraph 5.3 above) in accordance with the provisions of the SA Companies Act; and

5.11.8 the following specific regulatory approvals being obtained unconditionally or on conditions satisfactory to Investec and Ninety One Limited:

(a) the Namibian and Botswanan competition authorities;

(b) the SARB PA;

(c) the SA FSCA;

(d) the Securities and Futures Commission of Hong Kong; and

(e) the Monetary Authority of Singapore.

The Directors will not take the necessary steps to implement the Scheme and the Demerger unless and until the above conditions have been or will be satisfied (or, where permitted, waived) and, at the relevant time, the Directors consider that it continues to be in the best interests of the Investec Shareholders that the Scheme and the Demerger be implemented. As at 28 February (being the latest practicable date prior to publication of this document), the conditions in paragraphs 5.11.1, 5.11.2, 5.11.5, 5.11.7 and 5.11.8 have been satisfied.

The requisite approval for the Demerger has been obtained from the South African Department of National Treasury, the SARB and the South African Minister of Finance on terms and subject to conditions customary to international transactions of this nature. Certain other regulators have also been notified of the Demerger as required.

6. **DLC Structure**

On or before Admission, the DLC Agreements, which implement the DLC Structure, will come into effect. Information on the DLC Structure is set out in Part X: "*Details of the DLC Structure*".

7. **Intended listings**

Following Admission, Ninety One Limited may apply for listing on the Namibia Stock Exchange and the Botswana Stock Exchange.

8. **Ninety One plc Articles and Ninety One Limited MoI**

8.1 The Ninety One plc Articles of Association and the Ninety One Limited MoI which are to be in effect on and from Admission are broadly identical save as indicated below, which differences are mainly due to differences in the English law applicable in respect of Ninety One plc and South African law applicable in respect of Ninety One Limited.

8.2 In this paragraph 8:

"**Articles of Association**" shall mean:

(a) the Ninety One plc Articles in the case of Ninety One plc; and

(b) the Ninety One Limited MoI in the case of Ninety One Limited;

"**Companies Act**" shall mean:

(a) the Companies Act 2006 of the United Kingdom in the case of Ninety One plc; or

(b) the SA Companies Act in the case of Ninety One Limited; and

"**Company**" means either Ninety One plc or Ninety One Limited.

8.3 The Ninety One plc Articles were adopted with effect from Admission pursuant to a special resolution passed by the sole shareholder of Ninety One plc on 13 February 2020.

8.4 The Ninety One Limited Articles of Association were adopted pursuant to a special resolution passed by its shareholder, Investec Limited, on 29 January 2020.

8.5 The Ninety One plc Articles of Association and the Ninety One Limited Articles of Association contain the following provisions (as summarised):

8.5.1 **Share capital**

(a) The share capital of Ninety One plc will comprise the Ninety One plc Shares, the Ninety One plc Special Converting Shares, the Ninety One plc Special Voting Share, the Ninety One plc Special Rights Share, the UK DAN Share and the UK DAS Share. The share capital of Ninety One Limited will comprise the Ninety One Limited Shares, the Ninety One Limited Special Voting Share, the Ninety One Limited Special Converting Shares, the Ninety One Limited Special Rights Share, the SA DAN Share and the SA DAS Share.

The voting rights attached to these shares are set out in paragraphs 8.11 and 8.12 below, the entitlement of these shares to share in profits is set out in paragraph 8.13 below and their respective rights to any surplus on a liquidation are set out in paragraph 8.14 below.

(b) On the Conversion Date, all of the Ninety One plc Special Converting Shares will automatically be converted into and in all respects rank *pari passu* with the Ninety One plc Shares.

Ninety One plc will have the right to redeem:

(i) at any time prior to the Conversion Date, any or all of the Ninety One plc Special Converting Shares if the Ninety One plc Board considers such redemption is necessary or expedient in order to maintain the Ninety One plc Equivalent Number; and

(ii) at any time on or after the Conversion Date, the Ninety One plc Special Voting Share, the UK DAN Share, the UK DAS Share and the Ninety One plc Special Rights Share if the Ninety One plc Board so decides.

(c) On the Conversion Date, all of the Ninety One Limited Special Converting Shares will automatically be converted into and in all respects rank *pari passu* with the Ninety One Limited Shares.

Ninety One Limited will have the right to redeem:

(i) at any time prior to the Conversion Date, any or all of the Ninety One Limited Special Converting Shares if the Ninety One Limited Board considers such redemption is necessary or expedient in order to maintain in issue the Ninety One Limited Equivalent Number; and

(ii) at any time on or after the Conversion Date, the Ninety One Limited Special Voting Share, the SA DAN Share, the SA DAS Share and the Ninety One Limited Special Rights Share if the Ninety One Limited Board so decides.

Ninety One plc or Ninety One Limited, as the case may be, will pay for each share so redeemed an amount equal to the nominal value paid up thereon.

8.5.2 **Alteration of share capital**

(a) Ninety One plc may, by ordinary resolution, and Ninety One Limited may by special resolution:

(i) (in the case of Ninety One plc only) increase its capital by such sum to be divided into shares of such amounts as the resolution will prescribe;

(ii) consolidate and divide all or any of its share capital into shares of a larger nominal amount than its existing shares;

(iii) cancel any shares which, at the date of the resolution, have not been taken, or agreed to be taken, by any person and reduce its share capital by the amount of the shares so cancelled;

(iv) subject to the Companies Act, subdivide its shares into shares of a smaller nominal amount than is fixed by the Ninety One plc Articles or the Ninety One Limited MoI, as the case may be, and so that the resolution whereby any share is subdivided may determine that, as between the holders of the shares resulting from such subdivision, one or more of the shares may, as compared with the others, have any preferred, deferred or other special rights or be subject to any restrictions, as the Company has power to attach to unissued or new shares; and

(v) (in the case of Ninety One Limited only) convert any of its shares, whether issued or not, into shares of another class.

Where any members would become entitled to fractions of a share, the Directors may deal on behalf of the members by selling the shares as they deem fit. In particular, the Directors may sell the shares representing the fractions for the best price reasonable for any person and authorise some person to transfer the shares to, or in accordance with the directions of, the purchaser.

(b) Subject to the provisions of the Companies Act, the Company may purchase, or may enter into a contract under which it will or may purchase, any of its own shares of any class, including any redeemable shares.

(c) Subject to the provisions of the Companies Act and to any rights conferred on the holders of any class of shares, the Company may, by special resolution (unless applicable regulation requires otherwise), reduce its share capital or any capital redemption reserve, share premium account or other undistributable reserve in any way.

8.6 **Share issues**

8.6.1 In the case of Ninety One plc, subject to the provisions of the Companies Act, and without prejudice to the rights attached to any existing shares or class of shares:

(a) any share in the Company may be issued with such rights and subject to such restrictions as the Company may by ordinary resolution determine or, in the absence of such determination, as the Directors will determine; and

(b) subject to the provisions of the Articles of Association, the Company may issue any shares which are, or at the option of the Company or the holder are liable, to be redeemed, or create and issue secured or unsecured debentures, on such terms and conditions and in such manner as the Company may determine.

8.6.2 In the case of Ninety One plc, subject to the provisions of the Companies Act, the Directors will have the authority to allot, grant options over or otherwise dispose of unissued shares on such terms and conditions as they think proper.

8.6.3 In the case of Ninety One Limited, subject to the statutes and the JSE Listings Requirements relating to authority, pre-emption rights or otherwise the Company may in general meeting authorise the Directors to allot and issue all or any shares authorised by the Company, with or without conferring a right of renunciation, grant options over or otherwise dispose of them to such persons, at such times and on such terms and conditions as they think proper.

8.6.4 The Directors may capitalise profits and reserves by appropriating sums to such members on such basis as they may decide and by applying such sums, *inter alia*, to pay up shares of any class.

8.7 **Variations of rights**

Subject to the Companies Act and, to the extent applicable, the DLC Structure voting mechanism summarised in paragraph 8.11 below, unless provided by the terms of allotment of shares of that class, whenever the share capital of the Company is divided into different classes of shares, the rights attaching to any class of shares may be varied or abrogated by special resolution of the Company approving such variation or abrogation either with the consent in writing or support of the holders of three-quarters of the issued shares of the class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of the class (but not otherwise).

8.8 **Transfers of shares**

8.8.1 All transfers of shares which are in certificated form may be effected in writing in any usual or common form or in any other form acceptable to the Directors. The transfer instrument will be signed by or on behalf of the transferor and, except in the case of fully paid shares, by or on behalf of the transferee. The transferor will remain the holder of the shares until the transferee's name is entered in the share register. All transfers of shares that are in uncertificated form may be effected by means of a computer-based system and procedures which enable the transfer of shares without a written instrument.

8.8.2 Every instrument of transfer must be lodged, duly stamped if required, at the transfer office accompanied by the share certificates or other form of evidence the Directors may reasonably require to show the transferor's right of transfer.

8.8.3 The Directors may decline to recognise any transfer instrument relating to shares in certificated form unless it is in respect of one class of share and the provisions of paragraph 8.8.2 above have been complied with.

8.8.4 The Directors may, in the case of shares in certificated form, in their absolute discretion and without giving any specific reason, refuse to register any transfer of certificated shares that are not fully paid provided that their discretion does not prevent dealings of shares of that class from taking place on an open and proper basis. The Directors also may refuse to register an allotment or transfer of shares, whether fully paid or not, in favour of more than four persons jointly.

8.8.5 If the Directors refuse to register an allotment or transfer, they will send to the allottee or transferee notice of the refusal within two months after the date on which:

(a) the letter of allotment or transfer was lodged with the Company, in the case of shares held in certificated form; or

(b) the instruction required by Strate or the CREST Regulations (as the case may be) was received by the Company in the case of Shares held in uncertificated form.

8.8.6 The Directors will decline to register any transfer of:

(a) in the case of Ninety One plc, the Ninety One plc Special Voting Share unless the transfer has been approved in accordance with the provisions of the Voting Agreement;

(b) in the case of Ninety One Limited, the Ninety One Limited Special Voting Share unless the transfer has been approved in accordance with the provisions of the Voting Agreement;

(c) in the case of Ninety One plc, the UK DAN Share or the UK DAS Share unless the transfer has been effected in accordance with the provisions of the UK DAN Share Trust Deed and UK DAS Share Trust Deed, respectively, or the Ninety One plc Special Rights Share, unless the transfer is to a successor to UK Trust Co;

(d) in the case of Ninety One Limited, the SA DAN Share or the SA DAS Share unless the transfer has been effected in accordance with the SA DAN Share Trust Deed or the SA DAS Share Trust Deed, respectively, or the Ninety One Limited Special Rights Share, unless the transfer is to a successor to SA Trust Co; and

(e) prior to the date of a Conversion Event, any or all of the Ninety One plc Special Converting Shares or the Ninety One Limited Special Converting Shares, as the case may be, unless the transfer is to a successor to UK Trust Co or SA Trust Co (as appropriate).

8.9 **General meetings and notices**

An annual general meeting will be held every year, at such time (within a period of not more than 15 months after the holding of the last preceding annual general meeting) and place or places as may be determined by the Directors. All other general meetings will be called extraordinary general meetings.

The Directors may direct that any shareholders' meeting will be held at two or more locations. Arrangements must be made to ensure that all members and proxies are able to participate at the meeting and see and hear everyone else at the meeting.

Annual general meetings and extraordinary general meetings shall: (a) in respect of Ninety One plc, be called on at least 21 days' written notice where any special resolution is proposed, or otherwise on 14 days' notice; and (b) in respect of Ninety One Limited, be called on at least 15 business days' notice.

Any notice calling a general meeting will specify, *inter alia*:

(a) the date, time and place of the meeting; and

(b) the general nature of business to be transacted and whether resolutions to be proposed are special or extraordinary resolutions.

8.10 **Amendments to resolutions**

In the case of any resolution for Ninety One plc, no amendment thereto (other than to correct an error) may be considered or voted upon. In the case of Ninety One Limited, amendments may be considered and voted upon.

8.11 **Voting and votes attaching to shares**

The Articles of Association set out the provisions relating to Joint Electorate Actions and Class Rights Actions and the procedures relating thereto as described in paragraph 7 of Part X: "*Details of the DLC Structure – Shareholder Voting Rights*". Paragraphs 8.11.1 and 8.11.2 below set out the voting rights attached to the Ninety One Ordinary Shares, the Ninety One plc Special Voting Share and the Ninety One Limited Special Converting Shares, which give effect to those voting arrangements.

8.11.1 Subject to any special rights or restrictions as to voting attached to any class of shares the Ninety One Ordinary Shares have the following voting rights in respect of resolutions of the Company which is the issuer of such shares:

(a) on a show of hands, every holder who is present in person will have one vote; and

(b) on a poll, every holder who is present in person or by proxy will have one vote for each fully paid Ninety One Ordinary Share of which he or she is the holder.

8.11.2 Prior to the Conversion Date, the holder of the Ninety One plc Special Voting Share and the holder of the Ninety One Limited Special Voting Share will have the following voting rights in respect of resolutions of the Company which is the issuer of such shares:

(a) no right to vote on any show of hands; and

(b) the right to attend any general meeting and to cast on a poll the Specified Number (as set out below) of votes, some of which may be cast for and others against any resolution in such numbers as the holder may determine.

In respect of the Ninety One plc Special Voting Share:

- on a resolution in respect of a Joint Electorate Action: the Specified Number of votes will be the total number of votes validly cast (both for or against) by Ninety One Limited Shareholders on the poll on the equivalent resolution at the parallel Ninety One Limited Shareholders' meeting (adjusted, if necessary, by reference to the Equalisation Ratio);
- on a resolution in respect of a Class Rights Action: if the resolution has not been approved by the necessary majority of the Ninety One Limited Shareholders, the Specified Number of votes will be equal to 25.1 per cent. (in relation to an action to be approved by special resolution) and 50.1 per cent. (in relation to an action to be approved by ordinary resolution), in each case, of the aggregate number of votes attaching to all classes of issued shares in Ninety One plc (including the Ninety One plc Special Voting Share) which could be cast on such resolution (rounded up to the next whole number). In such circumstances, the holder of the Ninety One plc Special Voting Share is required, pursuant to the Voting Agreement, to vote against the relevant resolution. If the resolution has been approved by the Required Majority (as defined in paragraph 7.3 of Part X: "*Details of the DLC Structure – Class Rights Actions"*) of the Ninety One Limited Shareholders, the holder of the Ninety One plc Special Voting Share will not under the terms of the Voting Agreement be entitled to vote;
- on a procedural resolution put to a general meeting at which a Joint Electorate Action is to be considered: the Specified Number of votes will be the greatest number of votes cast or able to be cast via proxy (if such meeting has not yet been held) by Ninety One Limited Shareholders at the parallel Ninety One Limited shareholders' meeting on any equivalent resolution on a Joint Electorate Action (adjusted, if necessary, by reference to the Equalisation Ratio); and
- the Specified Number of votes that may be cast on all other decisions will be zero.

In respect of the Ninety One Limited Special Voting Share:

- on a resolution in respect of a Joint Electorate Action: the Specified Number of votes will be the total number of votes validly cast (both for or against) by Ninety One plc Shareholders on the poll on the equivalent resolution at the parallel Ninety One plc Shareholders' meeting (adjusted, if necessary, by reference to the Equalisation Ratio rounded up to the nearest whole number);
- on a resolution in respect of a Class Rights Action: if the resolution has not been approved by the necessary majority of the Ninety One plc Shareholders, the Specified Number of votes will be equal to 25.1 per cent. (in relation to an action to be approved by special resolution) and 50.1 per cent. (in relation to an action to be approved by ordinary resolution), in each case, of the aggregate number of votes attaching to all classes of issued shares in Ninety One Limited (including the Ninety One Limited Special Voting Share) which could be cast on such resolution (rounded up to the next whole number). In such circumstances, the holder of the Ninety One Limited Special Voting Share is required, pursuant to the Voting Agreement, to vote against the relevant resolution. If the resolution has been approved by the Required Majority (as defined in paragraph 7.3 of Part X: "*Details of the DLC Structure – Class Rights Actions*") of the Ninety One plc Shareholders, the holder of the Ninety One Limited Special Voting Share will, under the terms of the Voting Agreement, not be entitled to vote;
- on a procedural resolution put to a general meeting at which a Joint Electorate Action is to be considered: the Specified Number of votes will be the greatest number of votes cast or able to be cast via proxy (if such meeting has not yet been held) by Ninety One plc Shareholders at the parallel Ninety One plc shareholders' meeting on any equivalent resolution on a Joint Electorate Action (adjusted, if necessary, by reference to the Equalisation Ratio); and
- the Specified Number of votes that may be cast on all other decisions will be zero.

8.11.3 The prescribed manner in which the above voting rights are to be exercised are set out in the Voting Agreement, as described in paragraph 9.2 of Part X: "*Details of the DLC Structure – Voting Agreement*". In this paragraph 8.11.3, the expression "special resolution" will have the same meaning as set out in paragraph 7.2 of Part X: "*Details of the DLC Structure – Joint Electorate Actions*".

(a) On and from the Conversion Date, the holder of the Ninety One plc Special Voting Share and the holders of the Ninety One Limited Special Voting Share will cease to have any right to receive notice of, attend, speak at or vote at a general meeting.

(b) In the case of Ninety One plc, holders of the UK DAS Share, the UK DAN Share and the Ninety One plc Special Rights Share will have the right to receive notice of, attend and vote at a general meeting only in relation to a resolution proposing to vary the rights attached to the UK DAS Share, the UK DAN Share or the Ninety One plc Special Rights Share, as the case may be, or a resolution proposing the winding-up of Ninety One plc.

(c) In the case of Ninety One Limited, holders of the SA DAS Share, the SA DAN Share and the Ninety One Limited Special Rights Share will have the right to receive notice of, attend and vote at a general meeting only in relation to a resolution proposing to vary the rights attached to the SA DAS Share, the SA DAN Share or the Ninety One Limited Special Rights Share, as the case may be, or a resolution proposing the winding-up of Ninety One Limited, except where subject to the statutory rights to vote pursuant to the SA Companies Act.

(d) The holder(s) of the Ninety One plc Special Converting Shares will, prior to the Conversion Date, have the right to receive notice of, attend and vote at a general meeting only in relation to a resolution proposing to vary the rights attached to the Special Converting Shares or a resolution proposing the winding-up of the Company.

8.12 **Restrictions on voting in respect of Ninety One plc**

8.12.1 A member loses their right to vote if any call or other sum presently payable by him in respect of the shares in the Company remains unpaid.

8.12.2 Unless the Ninety One plc Board determines otherwise, a Ninety One plc Shareholder who has been served with a notice under Part 22 of Companies Act 2006 (the "**Notice**") (which confers upon public companies the power to require information as to interests in its voting shares) and is in default for a period of 14 days in supplying to Ninety One plc the information required will not be entitled to vote in respect of the Ninety One plc Shares ("**Default Shares**") in relation to which the information has not been supplied. If the Default Shares represent 0.25 per cent. or more of the nominal value of the issued ordinary share capital, then the Directors may:

(a) direct that any dividend on the Default Shares is withheld (without any liability to pay interest thereon); and/or

(b) refuse to register any transfer of the Default Shares if, in the case of shares held in uncertificated form, they are permitted to do so by the CREST Regulations or rules under Strate.

8.12.3 The Ninety One plc Board may also decide to impose voting restrictions in respect of the takeover restrictions described in paragraph 8.16.

8.13 **Dividends**

8.13.1 Prior to the Conversion Date:

(a) in respect of Ninety One plc:

- profits resolved to be distributed will be divided among the holders of the Ninety One plc Shares, the UK DAN Share and the UK DAS Share in such a manner as to ensure that Ninety One plc (having regard to any Actions taken by Ninety One Limited) gives effect to the DLC Equalisation Principles (described in paragraph 5 of Part X: "*Details of the DLC Structure – Equalisation of Voting and Economic Rights*");
- the holder of the Ninety One plc Special Voting Share will have no right to receive dividends or other distributions;

- the holder of the Ninety One plc Special Converting Shares will have no right to receive dividends or other distributions; and
- the holder of the Ninety One plc Special Rights Share may, if the Directors so determine, receive, by way of any capitalisation of share premium account or reserves, fully paid up Ninety One plc Special Converting Shares where such appropriation is necessary or expedient in order to maintain the Ninety One plc Equivalent Number, but otherwise will have no right to receive dividends or other distributions; and

(b) in respect of Ninety One Limited:

- profits resolved to be distributed will be divided among the holders of the Ninety One Limited Shares, the SA DAN Share and the SA DAS Share in such a manner as to ensure that Ninety One Limited (having regard to any Actions taken by Ninety One plc) gives effect to the DLC Equalisation Principles (described in paragraph 5 of Part X: "*Details of the DLC Structure – Equalisation of Voting and Economic Rights*");
- the holder of the Ninety One Limited Special Voting Share will have no right to receive dividends or other distributions;
- the holder of the Ninety One Limited Special Converting Shares will have no right to receive dividends or other distributions; and
- the holder of the Ninety One Limited Special Rights Share may, if the Directors so determine, receive, by way of any capitalisation of any sum standing to the credit of any of the Company's reserve accounts, however described, fully paid up new SA DAN Shares, SA DAS Shares, Ninety One Limited Special Converting Shares where such appropriation is necessary or expedient in order to maintain the Ninety One Limited Equivalent Number, but otherwise will have no rights to receive dividends or other distributions.

8.13.2 On and from the Conversion Date:

(a) in respect of Ninety One plc:

- profits resolved to be distributed will be divided among the holders of Ninety One plc Shares (including the newly converted Ninety One plc Special Converting Shares);
- the holder of the UK DAN Share and the UK DAS Share will have no right to receive dividends or other distributions;
- the holder of the Ninety One plc Special Voting Share will have no right to receive any dividends or other distributions; and
- the holder of the Ninety One plc Special Rights Share will have no right to receive any dividends or other distributions;

(b) in respect of Ninety One Limited:

- profits resolved to be distributed will be divided among the Ninety One Limited Shareholders (including the newly converted Ninety One Limited Special Converting Shares);
- the holder of the SA DAN Share and the SA DAS Share will have no right to receive dividends or other distributions;
- the holder of the Ninety One Limited Special Voting Share will have no right to receive any dividends or other distributions; and
- the holder of the Ninety One Limited Special Rights Share may, if the Directors so determine, receive, by way of any capitalisation of any sum standing to the credit of any of the Company's reserve accounts, however described, fully paid up new SA DAN Shares, SA DAS Shares and Ninety One Limited Special Converting Shares where such appropriation is necessary or expedient in order to maintain the Ninety One Limited Equivalent Number, but otherwise will have no rights to receive dividends or other distributions.

(c) subject to the statutes and the Articles of Association, the Company by ordinary resolution or the Directors by board resolution may declare final dividends, provided that no dividend declared by the Company by ordinary resolution will exceed the amount recommended by the Directors; and

(d) the Directors may pay, if it appears to the Directors that the profits of the Company justify such payments:

- fixed dividends on any class of shares carrying a fixed dividend expressed to be payable on fixed dates on the half-yearly or other dates prescribed for the payment thereof; and
- interim dividends on shares of any class of such amounts, on such dates and in respect of such periods as they think fit. If the Directors act in good faith, they will not incur any liability to the holders of any shares for any loss they may suffer by the lawful payment of any such fixed or interim dividend.

The Company may, upon the authorisation of the Directors and by ordinary resolution, direct payment of a dividend in whole or in part by the distribution of specific assets.

No dividend will be paid otherwise than out of profits available for distribution or distributable reserves under the provisions of the Companies Act.

In respect of Ninety One plc, except as otherwise provided by the rights attached to any shares and the terms of issue thereof, all dividends will be apportioned and paid pro rata according to the amounts paid up on the shares during any portion of the period in respect of which the dividend is paid. No amount paid on a share in advance of calls will be treated as paid on the share.

Subject to the rights attaching to any shares, the Directors may determine that any dividend or other moneys payable on or in respect of a share may be paid in such currency as the Directors may determine, using such exchange rate for currency conversions as the Directors may select.

No dividend or other moneys payable in respect of a share will bear any interest as against the Company.

Any dividend unclaimed after a period of 12-years (in the case of Ninety One plc) or six years (in the case of Ninety One Limited) from the date on which such dividend was declared or became due for payment will be forfeited and will cease to remain owing by the Company. Any sums paid on the UK DAN Share, the UK DAS Share, the SA DAN Share or the SA DAS Share which have not been claimed by the beneficiaries under the relevant trust within the equivalent 12-year or six year period (as applicable), shall also be unclaimed dividends and be forfeited by the relevant beneficiaries.

The Directors may offer to Ninety One plc Shareholders or Ninety One Limited Shareholders, as the case may be, the right to elect to receive new Ninety One plc Shares or Ninety One Limited Shares (as appropriate) by way of scrip dividend instead of cash in respect of all or any part of a dividend. In the case of Ninety One plc, the Directors shall not allot new Ninety One plc Shares unless so authorised by ordinary resolution.

8.14 **Winding-up**

8.14.1 Subject to paragraph 8.14.2, if the Company is wound up, the liquidator may, with the authority of a special resolution:

(a) divide among the members *in specie* or in kind the whole or any part of the assets of the Company (whether they will consist of property of the same kind or not) and may, for such purpose, set such value as he or she deems fair upon any property to be divided and may determine how such division will be carried out between the members or different classes of members; and

(b) vest the whole or any part of the assets in trustees upon such trusts for the benefit of members as the liquidator will think fit but no shareholder will be compelled to accept any shares or other property in respect of which there is a liability.

8.14.2 On a winding-up of the Company, the assets of the Company remaining after payments of all amounts payable to the creditors of the Company and prior ranking statutory entitlements and subject to the rights attaching to any existing shares or class of shares will be distributed:

(a) first to the holders of the UK DAN Share, the UK DAS Share, the Ninety One plc Special Voting Share and the Ninety One plc Special Rights Share in the case of Ninety One plc, or to the holders of the SA DAN Share, the SA DAS Share, the Ninety One Limited Special Rights Share and the Ninety One Limited Special Converting Shares in the case of Ninety

One Limited, subject, in each case, to a maximum of the par value of such shares in the case of Ninety One plc and the stated capital of such shares in the case of Ninety One Limited; and

(b) subject to paragraph (a) above, the Company's ordinary shareholders (including, after the Conversion Date, the holders of any converted Ninety One plc Special Converting Shares and/or Ninety One Limited Special Converting Shares).

8.15 **Directors**

8.15.1 **Number of Directors**

The minimum number of Directors of the Company will be not fewer than four nor more than 20 in number. The Company may by special resolution from time to time vary the minimum and/or maximum number of Directors.

8.15.2 **No share qualification**

A Director will not be required to hold any shares in the capital of the Company by way of qualification. A Director who is not a member of the Company will nevertheless be entitled to attend and speak at the Company general meetings.

8.15.3 **Remuneration**

(a) The ordinary remuneration of the Directors will be determined by the Directors (in the case of Ninety One plc) or by special resolution within the previous two years following a proposal by a disinterested quorum of Directors (in the case of Ninety One Limited), in each case from time to time (except that, in the case of Ninety One plc, such remuneration for non-executive Directors will not exceed £5 million per annum in aggregate or such higher amount as may be determined by an ordinary resolution of the Company and will (unless such resolution otherwise provides) be divisible among the Directors as they may agree, or, failing agreement, equally), except that any Director who will hold office for part only of the period in respect of which such remuneration is payable will be entitled only to rank in such division for a proportion of remuneration related to the period during which he or she has held office. Any fee payable under the relevant provision of the Ninety One plc Articles of Association will be distinct from any remuneration or other amounts payable to a Director under other provisions of the Ninety One plc Articles of Association or payable by Ninety One Limited under the relevant provisions of the Ninety One Limited Articles of Association and vice versa.

(b) Any Director who holds an executive office with Ninety One plc or Ninety One Limited, including for this purpose the office of joint chairman or deputy chairman, or who serves on any committee of the Board, or who otherwise performs services, in relation to the business of Ninety One that are outside the scope of ordinary duties of a Director, may be paid such extra remuneration by way of salary, commission, participation of profits or otherwise.

(c) The Directors may repay to any Director all reasonable expenses properly incurred by him in travelling to and from meetings of the Boards or general meetings, meetings of any committees appointed pursuant to the Articles of Association or otherwise in connection with the business of Ninety One plc or Ninety One Limited respectively.

(d) The Directors may provide benefits, whether by the payment of gratuities or pensions or otherwise, to any past or present Director and for the purpose of providing any such gratuities, pensions or other benefits to contribute to any scheme or fund or to pay premiums.

8.15.4 **Age limit**

Any provision of the Companies Act which, subject to the Articles, would have the effect of rendering any person ineligible for appointment or election as a Director or liable to vacate office as a Director on account of his or her having reached any specified age or of requiring special notice or any other special formality in connection with the appointment or election of any Director over a specified age, will not apply to Ninety One plc or Ninety One Limited.

8.15.5 **Retirement of Directors by rotation**

Save as provided in paragraph 8.15.6 below, at each annual general meeting held in each year one-third of the Directors, or if the number is not a multiple of three then the number nearest to, but not less than, one-third shall retire from office. A Director retiring by rotation will be eligible for re-election.

8.15.6 **Nomination of Director for election**

No person other than a Director retiring at a meeting will be eligible for election as a Director at any general meeting unless there is lodged at the offices of Ninety One plc and Ninety One Limited:

(a) a written notice signed by a member qualified to attend and vote at the meeting or a Director indicating his intention to propose such person for election; and

(b) a written notice signed by the person to be proposed of his or her willingness to be elected as a director of Ninety One plc and Ninety One Limited.

In the case of Ninety One plc:

- the Directors will nominate for election as a director of Ninety One plc at a general meeting of Ninety One plc any person duly nominated for election at the parallel general meeting of Ninety One Limited; and
- the notice required for the nomination of a person or election as a Director at a general meeting of Ninety One plc must be lodged not fewer than seven business days and no more than 28 business days inclusive of the date on which the notice is given before the earlier of the date appointed for the meeting and the date appointed for the parallel general meeting of Ninety One Limited.

In the case of Ninety One Limited:

- the Directors will nominate for election as a director of Ninety One Limited at a general meeting of Ninety One Limited any person duly nominated for election at the parallel general meeting of Ninety One plc; and
- the notice required for the nomination of a person or election as a Director at a general meeting of Ninety One Limited must be lodged not fewer than seven business days and no more than 28 business days inclusive of the date on which the notice is given before the earlier of the date appointed for the meeting and the date appointed for the parallel general meeting of Ninety One plc.

8.15.7 **Additional Directors**

The Company may, by ordinary resolution, elect that the Directors will have power at any time to appoint any person to be a Director either to fill a casual vacancy or as an additional Director, but so that the appointment will not cause the maximum number of Directors to be exceeded and will not take effect before such Director has been duly appointed as a director of the other Company. Any person so appointed by the Directors will hold office only until the next annual general meeting and will then be eligible for election.

8.15.8 **Termination of office**

A Director's office will be terminated if, *inter alia*, that Director ceases to be a director of the other Company.

8.15.9 **Directors' interests**

Subject to the provisions of the Companies Act, and provided that he or she has disclosed to the Directors the nature and extent of any interest of his or her, a Director:

(a) may be party to, or otherwise interested in, any contract, transaction or arrangement with the Company or in which the Company is otherwise interested;

(b) may be a director or officer of, or be employed by, or be a party to any contract, transaction or arrangement with, or be otherwise interested in, any body corporate promoted by the Company in which the Company is otherwise interested provided that a Director may not accept such office or employment or enter into such contract, transaction or arrangement or take such interest or receive remuneration in relation to any of the foregoing without the prior approval of a disinterested quorum of Directors;

(c) may (or any firm of which he or she is a partner, employee or member may) act in a professional capacity for the Company, other than as auditor, and be remunerated provided that any appointment so to act and the remuneration therefore will require the approval of a disinterested quorum of Directors; and

(d) will not, except as otherwise agreed by him or her, be accountable to the Company for any benefit that he or she derives from any contract, transaction or arrangement or from any such office or employment or from any interest in any body corporate or for remuneration, and no such contract, transaction or arrangement disclosed to the Directors will be avoided because of any such interest or benefit.

8.15.10 **Restrictions on voting**

Ninety One plc

In respect of Ninety One plc, a Director is prevented from voting at a meeting of the Boards in respect of any contract or arrangement or any other proposal whatsoever in which he or she has a material interest (together with any interest of any person connected with him or her) except where the resolution relates to any of the following matters:

(a) the giving of any security, guarantee or indemnity in respect of:

(i) money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its subsidiary undertakings; or

(ii) a debt or other obligation of the Company or any of its subsidiary undertakings for which he himself or she herself has assumed responsibility (in whole or in part and whether alone or jointly with others) under a guarantee or indemnity or by the giving of security;

(b) any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiary undertakings where the Director concerned is entitled to participate as a holder of shares or in the underwriting or sub-underwriting;

(c) any proposal concerning any other company in which he or she is interested, directly or indirectly and in whatever capacity, provided that he or she (together with persons connected with him or her as defined by applicable law) does not have an interest in 1 per cent. or more of any class of shares issued by such company or of the voting rights available to members of the relevant company (any such interest being deemed to be a material interest in all circumstances);

(d) any proposal relating to an arrangement for the benefit of the employees of the Company or any of its subsidiary undertakings which does not award him or her any privilege or benefit not generally awarded to the employees to whom such arrangement relates; and

(e) any proposal concerning: (i) insurance which the Company proposes to maintain or purchase for the benefit of Directors or for the benefit of persons who include Directors; or (ii) indemnities in favour of Directors; or (iii) the funding of expenditure by one or more Directors on defending proceedings against him or her or them; or (iv) doing anything to enable such Director or Directors to avoid incurring such expenditure.

Ninety One Limited

In respect of Ninety One Limited, if a Director has a personal financial interest in respect of a matter to be considered at a meeting of the Board, or knows that a related person has a personal financial interest in the matter, the Director:

(a) must disclose the personal financial interest and its general nature before the matter is considered at the meeting;

(b) must disclose to the meeting any material information relating to the matter, and known to the Director;

(c) may disclose any observations or pertinent insights relating to the matter if requested to do so by the other Directors;

(d) if present at the meeting, must leave the meeting immediately after making any disclosure contemplated in paragraphs (b) and (c) above;

(e) must not take part in the consideration of the matter, except to the extent contemplated in paragraphs (b) and (c) above;

(f) while absent from the meeting:

(i) is to be regarded as being present at the meeting for the purpose of determining whether sufficient Directors are present to constitute a quorum; and

(ii) is not to be regarded as being present at the meeting for the purpose of determining whether a resolution has sufficient support to be adopted; and

(iii) must not execute any document on behalf of the Company in relation to the matter unless specifically requested or directed to do so by the Board.

8.15.11 **Powers and obligations in relation to the Sharing Agreement**

The Directors are authorised and directed, subject to applicable regulation, to carry into effect the provisions of the DLC Agreements and any further or other agreements or arrangements contemplated by or relating to such agreements and nothing done by any Director in good faith pursuant to such authority and obligations (the "**DLC Obligations**") will constitute a breach of fiduciary duties of such Director to the Company or the members of the Company. In particular, but without limitation to the generality of the above, the Directors may, in addition to their duties to Ninety One plc, have regard to the interests of Ninety One Limited (and vice versa) and both the holders of Ninety One plc Shares and Ninety One Limited Shares as if Ninety One plc and Ninety One Limited were a single unified entity and, for that purpose, the Directors will, in exercising their powers, take into account the interests of the holders of Ninety One Limited Shares and vice versa.

In the absence of fraud or negligence, neither the Company nor any member(s) will have the right to bring any proceedings or claims against any Director(s) which arise out of or in connection with anything done in good faith by any Director(s) or the Boards pursuant to the DLC Obligations.

8.15.12 **Borrowing powers**

Subject to the Articles of Association and to the provisions of the Companies Act, the Directors may exercise all the powers of the Company to:

(a) borrow money;

(b) mortgage or charge all or any part or parts of its undertaking, property, and uncalled capital; and

(c) issue debentures and other securities, whether outright or as collateral security for any debt, liability or obligation of the Company or of any third party, provided that in the case of Ninety One Limited, no special privileges may be granted to secured and unsecured debentures as contemplated in section 43(3) of the SA Companies Act.

8.16 **Takeover restrictions**

8.16.1 Except as a result of a Permitted Acquisition (as defined below), a person must not breach any of the limits ("**Limits**") set out under the following provisions:

(a) 30 per cent. of the voting rights of Ninety One Limited without regard to the Ninety One Limited Special Voting Share; or

(b) 30 per cent. of the voting rights of Ninety One Limited taking into account the Ninety One Limited Special Voting Share on a Joint Electorate Action; or

(c) 30 per cent. of the voting rights of Ninety One plc without regard to the Ninety One plc Special Voting Share; or

(d) 30 per cent. of the voting rights of Ninety One plc taking into account the Ninety One plc Special Voting Share on a Joint Electorate Action.

8.16.2 Where any person breaches any such Limits (except as a result of a Permitted Acquisition, as defined below) that person and any person acting in concert with him (as defined by the relevant applicable laws in South Africa and United Kingdom) will be in breach of these Articles

of Association, and any Ninety One plc Shares held by such defaulting member which cause the relevant limit to be equalled or exceeded shall be designated as excess shares. As soon as reasonably practicable after giving a notice to a defaulting member, the Companies will effect the transfer of the excess shares to a trustee. The Companies can direct the trustee to sell the excess shares to a third party and the defaulting member will receive the proceeds net of costs, duties and commissions.

8.16.3 An acquisition will be a "**Permitted Acquisition**" if the Boards consent to the acquisition or if each of paragraphs (a) and (b) below is satisfied:

(a) the acquisition is under or pursuant to a procedure which applies to or is undertaken for both the Ninety One Limited Shares and the Ninety One plc Shares at or about the same time; and

(b) each such procedure complies with applicable regulation and the Articles of Association.

8.16.4 Ninety One Limited Shareholders on the one hand and the Ninety One plc Shareholders on the other hand are afforded equivalent treatment in terms of, *inter alia*:

(a) the consideration offered for their shares (having regard to the Equalisation Ratio);

(b) the information provided to them;

(c) the time to consider the offer or procedure; and

(d) the conditions to which the procedure is subject.

8.16.5 The effect of these control provisions, having regard to the operation of the South African Securities Regulation Code on Takeovers and Mergers and the City Code, is described in paragraph 11 of Part X: "*Details of the DLC Structure – Takeovers regulation of the DLC Structure*".

8.17 **Entrenchment**

The DLC Structure-specific provisions of the Articles of Association (the "**Entrenched Provisions**") will be prohibited from being altered except by the passing of special resolutions of both Ninety One Limited and Ninety One plc, as a Class Rights Action. The Entrenched Provisions include, *inter alia*:

8.17.1 the scope of, and voting rights and procedures in relation to, Joint Electorate Actions;

8.17.2 the scope of, and voting rights and procedures in relation to, Class Rights Actions;

8.17.3 the rights attaching to the shares as to dividends or other distributions and return of capital;

8.17.4 the provisions dealing with restrictions on transfers;

8.17.5 the appointment and retirement/vacation of office of Directors;

8.17.6 the takeover restrictions; and

8.17.7 the defined terms relating to the above.

8.18 **Notices to overseas shareholders**

8.18.1 In the case of Ninety One plc, a Shareholder who has no registered address within the United Kingdom or South Africa (if the Ninety One plc Shares are held on the Ninety One plc South African Branch Register) and has not supplied to Ninety One plc an address within the United Kingdom or South Africa for the service of notices will not be entitled to receive notices from Ninety One plc.

8.18.2 In the case of Ninety One Limited, a Shareholder who has no registered address within South Africa and has not supplied to Ninety One Limited an address within South Africa for the service of notices will still be entitled to receive notices from Ninety One Limited.

9. **Directors and Company Secretaries**

9.1 The Directors and their functions within the Companies and brief biographies are set out in Part IX: "*Directors and Corporate Governance*".

9.2 The business address for each of the Directors is: (i) 55 Gresham Street, London EC2V 7EL, United Kingdom, in respect of Ninety One plc; and (ii) 36 Hans Strijdom Avenue, Foreshore, Cape Town, 8001, Republic of South Africa, in respect of Ninety One Limited.

9.3 Hendrik du Toit and Kim McFarland hold directorships of various entities within the Group. In addition to these directorships, the Directors and the Company Secretaries hold, or have held, the following non-Group directorships or equivalent roles and are or were members of the following partnerships, within the previous five years prior to the date of this document:

Director/ Company Secretary	Current directorships/ partnerships	Former directorships
Gareth Peter	Amulet Diamond Corp.	Julius Bär Group AG
Herbert Penny	Edcon Group	New World Resources plc
	Norilsk Nickel	OKD a.s.
		Pangolin Diamonds Corp
Colin Denis Keogh	Hiscox Ltd	Brait Societe Anonyme
	M&G Group Ltd	Downe House School
	Premium Credit Ltd	Emerald Plantation Group
		Emerald Plantation Holdings Ltd
		Greenheart Group Ltd
		New World Resources plc
		Virgin Money Holdings (UK) plc
		Virgin Money plc
		Virgin Money Unit Trust Managers Limited
Idoya Fernanda Basterrechea Aranda	Alcisco Sociedade Inmobiliaria LDA	Fidentiis Gestion SGIIC s.a.
	Alma Nova Inversiones SL	
	Farm Lane Advisors LLP	
	Ockham Court Management Company (Number One), Ltd	
	Violeta Invest, SL	
Victoria Susan Cochrane	Euroclear Bank SA/NV	Bowater Manufacturing Ltd
	Farm Partnership (trading as Parsonage Farm, Kirdford)	
	HM Courts and Tribunals Services	
	IntegraFin Holdings plc	
	Perpetual Income and Growth Investment Trust plc	
	Tyn Glyn Student Ltd	

Director/ Company Secretary	Current directorships/ partnerships	Former directorships
Busisiwe Abigail Mabuza	ABSA Financial Services Limited AFGRI Charitable Trust AFGRI Employee Empowerment Trust AFGRI Operations (Pty) Ltd AFGRI Sizwe Trust Aviation Co-Ordination Services Proprietary Limited Bmabuza Consulting (Pty) Ltd Industrial Development Corporation of South Africa Izitsalo Employee Investments (Pty) Ltd Johannesburg Philharmonic Orchestra NPC K2018106753 (South Africa) (Pty) Ltd Kleoss Capital (Pty) Ltd Lehumo Women's Investment Holdings (Pty) Ltd Platchro Holdings (Pty) Ltd Provest Group (Pty) Ltd Tsogo Sun Gaming Limited ZA Central Registry NPC	ABN Publishing (Pty) Ltd Africa Business News (Pty) Ltd Averda (Pty) Ltd Development Bank of Southern Africa Nehawu Investment Holdings (Pty) Ltd Pan Africa Business Media Holdings (Pty) Ltd
Fani Titi	Business Leadership South Africa ED Trust Global Capital Investments (Pty) Ltd George Avenue Investments 101 (Pty) Ltd IEP Group (Pty) Ltd Igagasi 99.5 (Pty) Ltd Investec Bank Ltd Investec Bank plc Investec Ltd Investec plc MRC Media (Pty) Ltd Newshelf 1280 (RF) (Pty) Ltd Radio Heart 104.9 (Pt) Ltd Tsiya Radio Pty Ltd	ED Trust INL Investments 1 (Pty) Ltd Investec Specialist Investments (RF) (Pty) Ltd Izandla Property Fund (Pty) Ltd Izandla Property (Pty) Ltd Kumba Resources Ltd MTN Group Ltd Tsiya Foundation

Director/ Company Secretary	Current directorships/ partnerships	Former directorships
Hendrik du Toit	August Moon (Pty) Ltd Brouwerskloof Eiendomme (Pty) Ltd Forty Two Point Two Growthpoint Investec African Property Management Ltd(1) Investec Ltd Investec plc Mediterranean Holdings (Pty) Ltd Naspers Ltd Prosus N.V.	
Kim Mary McFarland	Forty Two Point Two Growthpoint Investec African Property Management Ltd* Investec Ltd Investec plc The Investment Association	
Paula Mary Watts	CoSec and Governance Consultants Ltd	

(*1) The Group holds a minority stake in Growthpoint Investec African Property Management Ltd*

10. **Major Subsidiaries**

10.1 The Directors of the Major Subsidiaries are set out below.

Major Subsidiary	Name, age and nationality	Position	Business address
Investec Assurance Limited	Ademola Hammed Animashahun, 57, South African	Chairman, Non-Executive Director	36 Hans Strijdom Avenue Foreshore, Cape Town 8001, South Africa
	Kevin Robert Alcock, 57, South African	Non-Executive Director	36 Hans Strijdom Avenue Foreshore, Cape Town 8001, South Africa
	Thabo Khojane, 47, South African	Managing Director	36 Hans Strijdom Avenue Foreshore, Cape Town 8001, South Africa
	Johan Christo Schreuder, 49, South African	Managing Director	2-4, avenue Marie-Thérèse, L-2132 Luxembourg
Investec Asset Management Guernsey Limited	Grant David Cameron, 55, British	Managing Director, Guernsey	First Floor, Dorey Court, Elizabeth Avenue, St Peter Port, Guernsey GY1 2HT
	Adam Johne Fletcher, 47, South African	General Counsel	36 Hans Strijdom Avenue Foreshore, Cape Town 8001, South Africa
	Mark William Johnston, 52, British	Technical Manager, Fund Governance	First Floor, Dorey Court, Elizabeth Avenue, St Peter Port, Guernsey GY1 2HT
	David Adam McGillveray, 47, British	Head of Investment Risk & Performance	55 Gresham Street, London EC2V 7EL, United Kingdom

10.2 Brief biographies for the Directors of the Major Subsidiaries are set out below.

10.2.1 **Investec Assurance Limited**

(a) *Ademola Animashahun*

Ademola is an Independent Non-Executive Director of Investec Assurance Limited. He is also the co-founder of Aspire Financial Services Group Proprietary Limited based in Johannesburg, South Africa.

Ademola has held various positions within Investec Group. Between 2006 and 2011 he was the Managing Director of Africa at Investec Asset Management. Prior to that, he was Head and Executive Director of Investec Employee Benefits Limited. Prior to joining Investec, Ademola was an actuary at Pearl Assurance and KPMG in the UK.

Ademola holds a Bachelor of Science Honours degree, is a Fellow of the Institute of Actuaries London as well as the Actuarial Society of South Africa and he obtained a Masters in Business Administration from Cranfield School of Management, UK. He has also completed various executive development programmes and among others Stanford Graduate School of Business and Harvard Business School.

(b) *Kevin Robert Alcock*

Kevin is a business leader and entrepreneur who has led the development and growth of a number of international services companies with a particular focus in financial services.

Kevin qualified as a chartered accountant with Arthur Young in Cape Town. After articles, he spent some of the early years of his career in corporate finance before moving to the UK and working in the asset management industry with Dumenil Leble and Prudential Portfolio Managers. In 1993, Kevin joined Ernst & Young on the consultancy side, where he led the successful growth of their Investment Management group.

In 1998, Kevin left Ernst & Young to set up CSTIM Limited as a founding director. CSTIM grew in to a leading management consultancy business servicing the global investment management industry. CSTIM was acquired by Morse plc (a listed IT services and consultancy business) in 2004. Kevin later became Chief Executive Officer of Morse plc and led the transformation of the group to a professional services business.

Kevin now splits his time between South Africa and the UK, managing a portfolio of private equity investments, continuing to provide advisory services around business transformation and acting as a Non-Executive Director for a number of companies including Investec Assurance Limited, Investec Fund Managers Limited, Investec Alternative Investments GP Proprietary Limited and RMI Investment Managers Proprietary Limited.

(c) *Thabo Khojane*

Thabo is the Managing Director of Africa at Investec Asset Management and has been with the firm since 1998. Prior to this role, he was Managing Director for the South African-only business. Before joining the firm, Thabo worked as a management consultant with Monitor Company, based initially in the US and later in South Africa. His focus was competitive strategy for aspiring global businesses; he had clients in telecommunications, healthcare and mining.

Thabo graduated from Brown University in the US, with a BSc in Engineering and a BA in Economics.

(d) *Johan Christo Schreuder*

Johan is the Managing Director of both Investec Assurance Limited and Investec Asset Management Luxembourg S.A., the management company and alternative investment fund manager appointed by the firm's Luxembourg funds. Johan is also a Director of the Investec Africa Frontier Private Equity Fund GP Limited and Investec Africa Private Equity Fund 2 GP Limited in Guernsey. He joined the firm in 2003 and his previous roles include head of product development and product development actuary.

Johan graduated from the University of Stellenbosch with a Bachelor of Commerce (Honours) degree cum laude in 1992. He qualified as a Fellow of the Faculty of Actuaries (1996), is a CFP and CFA Charterholder (2003), and also holds the CFA UK Investment Management Certificate (2012).

10.2.2 **Investec Asset Management Guernsey Limited**

(a) *Grant David Cameron*

Grant is Head of Fund Governance and is the Managing Director of Investec Asset Management Guernsey Limited. Grant is also a director of certain other Investec Asset Management entities and chairman of various committees including the firm's Valuation Committee and Counterparty Risk Committee.

Grant joined the firm in 1996. Grant's prior experience includes his appointments as a senior consultant for Deloitte and Touché between 1994 and 1996, Manager of Financial Services for KPMG Miami in the US between 1991 and 1994 and Audit Manager for KPMG South Africa from 1988 until 1991.

Grant completed his tertiary education at the University of Witwatersrand graduating with a degree in Business Commerce in 1987 and a Bachelor of Accountancy degree in 1989. Grant is a member of the South African Chartered Institute of Chartered Accountants and a Fellow of the Institute of Directors.

(b) *Adam Johne Fletcher*

Adam is the General Counsel of the Group. He joined the Group in September 2002, and has held a number of positions in the legal, compliance, governance and operational risk functions of the business.

He has served on and chaired many boards and committees within the Group, and on industry bodies.

Prior to joining the Group, Adam worked as an attorney in private practice, specialising in structured finance and investment management. Adam is a South African qualified lawyer, having graduated BCom (Econ) LLB from the University of Cape Town.

(c) Mark William Johnston

Mark is the Technical Manager at Investec Asset Management Guernsey Limited and is responsible for operational and governance functions for various Investec Asset Management fund ranges and entities. Mark joined the firm in 2007 to manage specific projects for fund ranges in Guernsey, Luxembourg, South Africa and the UK utilising his extensive operations and change management experience and knowledge.

Prior to joining the firm, Mark was an independent consultant for five years working with mainstream asset managers. Prior to that, he spent 12 years at Scottish Widow Fund Managers.

(d) *David Adam McGillveray*

David is the Head of Investment Risk and Performance at Investec Asset Management. He is responsible for managing the investment risk and performance teams across all asset classes. Prior to joining Investec Asset Management, David spent over 10 years at M&G, working most recently as the Head of Investment Risk. David previously worked as an Equity Fund Manager at Invesco.

David holds a degree in Politics, Philosophy and Economics from the University of Oxford, and also holds the Securities Institute Diploma.

11. Interests of Directors

Save as set out in paragraph 11.1 below, no Director has any interests (beneficial or non-beneficial) in the share capital of the Companies or any of the subsidiaries comprising the Group.

11.1 Shareholdings of Directors

As at 28 February 2020 (being the latest practicable date prior to the publication of this document), the expected interests (all of which are beneficial unless otherwise stated) as at immediately before Admission of the Directors (as well as their respective immediate families and associates) in the share capital of the Companies or (so far as is known or could with reasonable due diligence be ascertained by the relevant Director) interests of a person connected (within the meaning of section 252 of the UK Companies Act) with a Director and the existence of which was known to or could, with reasonable due diligence, be ascertained by the relevant Director as at 28 February 2020, together with such interests as are expected to be held immediately following Admission, were as follows:

	Ninety One plc		Ninety One Limited	
Director	**Immediately before Admission**	**Immediately following Admission**	**Immediately before Admission**	**Immediately following Admission**
Hendrik Jacobus du Toit	1.92%	1.92%	2.00%	2.00%
Kim Mary McFarland	1.25%	1.25%	1.23%	1.23%
Fani Titi	0.01%	0.01%	0.00%	0.00%

The interests of the relevant Directors include both their respective direct shareholdings in Ninety One and such Directors' look through interests in the Shares (rounded down to the nearest whole number) held by Forty Two Point Two (on the basis that Forty Two Point Two has rolled-up (or is otherwise unconditionally and irrevocably committed to rolling up) its interests in IAM UK and IAM SA to the Companies in exchange for Shares) which are set out both immediately prior to and following Admission in paragraph 14 of this Part XVIII. The interests of the relevant Directors have also been stated on the basis that the Demerger has been completed in full and the current holdings of shares in Investec plc and Investec Limited remain unchanged until the record date for the scheme of arrangement to implement the Demerger.

11.2 **Directors' interests in transactions**

No Director has or has had any interest in any transaction which is or was unusual in its nature or conditions, or is or was significant to the business of the Companies, and which was effected by any member of the Group in the current or immediately preceding financial year or which was effected during an earlier financial year and remains in any respect outstanding or unperformed.

There are no guarantees provided by any member of the Group for the benefit of the Directors.

Within the period of five years preceding the date of this document, none of the Directors has:

(a) had any convictions in relation to fraudulent offences;

(b) been a director or senior manager (who is relevant to establishing that a company has the appropriate expertise and experience for the management of that company) of any company at the time of any bankruptcy, receivership, administration or liquidation of such company; or

(c) received any official public incrimination and/or sanction by any statutory or regulatory authorities (including designated professional bodies) or has been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of a company.

No Director has (or has had):

(a) any bankruptcies, insolvencies or individual voluntary compromise arrangements;

(b) any: (i) business rescue plans and/or resolutions proposed by any entity to commence business rescue proceedings; (ii) applications having been made for any entity to begin business rescue proceedings; (iii) notices having been delivered in terms of Section 129(7) of the SA Companies Act; or (iv) any receiverships, compulsory liquidations, creditors' voluntary liquidations, administrations, company voluntary arrangements or any compromise or arrangement with creditors generally or any class of creditors, in each case, of any company where such person is or was a director, with an executive function within such company at the time of, or within the 12 months preceding, any such event(s);

(c) any compulsory liquidations, administrations or partnership voluntary arrangements of any partnerships where such person is or was a partner at the time of, or within the 12 months preceding, such event(s);

(d) any receiverships of any asset(s) of such person or of a partnership of which the person is or was a partner at the time of, or within the 12 months preceding, such event(s)

(e) any public criticisms of such person by statutory or regulatory authorities, including recognised professional bodies, and whether such person has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company;

(f) committed any offence involving dishonesty;

(g) been removed from an office of trust, on the grounds of misconduct and involving dishonesty; or

(h) any court order declaring such person delinquent or placing him under probation in terms of Section 162 of the SA Companies Act and/or Section 47 of the South African Close Corporations Act, 1984 (Act No. 69 of 1984) or disqualifying him to act as a director in terms of Section 219 of the South African Companies Act, 1973 (Act No. 61 of 1973).

12. **Remuneration details, Directors' service contracts and letters of appointment**

12.1 **Remuneration approach**

12.1.1 **Remuneration policy**

From Admission, the Companies will apply a clear and transparent approach to remuneration. Their remuneration frameworks will be overseen by the Human Capital and Remuneration Committee. Over the months leading up to Admission, the Companies have considered the most appropriate basis for the Companies' remuneration arrangements that it should apply to Directors to ensure that these are appropriate for the listed company environment. The Companies have, therefore, established the remuneration principles set out below. The Companies' remuneration policy will be designed to provide a remuneration framework that will:

(a) promote sound and effective risk management and does not encourage risk taking that exceeds the level of risk tolerance of the business and does not impair compliance with the Companies' obligations to act in the best interests of their clients;

(b) ensure that the payment of variable remuneration does not limit the business ability to maintain or strengthen their capital base;

(c) provide a balance of fixed and variable reward that is appropriate in light of an individual's role, responsibilities and contribution;

(d) reflect an approach where both financial and non-financial considerations form an integral part of the determination of reward levels at a team and individual level;

(e) ensure that the applicable regulations which apply to the Companies in respect of remuneration are applied in a way that is proportionate to the nature, scale and complexity of the firm's activities; and

(f) be in line with the Companies' business strategy, culture, the funds and strategies that the Companies manage and, importantly, client requirements.

12.1.2 **Remuneration policy of Executive Directors**

In accordance with UK Companies Act requirements, the Companies will propose for approval by their shareholders a remuneration policy for the Executive Directors at each Company's first annual general meeting after Admission currently expected to be held in September 2020.

(a) **Base salary**

Details of the fixed pay for the Executive Directors are set out in paragraph 12.4.1 below. An Executive Director's fixed pay takes into account the individual's professional experience, individual performance, level of responsibility, the scope and nature of their role and is initially set with reference to the market. Fixed pay is reviewed annually in the context of both Group and individual performance, and pay and conditions of the broader employee population more generally.

(b) **Pension and employee benefits**

The Executive Directors will not be entitled to any pension benefits.

The Executive Directors will each be entitled to receive private medical insurance, disability insurance and life cover, which are the employee benefits generally offered to all Ninety One employees in the UK. These employee benefits will be funded by sacrificing a portion of their fixed pay.

(c) **Variable compensation**

The Executive Directors' proposed variable compensation arrangements after Admission are set out below in paragraph 12.4.2 below.

12.1.3 **Malus and clawback**

Consistent with best practice, malus and clawback provisions which may be operated at the discretion of the Human Capital and Remuneration Committee will be included in the variable compensation arrangements for the Executive Directors.

12.1.4 **All-employee share plans**

The Executive Directors will be entitled to participate in any all-employee share plans operated by the Companies, for example the SIP, on the same terms as other employees. A summary of the principal terms of the SIP are set out at paragraph 17.4 of this Part XVIII.

12.1.5 **Share ownership guidelines**

The Executive Directors will be required to build and maintain a shareholding in the Companies. The Chief Executive Officer will be subject to a minimum shareholding requirement of 1,000 per cent. of fixed pay, while the Finance Director will be subject to a minimum shareholding requirement of 800 per cent. of fixed pay. The equivalent net value after statutory deductions of unvested shares subject to any awards held by an Executive Director to which time-based vesting or a holding period only applies, will count towards the shareholding requirement. The current Executive Directors' participations in the Marathon Trust, as detailed in paragraph 13 of this Part XVIII, exceed this shareholding requirement. The Chief Executive Officer will be

required to maintain a minimum shareholding requirement of 500 per cent. of fixed pay for a period of two years after the termination of his employment, while the Finance Director will be required to maintain a minimum shareholding requirement of 400 per cent. of fixed pay for a period of two years after the termination of her employment.

12.1.6 **Service agreements**

The policy is that each Executive Director's service agreement should be of indefinite duration, subject to termination by the Companies or the individual on six months' notice. The service agreements of all Executive Directors will comply with that policy. The services agreements of an Executive Director may be with either of the Companies. A summary of the principal terms of the Executive Directors' service agreements is set out at paragraph 12.4.1 below.

12.1.7 **Termination policy**

The Human Capital and Remuneration Committee will consider treatment on termination having regard to all of the relevant facts and circumstances available at that time. This policy applies both to any negotiations linked to notice periods on a termination and any treatments that the Human Capital and Remuneration Committee may choose to apply under the discretions available to it under the terms of any short-term and long-term incentive plans in which the Executive Directors participate.

12.1.8 **Non-Executive Directors' letters of appointment**

The Chairman and the other Non-Executive Directors are appointed by a letter of appointment and are subject to annual re-election. Details of each Non-Executive Directors' appointment with each Company are set out in paragraph 12.4.3 below.

The Chairman's and the other Non-Executive Directors' fees will be set at a level to reflect the amount of time and level of involvement required in order to carry out their duties as members of the Boards and their committees, and to attract and retain Non-Executive Directors of the highest caliber with relevant commercial and other experience. The fees paid to the Chairman and the other Non-Executive Directors are determined by the Boards and in the case of Ninety One Limited, approved by special resolution of shareholders. No member of the Boards may participate in the approval of their own fees.

The Chairman and other Non-Executive Directors are not eligible to participate in any of the Companies' incentive arrangements and do not receive pension contributions.

12.1.9 **Statement of consideration of employment conditions elsewhere in the Group**

Pay and employment conditions generally in the Group will be taken into account when setting Executive Directors' remuneration. The Human Capital and Remuneration Committee will receive regular updates on overall pay and conditions in the Group, including (but not limited to) changes in base pay and any staff bonus pools in operation. There is also oversight of the all-employee share plans which Executive Directors and all other Group employees can participate in on the same terms and conditions. Reflecting standard practice, the Companies will not consult with employees in drawing up the Companies' annual remuneration report.

12.1.10 **Statement of consideration of shareholder views**

In compliance with section 439A of the UK Companies Act, the Companies' new remuneration policy will be submitted for approval at each Company's first annual general meeting after Admission currently expected to be held in September 2020. This annual general meeting will be the first occasion on which each Company will seek the support of its shareholders for matters relating to the remuneration of Executive Directors. The Human Capital and Remuneration Committee will ensure that it considers all of the feedback which it receives from the Shareholders during this process.

12.2 **Remuneration of the Boards**

The Companies did not pay any remuneration to the Directors during the year ended 31 March 2019, however some of the Directors did receive remuneration from companies within the Group and/or the Investec Group during this period. The aggregate value of the remuneration paid by companies within the Group and/or the Investec Group to the Directors during this period was £7,976,643, which consisted of:

	Fixed remuneration				Variable remuneration			Total
	Cash salary	Shares	Employee benefits	Pension	Short-term incentive	Long-term incentive	Accrual of outstanding contingent remuneration	
Executive Directors								
Hendrik du Toit	£651,522	£666,000	£14,478	–	£811,843	–	–	£2,143,843
Kim McFarland	£424,607	£266,500	£10,220	–	£317,678	–	£2,669,952	£3,688,957
Non-Executive Directors								
Fani Titi	£616,018	£666,000	£12,343	£37,639	£811,843	–	–	£2,143,843
Total	£1,692,147	£1,598,500	£37,041	£37,639	£1,941,364	–	£2,669,952	£7,976,643

No other Director received remuneration from the Companies, or any company within the Group and/or the Investec Group during this period.

12.3 **Retirement age**

There is no set retirement age for the Directors.

12.4 **Directors' service contracts, incentive arrangements, letters of appointment and termination rights**

12.4.1 **Executive Directors**

Hendrik du Toit's employment with the Group commenced on 1 February 1991. On 1 October 2018, his employment transferred to Investec plc when he assumed his role as Joint Chief Executive Officer of Investec. His employment transferred back to the Group on 1 March 2020 (in anticipation of Admission), though he will continue to act as an Executive Director of Investec until Admission.

Kim McFarland's employment with the Group commenced on 1 December 1993. On 1 October 2018, she assumed the role of executive director of Investec plc, but has always remained an employee of the Group. Kim McFarland will continue to act as an Executive Director of Investec until Admission.

Hendrik du Toit and Kim McFarland have entered into new service contracts in respect of their roles within the Group, which took effect from 1 March 2020 (in anticipation of Admission). Under the terms of these service contracts:

(i) they will each receive fixed pay equal to the cash component of their current annual fixed pay which they receive as executive directors of Investec plc. Hendrik will therefore receive fixed pay of £666,000 per annum and Kim will receive fixed pay of £533,000 per annum;

(ii) they will each be entitled to receive private medical insurance and receive disability and critical illness insurance and life cover, which are the employee benefits generally offered to all Ninety One employees. These employee benefits will be funded by sacrificing a portion of their fixed pay. They will also be eligible for cover under any director or officer insurance that each Company maintains from time to time;

(iii) in addition to normal bank and public holidays, they will be entitled to 35 days' holiday per annum;

(iv) they will each be eligible to be considered for an annual variable compensation award described in more detail below in paragraph 12.4.2 of this Part XVIII; and

(v) their employment may be terminated by either party providing written notice to the other of not less than six months. The Companies will have the ability to make a payment in lieu of notice equal to base salary only for any unexpired portion of the notice period. The Companies may also reserve the right to place them on garden leave during the notice period. The Companies will also be entitled to dismiss them without notice in certain circumstances such as serious misconduct or following a serious breach of their duties.

12.4.2 **Executive Directors' incentive arrangements**

In accordance with UK Companies Act requirements, the Group will propose for approval by its shareholders at its first annual general meeting following Admission, a directors' remuneration policy, which shall include variable compensation arrangements for each of the Executive Directors.

It is proposed that the variable compensation arrangements will comprise an annual single incentive award for each Executive Director which would reward performance over both the long-term and the short-term. The reason for selecting a single incentive model over the more widely used STI and LTI structure is the considerable alignment that already exists between the Executive Directors and shareholders. The Executive Directors intend to retain their significant equity exposure through their participation in the Marathon Trust for the long-term.

Under the single incentive, the long-term element will comprise 55 per cent. of the total award and be subject to performance assessment over three financial years, while the short-term element will comprise 45 per cent. of the award and be subject to performance assessment over the most recent financial year. The incentive award will be based 75 per cent. on financial performance (comprising 55 per cent. long-term performance and 20 per cent. short-term performance) while 25 per cent. of the award will be based on non-financial performance (all short-term performance). For both short and long-term financial performance, the measures will include Adjusted EPS (weighted at 50 per cent.), net inflows (weighted at 12.5 per cent.) and investment performance (weighted at 12.5 per cent.). The targets for the financial and non-financial measures shall be set by the Human Capital and Remuneration Committee for the relevant performance periods. The targets applicable to the financial measures may differ between the long-term and short-term performance elements, considering the financial performance outlook for the Group.

When determining the performance outcome of any element of an award, the Human Capital and Remuneration Committee will take into account the overall level of performance of the Group and the Executive Directors, the management of risk and any other factors it considers relevant over the relevant performance period and may reduce the size of an element to reflect such factors.

After determination of the performance outcome, no more than 50 per cent. of the award will be paid in cash. The remainder will be deferred into Ninety One plc Shares and funds under the management of the Group and vest in full after three years. Following vesting, one half of the amount deferred will be subject to a holding period of one year and the other half will be subject to a holding period of two years. The proportion of the award which is deferred and the period of deferral may be adjusted for future awards to reflect any changes in the remuneration rules which apply to the Executive Directors.

Awards will be subject to malus and clawback provisions.

It is proposed that the first awards under the above arrangements will be made after the financial year ending 31 March 2021 by reference to performance over that financial year for the short-term element and by reference to performance over the three financial years ending with that year for the long-term element. The Human Capital and Remuneration Committee shall make provisions to cover the short period prior to the application of the proposed arrangements.

These variable compensation arrangements are subject to further consideration by the Human Capital and Remuneration Committee and the final arrangements will be described in more detail in the first directors' remuneration policy of the Group.

12.4.3 **Non-Executive Directors**

Each of the Non-Executive Directors has agreed to be appointed by a letter of appointment, the terms of which take effect upon Admission. The key terms of these letters of appointment are set out below.

The basic annual fee for each Non-Executive Director will be £70,000. The Chair of the Boards will receive a fee of £150,000 per annum (inclusive of their basic annual fee as a Non-Executive Director). The Senior Independent Director will receive a fee of £85,000 per annum (inclusive of their basis annual fee as a Non-Executive Director). The Chairs of the Audit and Risk Committee and the Human Capital and Remuneration Committee will each receive an additional £25,000 per annum, and the Chairs of the Nominations and Directors Affairs Committee and Sustainability, Social and Ethics Committee will each receive an additional £15,000 per annum. Other members of these committees will each receive £10,000 per annum in respect of each Committee they are a member of. Each Non-Executive Director is: (i) entitled to be reimbursed for all reasonable expenses properly incurred in the performance of his or her duties; (ii) provided with cover under the Companies' customary directors' and officers' indemnity insurance; (iii) not entitled to participate in the Companies' share, bonus or pension schemes; and (iv) subject to confidentiality undertakings.

Appointment is terminable by each Non-Executive Director of the Companies on three months' notice. The Non-Executive Directors' continuation of appointment is subject to satisfactory performance and each Non-Executive Director is expected to devote sufficient time to meet the expectations and requirements connected with their appointments. They are all subject to re-election at each annual general meeting of each Company and are not entitled to any compensation for loss of office if they are not reappointed or are removed from office by the Shareholders. The appointments may also be terminated with immediate effect if, among others, they: (i) commit a material breach of their obligations; or (ii) are disqualified from acting as a director.

Pursuant to the terms of the Relationship Agreement, for so long as Investec has an aggregate interest in the Companies that is and remains: (i) greater than 25 per cent., they shall be entitled to appoint up to two Non-Executive Directors to the Boards of the Companies; and (ii) equal to or less than 25 per cent. but equal to or greater than seven per cent., they shall be entitled to appoint one Non-Executive Director to the Boards of the Companies. Any Non-Executive Director appointed by Investec will resign immediately if required to do so in accordance with the terms of the Relationship Agreement.

13. Forty Two Point Two and the Marathon Trust

Until 2013, the Ninety One Business was 100 per cent. owned by Investec. Today, Investec, via its shareholdings in IAM UK and IAM SA, owns 80 per cent. (plus one share) of the Ninety One Business. The remaining shareholding is owned by Forty Two Point Two, a Mauritian incorporated company wholly-owned by the Marathon Trust. The Marathon Trust is a long-term share ownership vehicle which was established to enable key employees of the Ninety One Business, including Hendrik du Toit and Kim McFarland, to collectively participate in an indirect equity shareholding in the Ninety One Business. This collective participation has endured over a sustained period and serves to align the interests of key employees with the Group's shareholders and clients. The Marathon Trust is governed by a trust deed between Forty Two Point Two (as settlor) and ITL Trustees Limited (as trustee). Its object is to acquire and hold shares in Forty Two Point Two as a long-term investment and, by doing so, allow key employees of the Ninety One Business to participate indirectly (in their capacity as portionholders in the Marathon Trust) in Forty Two Point Two (which, in turn, holds a shareholding in the Ninety One Business). Beneficiaries of the Marathon Trust hold interests in the trust which determine the nature and extent of their interest in Forty Two Point Two (and accordingly the underlying Shares it holds). Forty Two Point Two's acquisition of its shareholding in the Ninety One Business has been, and future Share acquisitions are expected to be, funded by capital provided by the participating employees to the Marathon Trust and/or third party debt-funding assumed by Forty Two Point Two.

As noted in paragraph 3.1 of Part VII: "*Information on the Group – Unique employee ownership and culture*", those senior employees of Ninety One who are beneficiaries of the Marathon Trust are seeking to make a further investment in the Ninety One Business through the Marathon Trust by Forty Two Point Two acquiring further Ninety One plc Shares as part of the Global Offer. Following Admission, Forty Two Point Two will be subject to a lock-up restricting the sale of its Shares for 365 days from the date of Admission (see paragraph 10.4 of Part XVII: "*Details of the Global Offer – Lock-up in relation to Forty Two Point Two*".

Given that Forty Two Point Two is a long term holder of Shares and represents a significant investment by key employees in the Ninety One Business, Forty Two Point Two intends, following Admission and subject to applicable law and regulation, to continue to exercise, collectively on behalf of the key employees, its powers in relation to the Shares it holds, including its voting rights.

14. **Significant shareholdings**

As at the date of this document, each Company has one subscriber shareholder, Derek Tong (in respect of Ninety One plc) and Investec Limited (in respect of Ninety One Limited). Insofar as it is known to the Companies as at the date of this document, as a result of the Demerger, the following persons will, immediately prior to and immediately following Admission, be, directly or indirectly, interested (within the meaning of the UK Companies Act) in three per cent. or more of either Companies' issued share capital (being the threshold for notification of interests that will apply to Shareholders as of Admission pursuant to Chapter 5 of the Disclosure and Transparency Rules):

Ninety One Limited

Shareholder	Interests in Ninety One Limited Shares immediately before Admission[1]		Ninety One Limited Shares to be sold in the Global Offer[2]		Interests in Ninety One Limited Shares immediately following Admission[1] [3]	
	No.	% of total issued	No.	% of total issued	No.	% of total issued
Investec Limited[4]	84,273,721	28.1	–	–	40,045,791	13.3
Investec Investments	84,273,721	28.1	44,227,930	14.74	40,045,791	13.3
Forty Two Point Two	60,017,591	19.9999	—	—	60,017,591	19.9999
Public Investment Corporation	21,601,407	7.2	–	–	21,601,407	7.2
Allan Gray	16,731,457	5.6	–	–	16,731,457	5.6

Ninety One plc

Shareholder	Interests in Ninety One plc Shares immediately before Admission[1]		Ninety One plc Shares to be sold in the Global Offer[2]		Interests in Ninety One plc Shares immediately following Admission[1] [3]	
	No.	% of total issued	No.	% of total issued	No.	% of total issued
Investec plc	150,059,012	24.1	51,697,690	8.30	98,361,321	15.8
Forty Two Point Two	124,524,302	19.9999	—	—	124,524,302	19.9999
Allan Gray	47,372,130	7.6	–	–	47,372,130	7.6
Public Investment Corporation	27,029,641	4.3	–	–	27,029,641	4.3
Prudential Portfolio Mgrs	19,903,480	3.2	–	–	19,903,480	3.2

Notes:

(1) The interests in Shares immediately before and following Admission have been stated on the basis that: (i) the Demerger has been completed in full; (ii) the current holdings of shares in Investec plc and Investec Limited remain unchanged until the record date for the scheme of arrangement to implement the Demerger; (iii) Forty Two Point Two has rolled-up (or is otherwise unconditionally and irrevocably committed to rolling up) its interests in IAM UK and IAM SA to the Companies in exchange for Shares; and (iv) Investec plc and/or Investec Investments have acquired surplus Shares from the Investec EBT that have not otherwise been sold to the EBT (which has been calculated on the basis of the mid-point of the Price Range).

(2) The number of Shares to be sold in the Global Offer is stated on the basis that: (i) the Demerger has been completed in full; (ii) Forty Two Point Two has rolled up its interests in IAM UK in exchange for Ninety One plc Shares; (iii) Investec plc sells 8.3 per cent. of the Ninety One plc Shares in issue and Investec Investments sells 14.74 per cent. of the Ninety One Limited Shares in issue (assuming Forty Two Point Two has rolled up its interests in IAM SA in exchange for Ninety One Limited Shares) in the Global Offer; and (iv) Investec plc and/or Investec Investments have acquired surplus Shares from the Investec EBT that have not otherwise been sold to the EBT (which has been calculated on the basis of the mid-point of the Price Range). The number of Shares to be sold in the Global Offer as stated also takes no account of Shares that are expected to be sold to the EBT. The final number of Shares that are to be sold by Investec plc and Investec Investments in the Global Offer will be set out in the Pricing Statement, currently expected to be released on or about 16 March 2020.

(3) Forty Two Point Two has agreed to place an order with the Joint Bookrunners for the purchase of up to 46,135,704 Ninety One plc Offer Shares in the Global Offer. There is no guarantee that an allocation of Shares will be made to Forty Two Point Two in the Global Offer allocation process or, if an allocation were made that it would be for the full order amount. The shareholding of Forty Two Point Two immediately following Admission set out in the table above excludes any Ninety One Offer Shares that it may acquire pursuant to such order.

(4) Held beneficially via Investec Investments, which is a wholly owned subsidiary of Investec Limited.

Save as set out above, the Companies are not aware of any persons who, as at 28 February 2020 (being the latest practicable date prior to the publication of this document), directly or indirectly, jointly or severally, exercise or could exercise control over the Companies and neither is it aware of any arrangements the operation of which may at a subsequent date result in a change of control of the Group (other than the Demerger).

None of the Shareholders referred to in this paragraph 14 has different voting rights from any other holder of Shares in respect of any Shares held by them.

15. **Subsidiaries**

As at the date of this document, the subsidiaries of Ninety One plc are Ninety One Global (direct subsidiary) and Ninety One International (indirect subsidiary). Both Ninety One International and Ninety One Global are 100 per cent. owned by Ninety One plc.

As at the date of this document, Ninety One Limited has no direct or indirect subsidiaries. However, as a result of the Demerger and on Admission, it is intended that the Companies will become the parent companies of the Group, operating in the DLC Structure. Following Admission, the Group is expected to comprise the following entities:

Name	Country of incorporation	Registered office	Company ownership
Investec Asset Management Australia Pty Ltd	Australia	Suite 3, Level 28, Chifley Tower, 2 Chifley Square, Sydney, New South Wales 2000, Australia	100 per cent.
Investec Asset Management Botswana (Pty) Ltd	Botswana	Plot 64511, Stand 5, Fairgrounds Park, PO Box 49, Gaborone	70 per cent.
Investec Fund Managers Botswana (Pty) Ltd	Botswana	Plot 64511, Stand 5, Fairgrounds Park, PO Box 49, Gaborone	70 per cent.
Ninety One Global Limited	England and Wales	55 Gresham Street, London EC2V 7EL, United Kingdom	100 per cent.
Ninety One International Limited	England and Wales	55 Gresham Street, London EC2V 7EL, United Kingdom	100 per cent.
Investec Asset Management Ltd	England and Wales	55 Gresham Street, London EC2V 7EL, United Kingdom	100 per cent.
Investec Fund Managers Ltd	England and Wales	55 Gresham Street, London EC2V 7EL, United Kingdom	100 per cent.
Investec Asset Management Guernsey Ltd	Guernsey	First Floor, Dorey Court, Elizabeth Avenue, St Peter Port, Guernsey GY1 2HT, Guernsey	100 per cent.
Investec Africa Frontier Private Equity Fund GP Ltd	Guernsey	First Floor, Dorey Court, Elizabeth Avenue, St Peter Port, Guernsey GY1 2HT, Guernsey	100 per cent.
Investec Africa Private Equity Fund 2 GP Ltd	Guernsey	First Floor, Dorey Court, Elizabeth Avenue, St Peter Port, Guernsey GY1 2HT, Guernsey	100 per cent.
Growthpoint Investec African Property Management Ltd	Guernsey	First Floor, Dorey Court, Elizabeth Avenue, St Peter Port, Guernsey GY1 2HT, Guernsey	46.5 per cent.
Investec Asset Management Hong Kong Ltd	Hong Kong	Suites 3609-3614, 36/F, Two International Finance Centre, 8 Finance Street, Central, Hong Kong	100 per cent.
Investec Asset Management Luxembourg S.A.	Luxembourg	2-4 Avenue Marie-Thérèse Luxembourg	100 per cent.
Investec Africa Credit Opportunities Fund 2 GP S.à r.l.	Luxembourg	2-4 Avenue Marie-Thérèse Luxembourg	100 per cent.
Investec Asset Management Namibia (Pty) Ltd	Namibia	24 Orban Street, Klein Windhoek, Namibia	85 per cent.
Investec Fund Managers Namibia Ltd	Namibia	24 Orban Street, Klein Windhoek, Namibia	85 per cent.
Investec Asset Management Singapore Pte. Ltd	Singapore	8 Wilkie Road, #03-01, Wilkie Edge, Singapore 228095	100 per cent.

Name	Country of incorporation	Registered office	Company ownership
Investec Asset Management Holdings (Pty) Ltd	South Africa	36 Hans Strijdom Avenue, Foreshore, Cape Town 8001, South Africa	100 per cent.
Investec Asset Management (Pty) Ltd	South Africa	36 Hans Strijdom Avenue, Foreshore, Cape Town 8001, South Africa	100 per cent.
Investec Fund Managers SA (RF) (Pty) Ltd	South Africa	36 Hans Strijdom Avenue, Foreshore, Cape Town 8001, South Africa	100 per cent.
Investec Investment Management Services (Pty) Ltd	South Africa	36 Hans Strijdom Avenue, Foreshore, Cape Town 8001, South Africa	100 per cent.
Grayston Nominees (Pty) Ltd	South Africa	36 Hans Strijdom Avenue, Foreshore, Cape Town 8001, South Africa	100 per cent.
Investec Alternative Investments GP (Pty) Ltd	South Africa	36 Hans Strijdom Avenue, Foreshore, Cape Town 8001, South Africa	100 per cent.
Investec Assurance Ltd	South Africa	36 Hans Strijdom Avenue, Foreshore, Cape Town 8001, South Africa	100 per cent.
Silica Holdings (Pty) Ltd	South Africa	36 Hans Strijdom Avenue, Foreshore, Cape Town 8001, South Africa	100 per cent.
Silica Software Solutions (Pty) Ltd	South Africa	36 Hans Strijdom Avenue, Foreshore, Cape Town 8001, South Africa	100 per cent.
Silica Administration Services (Pty) Ltd	South Africa	36 Hans Strijdom Avenue, Foreshore, Cape Town 8001, South Africa	100 per cent.
Silica Financial Administration Solutions (Pty) Ltd	South Africa	36 Hans Strijdom Avenue, Foreshore, Cape Town 8001, South Africa	100 per cent.
Silica Nominees (Pty) Ltd	South Africa	36 Hans Strijdom Avenue, Foreshore, Cape Town 8001, South Africa	100 per cent.
Investec Asset Management Switzerland GmbH	Switzerland	Seefeldstrasse 69, 8008 Zurich, Switzerland	100 per cent.
Investec Asset Management North America, Inc	United States of America	2711 Centerville Road, Suite 400, Wilmington, New Castle, Delaware 19808, United States of America	100 per cent.

16. **Dividend policy**

It is the Companies' policy to declare dividends in line with the trend in profitability. Subject to approval of the Boards, the Companies are expected to target an ordinary dividend payout ratio of at least 50 per cent. of operating earnings adjusted for tax.

Further, the Companies are expected only to retain after-tax earnings sufficient to meet current or expected changes in their regulatory capital requirements and investment needs, as well as a reasonable buffer to protect against fluctuations in those requirements. Subject to approval of the Boards, it is expected that the remaining balance of after tax earnings, after taking into account any specific events, would be returned to Shareholders through payment of a special dividend.

The Companies' first dividend following Admission is expected to be an interim dividend for the period from Admission to 30 September 2020.

17. **Employee Share Plans**

Overview

17.1 Ninety One will adopt the Ninety One Share Plans with effect from Admission. The Ninety One plc LTIP and the Ninety One Limited LTIP will be used in conjunction with Ninety One plc Shares and Ninety One Limited Shares respectively and references to Shares in this paragraph 17.1 and in paragraph 17.2 below should be interpreted accordingly. The Ninety One Share Plans will not have a facility to use new issue Shares. The Ninety One plc LTIP will not have the ability to utilise Shares held in treasury, but the

Ninety One Limited LTIP will utilise Shares acquired on the market and held by the Ninety One EBT to settle awards under the Ninety One Limited LTIP. In addition, the Ninety One Executive Directors will be excluded from receiving awards under the Ninety One plc LTIP until the approval of Shareholders except for: (i) awards made on an all-employee basis; and (ii) the Ninety One portion of the Investec short-term incentive arrangements award prorated to 29 February 2020, referred to in paragraph 17.2 below at the cost of Investec. Therefore, the approval of Investec Ordinary Shareholders is not being sought for the Ninety One Share Plans.

17.2 The proposed principal terms of the Ninety One Share Plans are summarised in paragraphs 17.3 and 17.4 below and it is intended that the Ninety One Share Plans will be used to grant awards over Shares in the following circumstances:

17.2.1 on the day of Admission, awards ("**Listing awards**") over approximately £2,000 worth of Shares will be made to all permanent employees of Ninety One and selected subsidiaries at the date of Admission. These Listing awards will normally vest after three years. For UK employees, these Listing awards will be made under the Ninety One SIP rather than the Ninety One LTIP which is described in paragraph 17.3 below. The Listing awards will not be subject to malus and clawback. Ninety One may use the Ninety One LTIP to make future awards on an all-employee basis but does not currently intend to do so;

17.2.2 for annual bonus deferral into Shares, Ninety One currently operates a bonus deferral arrangement where a proportion of selected employees' annual bonuses are deferred into investment funds managed by Ninety One. The Ninety One LTIP, described at paragraph 17.3 below, will be used to complement this arrangement. The bonus deferral awards over Shares will normally vest after three years; and

17.2.3 one-off awards for strategically important employees and new hires, excluding Ninety One Executive Directors. These awards may be subject to forward-looking performance conditions and would normally vest in equal tranches on the third, fourth and fifth anniversaries of grant.

The Ninety One LTIP

17.3 The proposed principal terms of the Ninety One LTIP are set out below.

17.3.1 **Operation**

The Ninety One LTIP will be overseen by the Ninety One Human Capital and Remuneration Committee.

17.3.2 **Eligibility and individual limits**

(a) Employees of Ninety One plc and its subsidiaries, are eligible to participate in the Ninety One plc LTIP, except Ninety One Executive Directors until the approval of Shareholders unless they are participating in awards granted on an all-employee basis. All employees of Ninety One Limited and its subsidiaries in South Africa, Namibia and Botswana are eligible to participate in the Ninety One Limited LTIP.

(b) The Ninety One Human Capital and Remuneration Committee will decide who will be granted awards and over how many shares.

17.3.3 **Types of awards**

(a) Awards may take the form of:

(i) Forfeitable awards – under which participants receive the beneficial interests in Shares on grant but which will be forfeit if the awards subsequently lapse;

(ii) Conditional awards – under which participants receive Shares if and when their awards vest; or

(iii) Options – under which the participant can acquire Shares, to the extent that their award has vested, either at no cost or at a price set when the option is granted.

(b) The current intention is that awards will be made in the form of forfeitable awards, except for locations where conditional awards would be more appropriate for regulatory or tax reasons. Options will only be used if there is a change in approach over the life of the Ninety One LTIP.

(c) Awards may also be granted as cash awards if necessary for regulatory and/or tax reasons.

17.3.4 **Performance conditions**

An award may be granted on the basis that it will normally only vest to the extent that a performance condition, set at the time of grant, is satisfied. However, Listing awards and deferred bonus awards will not be subject to performance conditions.

17.3.5 **Dividends and dividend equivalents**

(a) Holders of forfeitable awards may receive dividends (both ordinary and any special dividends) and any other distributions on the Shares subject to their awards.

(b) For conditional awards and options, participants may receive a payment in cash or Shares at the time of the delivery of their vested Shares of an amount equivalent to the dividends that would have been paid on those Shares over the vesting period. The Ninety One Human Capital and Remuneration Committee may decide to exclude a special dividend or other distribution from a dividend equivalent payment.

17.3.6 **Vesting of awards**

(a) Awards will normally vest at the end of a period set when the award is granted. In exceptional circumstances, the Ninety One Human Capital and Remuneration Committee may decide that an award will vest at an earlier time where the vested Shares become subject to an alternative long-term incentive arrangement. Where the vesting of awards is subject to a performance condition, those awards will vest to the extent that the performance condition has been achieved. Shares will be transferred to the participant (or an option may be exercised) from vesting. Where awards are settled in cash, then cash representing the value of the notional vested Shares will be paid from vesting (or exercise in the case of an option).

(b) Vesting may be delayed where a participant is subject to any external investigation or similar circumstances.

17.3.7 **Retention period**

An award may be granted on the basis that the participant is required to hold a net number of vested Shares (or shares subject to an option) for a set period following vesting.

17.3.8 **Malus and claw-back**

(a) The Ninety One Human Capital and Remuneration Committee may, at its discretion, reduce (including reduced to nil) the number of Shares to be received on vesting of an award (malus). In determining whether or not to reduce an award, the Ninety One Human Capital and Remuneration Committee will consider:

(i) whether any financial results announced in respect of any part of the vesting period have subsequently appeared materially inaccurate or misleading;

(ii) whether a business area in which the participant worked has made an unexpected loss in the vesting period;

(iii) misbehaviour or material error by the participant, whether or not that results in a loss for a business area in which the participant works or has worked or for which the participant is or has been responsible;

(iv) failure of the participant to meet appropriate standards of fitness and propriety, in accordance with any applicable regulatory rules or principles, internal policies or reasonable expectations;

(v) material failure of risk management by Ninety One, any member of the Group or a business area in which the participant works or has worked;

(vi) where a participant has ceased employment before vesting in circumstances where the award has not lapsed and facts emerge which, if known at the time, would have caused the award to lapse on cessation;

(vii) any error or misstatement which has resulted in a material overpayment to a participant;

(viii) whether Ninety One or the business area in which the participant works has suffered a material downturn in its financial performance;

(ix) an exceptional event or events occur that has had or may have a material effect on the value or reputation of any member of the Group (excluding an exceptional event or events which have a material adverse effect on global macro-economic conditions); and/or

(x) any other factor which the Ninety One Human Capital and Remuneration Committee considers relevant.

(b) The Ninety One Human Capital and Remuneration Committee may also recover value received by a participant under the Ninety One LTIP (clawback) for a set period after the vesting of their award. The circumstances where clawback may be applied will include:

(i) misbehaviour or material error by the participant whether or not that results in a loss for the business in which they worked or were responsible;

(ii) failure of a participant to meet appropriate standards of fitness or propriety;

(iii) Ninety One or the participant's business unit suffering a material failure of risk management;

(iv) the assessment of the satisfaction of any performance condition was based on error or inaccurate or misleading information;

(v) an exceptional event or events occur that has had or may have a material effect on the value or reputation of any member of the Group (excluding an exceptional event or events which have a material adverse effect on global macro-economic conditions); and/or

(vi) circumstances have arisen which permit clawback under any other incentive plan in which the participant participates.

(c) Where relevant, the application of malus and clawback will be subject to any applicable financial services remuneration codes applying to the Group and its employees.

17.3.9 **Leaving employment**

(a) An award will normally lapse if the participant leaves the employment of the Group.

(b) However, if a participant leaves because of disability (or injury in the case of Listing awards), death, redundancy, retirement with agreement of Ninety One, the sale of the company or business in which they work or for any other reason at the discretion of the Ninety One Human Capital and Remuneration Committee, then their award will normally vest at the time it would have vested if the participant had not left employment.

(c) Alternatively, the Ninety One Human Capital and Remuneration Committee may decide that an award will vest at the time when the participant leaves employment or such other time as the Ninety One Human Capital and Remuneration Committee determines in its absolute discretion.

(d) Where an award vests on or after leaving, the number of Shares may be reduced pro rata to reflect the fact that the participant left early. Pro rating is not expected to be applied to Listing awards or deferred bonus awards.

(e) In the context of leavers, to the extent that options are granted under the Ninety One LTIP, the options will normally be exercisable for up to 12 months after the later of the date on which the option vests and the date on which the participant left.

17.3.10 **Takeovers and reorganisations**

(a) If there is a takeover of Ninety One, awards will vest on completion of the takeover, subject to the extent to which any performance condition has been satisfied. Alternatively, participants may be allowed or required to exchange their awards for equivalent awards over shares in the acquiring company. If awards vest, the awards will be pro-rated unless the Ninety One Human Capital and Remuneration Committee decides otherwise. However, pro rating is not expected to apply to Listing awards or deferred bonus awards.

(b) If Ninety One is affected by any demerger, delisting, scheme of arrangement, merger or amalgamation, distribution (other than an ordinary dividend) or other transaction, which, in the opinion of the Ninety One Human Capital and Remuneration Committee, might affect the current or future value of any award or any other significant corporate event (as determined by the Ninety One Human Capital and Remuneration Committee), the Ninety One Human Capital and Remuneration Committee may allow an award to vest on the same basis as described above for a takeover.

(c) If there is an internal reconstruction, reorganisation, merger or acquisition of Ninety One where there is no significant change in the identity of the ultimate shareholders of Ninety One, then the Ninety One Human Capital and Remuneration Committee may arrange for the awards to be replaced with equivalent awards over shares in a new parent company.

17.3.11 **Adjustment of awards**

For conditional awards and options, the number of Shares subject to an award may be adjusted to reflect any variation in the share capital of Ninety One or a corporate event which, in the opinion of the Ninety One Human Capital and Remuneration Committee, could materially affect the market price of Shares. Any adjustment to the awards under the Ninety One Limited LTIP will require the approval of an independent adviser as being reasonable.

17.3.12 **Source of shares**

(a) It is intended that Listing awards will be satisfied with Shares purchased by the EBT from Investec plc, Investec Investments and/or the Investec EBT at the same time as, and at the same price Shares are acquired in, the Global Offer. Future awards will be satisfied using Shares purchased in the market. No new issue Shares can be used in conjunction with the Ninety One LTIP. The Ninety One plc LTIP will furthermore not have an ability to use Ninety One Shares held in treasury, but the Ninety One Limited LTIP will utilise Shares acquired in the market and held by the Ninety One EBT to settle awards under the Ninety One Limited LTIP.

(b) The maximum number of Ninety One Limited Shares which can be utilised for the Ninety One Limited LTIP (determined in accordance with the JSE Listings Requirements) will be 15,004,473 and the maximum number of Ninety One Limited Shares which any one participant may acquire under that plan is 3,000,895.

17.3.13 **General**

(a) Awards will normally only be granted within 42 days of the announcement of Ninety One's results for any period. Awards may also be granted within 42 days of Admission and after any shareholders meeting. No awards can be granted more than 10 years after Admission.

(b) Awards are not transferable (except on death) and cannot be used as collateral.

(c) Holders of forfeitable awards will be able to exercise their voting rights in the same way as other Shareholders.

(d) The Ninety One Human Capital and Remuneration Committee can decide to satisfy any award in cash instead of Shares.

(e) Participants do not pay for the grant of an award. Awards are not pensionable.

17.3.14 **Amendments**

The Ninety One Human Capital and Remuneration Committee may amend the Ninety One LTIP in any way subject, in the case of the Ninety One Limited LTIP, to the approval of JSE Limited and Shareholders in limited circumstances prescribed in the JSE Listings Requirements.

17.4 **Ninety One SIP**

17.4.1 **Overview**

The Ninety One SIP is an HMRC all-employee share plan. The Ninety One SIP will be used to make the listing awards described in paragraph 17.4.3(a) below, to all eligible UK employees on the day of Admission. It is intended that it will be used as a UK employee share purchase plan on an ongoing basis after Admission utilising the partnership share facility described below. The proposed principal terms of the Ninety One SIP are set out below.

17.4.2 **Eligibility**

All employees (including Ninety One Executive Directors) of Ninety One and any participating subsidiary may participate in the Ninety One SIP. The Ninety One Human Capital and Remuneration Committee may set a qualifying period of continuous employment (which cannot exceed 18 months) for eligibility. When the Ninety One SIP is operated, all eligible employees must be invited to participate. The Ninety One Human Capital and Remuneration Committee may also offer participation to any other employees.

17.4.3 **Operation**

(a) Eligible employees may be offered free, partnership and/or matching shares (see below), as the Ninety One Human Capital and Remuneration Committee decides. The Ninety One SIP may also offer dividend reinvestment. As mentioned above, it is currently intended to use the Ninety One SIP for the Listing awards and as an employee share purchase plan after Admission.

(b) The Ninety One SIP operates in conjunction with a trust, which will hold Shares on behalf of participants. No new issue or treasury Shares can be used for the Ninety One SIP without the prior approval of Shareholders in a general meeting.

17.4.4 **Free shares**

(a) Participants can be given free Shares ("**free shares**") with a market value currently limited by the tax legislation to £3,600 in a tax year. The free shares must generally be offered to all eligible employees on similar terms, but the number of free shares can vary by reference to the participant's remuneration, length of service or hours worked. The Ninety One Human Capital and Remuneration Committee may make the awards of free shares subject to performance targets.

(b) Free shares must generally be held in trust for between three and five years. The Ninety One Human Capital and Remuneration Committee may require free shares to be forfeited if the participant leaves employment within three years, other than as a result of death, retirement, redundancy, injury or disability, or the participant's employing company or business being sold out of the Group. These terms of forfeiture will apply to the Listing awards.

17.4.5 **Partnership shares**

(a) Eligible employees may be offered the opportunity to buy Shares ("**partnership shares**") by deduction from their pre-tax salary. Under current legislation, they can buy up to £1,800 in each tax year or, if less, 10 per cent. of salary.

(b) The Ninety One SIP trustee may use the deductions from participants' salaries to buy partnership shares on their behalf immediately. Alternatively, it may accumulate them for a period of up to one year and then use them to buy partnership shares.

(c) Participants can stop their salary deductions at any time. Participants can also withdraw their partnership shares from the plan at any time, although there are tax advantages if the partnership shares are retained in the Ninety One SIP.

17.4.6 **Matching Shares**

The Ninety One Human Capital and Remuneration Committee may award additional free Shares ("**matching shares**") on a matching basis to participants who buy partnership shares. Under current legislation, up to a maximum of two matching shares can be offered for each partnership share. Matching shares must be offered on the same basis to each participant

purchasing partnership shares on each occasion. Matching shares must generally be held in trust for a holding period of between three and five years. The Ninety One Human Capital and Remuneration Committee may decide that matching shares will be forfeited on the same basis as free shares or if the corresponding partnership shares are taken out of the Ninety One SIP within three years of award. It is not currently intended that matching shares will be offered.

17.4.7 **Dividends**

Cash dividends paid on Shares held in the Ninety One SIP may be reinvested in Shares up to certain limits set out in the legislation.

17.4.8 **Corporate events**

As Ninety One SIP awards consist of Shares from grant, these Shares will be subject to corporate actions and variations of share capital in the same way as other Shares.

17.4.9 **Voting Rights**

The trustees can only vote Shares held in the Ninety One SIP in accordance with participants' instructions.

17.4.10 **General**

(a) The Ninety One Human Capital and Remuneration Committee may amend the Ninety One SIP, provided such amendments are permitted by the governing tax legislation.

(b) Awards are not transferable (except on death). Awards are not pensionable.

18. Employee benefit trusts

Two employee benefit trusts are in the process of being established by the Group for the purpose of providing Shares for use in the Companies' future employee share plans, including the LTIP. One of these trusts is being established in South Africa while the other is being established in Guernsey. Both trusts will have independent professional trustees and the purpose and terms of the trusts will be in accordance with standard market practice. The trusts will each have an advisory committee comprising the directors of the Companies or a duly authorised committee or person or persons which may make recommendations to the trustee as to how it should act and may appoint or remove trustees.

It is intended that the trustees of the trusts may acquire Shares by buying them on the market or, where the Shares are to be used for a share plan approved by Shareholders, by subscribing for new issue Shares. It is intended that the trusts will be funded by way of loans and other contributions from the members of the Group.

It is intended that the trustees may vote in respect of any Shares they hold except where the Shares are being held as a nominee for a beneficiary of the EBT when the trustees will vote the Shares in accordance with the wishes of the beneficial holder of the Shares. The Guernsey trustee will waive dividends on any Shares it will hold in trust but this will not apply to Shares it will hold as nominee, for example, under the forfeitable awards.

19. Pension schemes

The Group operates pension schemes throughout its areas of operation. The majority of the schemes are defined contribution schemes or mandatory state arrangements, with the exception of a defined benefit arrangement operated in the United Kingdom: the Investec Asset Management Pension Scheme. This defined benefit scheme has been closed to new members and ceased future accrual since 31 March 2002. IAM UK is the principal employer of the Investec Asset Management Pension Scheme.

Investec Bank Limited is the principal employer of two defined contribution arrangements for South African and Namibian employees: the Investec Group Limited Pension Fund and the Investec Group Provident Fund. The Investec Group Limited Pension Fund is a legacy arrangement with all new entrants joining the Investec Group Provident Fund. Investec Asset Management Holdings Proprietary Limited, Investec Asset Management Namibia Proprietary Limited and Silica Holdings Proprietary Limited participate in these arrangements and will continue to do so following Demerger.

A high-level summary of the other defined contribution schemes or mandatory state arrangements is set out below:

Country	DC/Mandatory	High-level summary
Australia	DC/Mandatory	A Superannuation Fund provided by First Colonial State complies with the conditions of the Superannuation Industry (Supervision) Act 1993 with minimum employer contributions meeting legislative requirements.
Botswana	Mandatory	Employees contribute between 7 and 20 per cent. of their total cost to the employer.
Guernsey	DC	The employer contributes 10 per cent. of monthly salary.
Hong Kong	DC	The employer contributes 10 per cent. of employee gross eligible salary to the fund as well as deducting five per cent. of employee gross eligible salary on employees' behalf to meet the mandatory employee contribution levels.
Luxembourg	Mandatory Provident Fund	The employer contributes 10 per cent. of basic salary. Employees can choose to make additional personal contributions up to a current maximum of EUR 1,200 per annum (such employee contributions deducted from monthly payroll).
Singapore	DC	Contribution rates set at 17 per cent. of ordinary wages (as defined in local law) up to a maximum of S$6,000 per month plus 17 per cent. of additional wages (as defined in local law) up to a maximum total compensation of S$102,000 per annum.
United States	Mandatory Provident Fund	Employees make pre-tax contributions to the 401(K) plan (capped at IRS limits) with employers contributing 3 per cent. safe harbour and an additional 2 per cent. profit sharing on eligible earnings.

20. Litigation

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Companies are aware) during the 12-month period prior to the date of this document which may have, or have had in the recent past, significant effects on the Companies and/or the Group's financial position or profitability.

21. Material contracts and arrangements

The following contracts (not being contracts entered into in the ordinary course of business) are all of the contracts that have been entered into by members of the Group: (a) within two years immediately preceding the date of this document which are or may be material; or (b) which may contain any provisions under which a member of the Group has an obligation or entitlement which is material to the Group as at the date of this document:

21.1 Demerger Agreements

The Demerger Agreements, as described further in this paragraph 21.1, were entered into on 29 November 2019. The Transitional Services Agreement, the Transitional Trade Mark Licence Agreement and the Relationship Agreement are each conditional on Admission occurring not later than 8:00 a.m. (London) on 30 June 2020 (or such later date as may be agreed in writing between the parties to the applicable agreements) and will take effect upon Admission. Following Admission, the Demerger Agreements will govern the relationship between the Companies and Investec on the basis set out below.

21.1.1 Separation Agreement

Overview of the Separation Agreement

On 29 November 2019, the Companies, Investec, IAM UK and IAM SA entered into a separation agreement to set out the principal steps necessary to effect the Demerger and other provisions to govern certain aspects of the Companies' relationship with Investec after the Demerger (the "**Separation Agreement**").

Allocation of liabilities and wrong pockets

Subject to any allocation of liabilities provisions contained in the other Demerger Agreements, the Separation Agreement provides that, following the Demerger: (i) any liability that arises in a company in the Investec Group owing to a third party shall remain with that company unless such liability principally relates to the Ninety One Business as carried on prior to Admission, in which case, such liability shall be novated to, or the relevant company shall be indemnified by, a company in the Group; and (ii) any liability that arises in a company in the Group owing to a third party shall remain with that company unless such liability principally relates to a business which is not within the perimeter of the Ninety One Business as carried on prior to Admission, in which case, such liability shall be novated to, or the relevant company shall be indemnified by, Investec or one of its subsidiaries.

Following the Demerger, if any property, right or asset relating principally to the business of either the Investec Group or the Group is found to be owned or held by the other in error, Investec or the Companies, as applicable, shall procure that the relevant property, right or asset be transferred to the other as soon as reasonably practicable.

Tax matters

The Separation Agreement contains provisions relating to, among other things, the allocation of tax liabilities between the Group and the Investec Group, the manner in which the groups will prepare and agree tax computations and returns, the basis on which certain claims and elections can be made, the conduct of negotiations and disputes with the tax authorities, the exchange of information relating to their tax affairs and certain other administrative matters. The two general principles underlying the tax provisions are that: (i) each company in the Group and the Investec Group will be responsible for its own tax liabilities; and (ii) the Group and the Investec Group will co-operate in relation to any tax matter or issue which affects both the Group and the Investec Group.

Other matters

The Separation Agreement also includes provisions relating to: (i) the sharing of information to permit each of the Companies and Investec to comply with their respective financial or tax reporting obligations; (ii) the administration of the Investec share plans in which Group employees participate; and (iii) the separation mechanics with respect to the pension arrangements as they relate to Group employees. In addition, for up to seven years following the Demerger, the Investec Group shall not conduct its business using certain names related to the Ninety One Business. However, without prejudice to this restriction, nothing in the Separation Agreement restricts or restrains any party from carrying on, being engaged in, or being economically interested in, any business or undertaking of any nature.

21.1.2 **Transitional Services Agreement**

Overview of the Transitional Services Agreement

On 29 November 2019, the Companies and Investec entered into a transitional services agreement pursuant to which the Investec Group will continue to provide certain IT, operational and other services to the Group for a transitional period in order to assist the Group in continuing the Ninety One Business following the Demerger (the "**Transitional Services Agreement**"). The Transitional Services Agreement will take effect upon Admission and is conditional on Admission occurring not later than 8:00 a.m. (London) on 30 June 2020 (or such later date as may be agreed in writing between the parties to the Transitional Services Agreement).

Scope

The services provided under the Transitional Services Agreement will each have a specified service term and the Transitional Services Agreement will terminate when the last service terminates unless otherwise agreed by the parties. A service term may only be extended by agreement of the parties to the Transitional Services Agreement. The services to be provided will generally be, in terms of performance levels and efficiency, of similar quality to those that were provided to the Group by the Investec Group prior to the Demerger.

Service charges

The service charges for services provided under the Transitional Services Agreement are either fixed fees or are calculated by reference to the cost incurred in providing the service, market price or previously agreed charging mechanisms. Charges are calculated on a broadly similar basis to those currently paid for similar services.

Termination

The Transitional Services Agreement can be terminated by either the Companies or Investec if: (i) there is a change of control (i.e. material change in ownership, influence or voting rights) of the other party; (ii) the other party becomes insolvent; or (iii) the other party commits a material breach of its obligations under the Transitional Services Agreement. The Companies may also terminate a service provided under the Transitional Services Agreement at any time on 30 days' prior written notice.

21.1.3 **Relationship Agreement**

Overview of the Relationship Agreement

On 29 November 2019, the Companies and Investec entered into a relationship agreement that will regulate aspects of the ongoing relationship between the parties following the Demerger (the "**Relationship Agreement**").

Term and termination

The Relationship Agreement will take effect upon Admission and is conditional on Admission occurring not later than 8:00 a.m. (London) on 30 June 2020 (or such later date as may be agreed in writing between the parties to the Relationship Agreement). The Relationship Agreement will terminate upon the earliest of: (i) as it relates to Ninety One plc, the Ninety One plc Shares ceasing to be listed on the Official List and traded on the LSE's main market for listed securities and the Ninety One plc Shares ceasing to be secondary inward listed and traded on the Main Board of the JSE; (ii) as it relates to Ninety One Limited, the Ninety One Limited Shares ceasing to be listed and traded on the Main Board of the JSE; and (iii) Investec ceasing to own or control (directly or indirectly) in aggregate seven per cent. or more of the Companies' combined issued ordinary share capital of (or which carries seven per cent. or more of the aggregate voting rights in the Companies (on a combined basis) from time to time).

Independence

The Relationship Agreement contains, among others, undertakings from Investec that: (i) all transactions and arrangements between Investec and/or its associates with any member of the Group are conducted at arm's length and on normal commercial terms; (ii) neither Investec nor any of its associates shall take any action that would have the effect of preventing Ninety One plc from complying with its obligations under the Listing Rules; and (iii) neither Investec nor any of its associates shall propose or procure the proposal of a shareholder resolution of the Companies which is intended or appears to be intended to circumvent the proper application of the Listing Rules.

Investec Directors

Under the Relationship Agreement, for so long as Investec has an aggregate interest in the Companies (on the basis of the Companies' combined issued ordinary share capital from time to time) that is and remains: (i) greater than 25 per cent., they shall be entitled to appoint up to two Non-Executive Directors to the Boards; and (ii) equal to or less than 25 per cent. but equal to or greater than 7 per cent., they shall be entitled to appoint one Non-Executive Director to the Boards.

Transfers

Under the Relationship Agreement, Investec undertakes to: (i) inform the Companies in advance of any disposal or transfer of an aggregate interest in two per cent. or more of the Companies' combined issued ordinary share capital from time to time (or which carries two per cent. or more of the aggregate voting rights in the Companies (on a combined basis) from time to time) by it to a third party or third parties; and (ii) consult with the Companies thereafter as to the timing and manner of such proposed transfer.

Other matters

Nothing in the Separation Agreement restricts or restrains any party from carrying on, being engaged in, or being economically interested in, any business or undertaking of any nature.

21.1.4 **Transitional Trade Mark Licence Agreement**

Overview of the Transitional Trade Mark Licence Agreement

On 29 November 2019, the Companies and Investec Bank Limited, a subsidiary of Investec plc, entered into a transitional trade mark licence agreement pursuant to which, among other things, the Investec Group will license certain Investec trade marks (the "**Investec Trade Marks**") to the Companies for a transitional period in order to assist the Group in continuing the Ninety One Business following the Demerger (the "**Transitional Trade Mark Licence Agreement**").

Scope

Pursuant to the Transitional Trade Mark Licence Agreement, the Investec Group will grant a non-exclusive, fully paid-up and royalty-free licence to the Companies to use the Investec Trade Marks for a transitional period following the Demerger. The Companies are required to commence using their new replacement brand as their primary brand by no later than nine months after Admission (the "**Rebranding Date**") and must use commercially reasonable endeavours to cease all use of the Investec Trade Marks as soon as reasonably practicable after the Rebranding Date, but no later than 24 months following Admission. The use of the Investec Trade Marks is limited to use in relation to existing products of the Ninety One Business and shall comply with the Investec brand guidelines. The Companies are permitted to sub-license the Investec Trade Marks to other members of the Group.

Term and termination

The Transitional Trade Mark Licence Agreement will terminate at the earlier of 24 months after Admission and the date on which the Companies (and their sub-licensees) cease all use of the Investec Trade Marks, subject to Investec Group's right to terminate the Transitional Trade Mark Licence Agreement in its entirety with immediate effect on written notice if: (i) one of the Companies commits a material breach of the Transitional Trade Mark Licence Agreement and such breach is not remedied within 30 days of written notice of the breach; (ii) one of the Companies or a member of the Group challenges the ownership, validity or enforceability of the Investec Trade Marks, any copyright subsisting in them or the goodwill or reputation associated with them; (iii) one of the Companies or a member of the Group brings the Investec Trade Marks into disrepute; (iv) one of the Companies or a member of the Group undergoes an insolvency event; or (v) control of one of the Companies is acquired by one or more financial institutions or asset managers, other than a member of the Investec Group.

21.1.5 **Underwriting Agreement**

On 2 March 2020, the Companies, Investec, Investec Investments, the Directors, the Global Coordinator and, among others, the remaining Joint Bookrunners entered into the Underwriting Agreement. Pursuant to the Underwriting Agreement:

(a) Investec plc and Investec Investments have agreed, subject to the determination of the Offer Price and certain other conditions, to sell or procure the sale of the Offer Shares in the Global Offer at the Offer Price;

(b) the Joint Bookrunners have agreed, subject to certain conditions, to use reasonable endeavours to procure purchasers for or, failing which, themselves to purchase the Offer Shares (in such proportions as are set out in the Underwriting Agreement) pursuant to the Global Offer;

(c) the Companies have appointed the UK Sponsor to act as the sponsor for the purposes of Ninety One plc's application for Admission to the premium listing segment of the UK Official List;

(d) subject to the conditions set out in the Underwriting Agreement having been satisfied or waived and the Underwriting Agreement not having been terminated in accordance with its terms prior to Admission, Investec plc and Investec Investments have has agreed

that the Joint Bookrunners may deduct from the proceeds of the Global Offer payable to Investec a commission of three per cent. of the product of the Offer Price and the number of Offer Shares sold pursuant to the Global Offer (or if not deducted from the proceeds, the Joint Bookrunners may invoice Investec plc or Investec Investments directly);

(e) the obligations of the Joint Bookrunners to procure purchasers for or, failing which, themselves to purchase Offer Shares pursuant to the Global Offer on the terms of the Underwriting Agreement are subject to certain conditions that are customary for an agreement of this nature. These conditions include, among other things, the absence of any breach of representation or warranty under the Underwriting Agreement, delivery of customary documents, and Admission occurring on or before 8:00 a.m. (London time) on the LSE and 7:00 a.m. (London time) on the JSE on 16 March 2019 (or such later time and/or date as the Global Coordinator, the JSE Sponsor, the Companies, Investec plc and Investec Investments may agree). In addition, the Global Coordinator has the right to terminate the Underwriting Agreement, exercisable in certain circumstances that are customary for an agreement of this nature, prior to Admission. The circumstances include, among others, the occurrence of certain material adverse changes in the condition (financial, operational, legal or otherwise) or in the earnings, business affairs or prospects of the Group, taken as a whole, and certain changes in financial, political or economic conditions;

(f) Investec plc and Investec Investments have agreed to pay any stamp duty and/or stamp duty reserve tax arising on the sale of the Offer Shares sold pursuant to the Global Offer;

(g) to the extent permitted by law, Investec and/or Investec Investments has agreed to pay certain costs, charges, fees and expenses of the Global Offer (together with any related VAT);

(h) each of the Companies, Investec, Investec Investments and the Directors has given certain representations, warranties and undertakings, subject to certain limits (except in the case of the Companies), to the Global Coordinator and the Joint Bookrunners;

(i) the Companies have given an indemnity to the Joint Bookrunners on customary terms that are typical for an agreement of this nature; and

(j) the Companies, Investec plc, Investec Investments and the Directors who hold Shares as at Admission are subject to certain lock-up arrangements as detailed further in paragraph 10 of Part XVII: "*Details of the Global Offer – Lock-up arrangements*".

21.2 **Material loans**

The Group does not have any material loans as contemplated in the JSE Listings Requirements, and the Group has not made any loans to, or furnished any security for the benefit of, any Director or manager of the Companies (or of any associate of any such Director or manager).

22. Material changes

There have been no material changes in the business of the Group during the past five years.

23. Intercompany financial and other transactions

There are no material intercompany financial or other transactions within the Group.

24. Prior issue of securities

Save as set out in paragraph 4 of this Part XVIII, in the last three years, neither the Companies, nor any of the Major Subsidiaries, have made any issue or offer of securities. In addition, in the last three years, no Group company has made any issue, offer or repurchase of securities that were material to the Companies.

25. Properties, investments and assets

The following are the principal establishments of the Group

Address	Tenant	Lease expiry	Type	Tenure
Woolgate Exchange, 25 Basinghall Street, London EC2V 5HA	Investec Asset Management Ltd	24 June 2020	Office	Leasehold
55 Gresham Street, London EC2V 7EL	Investec Asset Management Ltd	31 March 2034	Office	Leasehold
36 Hans Strijdom Avenue, Foreshore, Cape Town 8001, South Africa	Investec Bank Limited	29 February 2024	Office	Leasehold

There have been no material acquisitions or disposals within the last three years, and there are no proposed material acquisitions or disposals by the Group, save as otherwise contemplated for the purposes of the implementation of the Demerger.

26. **Related party transactions**

Details of related party transactions entered into by members of the Group during the period covered by the historical financial information and up to the date of this document are set out in the notes to the historical financial information contained in Section A4 of Part XIV: "*Historical Financial Information*". See also paragraph 21.1.3 above regarding the Relationship Agreement.

Save as set out above, there are no related party transactions that were entered into during the period covered by the historical financial information or during the period from 30 September 2019 to the date of this document.

27. **No significant change**

There has been no significant change in the financial position or financial performance of the Group since 30 September 2019 (the date to which the latest audited combined financial statements of the Group were prepared).

28. **Working capital**

In the opinion of the Companies, the working capital available to the Group is sufficient for the Group's present requirements, that is for the next 12 months following the date of this document.

29. **General**

Each of KPMG LLP of 15 Canada Square, Canary Wharf, London E14 5GL and KPMG Inc. of 85 Empire Road, Parktown 2193, Republic of South Africa has given and has not withdrawn its written consent to the inclusion in this document of its reports in Sections A, B, C, D, E and F of Part XIV: "*Historical Financial Information*", as applicable in the context, and references thereto and has authorised the contents of those parts of this document for the purposes of item 5.3.2R (2)(f) of the Prospectus Regulation Rules, in respect of KPMG LLP, and the JSE Listings Requirements, in respect of KPMG Inc.

There are no fees and expenses being borne by the Companies in connection with Admission or the Global Offer. The fees and expenses in connection with Admission and the Global Offer are to be borne by Investec and are estimated to amount to approximately £37,105,258 (excluding VAT or equivalent tax outside the UK). A breakdown of this estimation is included below:

	(£'000)
Underwriting fees – Joint Bookrunners[(1)]	6,115
UK Sponsor to Ninety One plc – J.P. Morgan Cazenove	1,000
Financial Advisers to Investec in connection with the Demerger – J.P. Morgan Cazenove	5,986
Financial Advisers to the Companies – Fenchurch Advisory Partners LLP	6,000
JSE Sponsor to the Companies– J.P. Morgan Equities SA	14
English and US Legal Advisers to the Companies– Linklaters LLP	11,000
South African Legal Advisers to the Companies – Edward Nathan Sonnenbergs Inc.	719

	(£'000)
English and South African Legal Advisers to the UK Sponsor, JSE Sponsor and Joint Bookrunners – Allen & Overy LLP and Allen & Overy (South Africa) LLP	650
Auditors and Reporting Accountants – KPMG LLP	2,390
Auditors and Reporting Accountants – KPMG Inc.	207
Private Reporting – Ernst & Young LLP	2,701
FCA listing and document inspection fees	67
JSE listing and document inspection fees	6
Project management & other one-off resource costs	50
Other expenses[2]	200
Total estimated expenses and fees	**37,105**

Note:

(1) Assuming the Offer Price is set at the mid-point of the Price Range.

(2) Other expenses include board advisory, insurance, marketing, other legal, rating and registrar fees and expenses.

Other than as set out above, no consideration has been paid within the three years preceding this document or is payable to any person (including commission so paid or payable to any sub-underwriter that is the holding company, promoter, Director or officer of the Companies) for subscribing or agreeing to apply to subscribe, or agreeing to procure subscriptions for any of the Shares. No commissions, discounts, brokerage or other special terms were granted during the three years preceding the date of this document in connection with the issue of any securities, stock or debentures in the capital of the Companies.

Should the Underwriting Agreement be concluded, Investec and/or Investec Investments will pay to the Joint Bookrunners commission and will reimburse certain related expenses incurred. Save as set out in this paragraph, no amount has been paid or proposed to be paid in the preceding three years to any promoter, or to any partnership, syndicate or other association of which that promoter is or was a member, nor has any cash or security been paid nor proposed, nor any other benefit given nor proposed to any such promoter, partnership, syndicate or other association in the aforementioned three-year period.

No Director or promoter of the Companies has any material beneficial interest, either direct or indirect, in: (i) the promotion or formation of the Companies; (ii) any property material to the Companies proposed to be acquired by the Companies out of any proceeds of the Global Offer; or (iii) any property material to the Companies acquired or proposed to be acquired by the Companies in the preceding three years. No Director or promoter of the Companies has been a member of a partnership, syndicate or other association of persons that had such an interest nor has any cash or securities been paid or any other benefit given to any promoter in the aforementioned three-year period.

J.P. Morgan Equities SA has been appointed as the JSE Sponsor for the purposes of the listing on the JSE and J.P. Morgan Cazenove has been appointed as a UK Sponsor, Global Coordinator and Joint Bookrunner to the Companies. BofA Securities and Investec Bank plc have also been appointed as Joint Bookrunners in connection with the Global Offer.

The financial information contained in this document does not amount to statutory accounts within the meaning of section 434(3) of the UK Companies Act.

Each Offer Share is expected to be sold at a premium of between 190 pence and 235 pence to the nominal value of the Ninety One plc Shares of £0.0001 each.

30. **Mandatory bids and compulsory acquisition rules relating to Shares**

The description of the rules and provisions relating to mandatory bids and compulsory acquisition rules relating to the Ninety One plc Shares, on the one hand, and the Ninety One Limited Shares, on the other hand, are as follows and should be read in conjunction with paragraph 11 of Part X: "*Details of the DLC Structure – Takeovers regulation of the DLC Structure*", which sets out details regarding takeovers regulation of the DLC Structure.

30.1 **Mandatory bids and compulsory acquisition rules relating to ordinary shares**

Other than as provided by the City Code on Takeovers and Mergers (the "**City Code**") and Chapter 28 of the UK Companies Act, there are no rules or provisions relating to mandatory bids and/or squeeze-out and sell-out rules relating to Ninety One plc.

30.2 **Rule 9 of the City Code**

30.2.1 The City Code applies to Ninety One plc.

30.2.2 Rule 9.1 of the City Code states that, except with the consent of the UK Takeover Panel, when:

(a) any person acquires, whether by a series of transactions over a period of time or not, an interest in shares which (taken together with shares in which persons acting in concert with him are interested) carry 30 per cent. or more of the voting rights of a company; or

(b) any person, together with persons acting in concert with him or her, is interested in shares which in the aggregate carry not less than 30 per cent. of the voting rights of a company, but does not hold shares carrying more than 50 per cent. of such voting rights, and such person, or any persons acting in concert with him or her, acquires an interest in any other shares which increases the percentage of the shares carrying voting rights in which he or she is interested,

such person shall extend offers, on the basis set out in Rules 9.3, 9.4 and 9.5 of the City Code, to the holders of any class of equity share capital whether voting or non-voting and also to the holders of any other class of transferable securities carrying voting rights. Offers for different classes of equity share capital must be comparable and the UK Takeover Panel should be consulted in advance in such cases.

30.2.3 "**interests in shares**" is defined broadly in the City 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.

30.2.4 "**voting rights**" means, for these purposes, all the voting rights attributable to the share capital of a company which are currently 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 City Code to be acting in concert with each other unless the contrary is established.

30.3 **Authority of Ninety One plc to redeem or purchase its own shares**

30.3.1 When a company redeems or purchases its own voting shares, under Rule 37 of the City 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 City Code. Rule 37 of the City Code provides that, subject to prior consultation, the UK Takeover Panel will normally waive any resulting obligation to make a general offer if there is a vote of independent shareholders and ensure a procedure along the lines of that set out in Appendix 1 to the City Code is followed. Appendix 1 to the City Code sets out the procedure which should be followed in obtaining that consent of independent shareholders. Under Note 1 on Rule 37 of the City Code, a person who comes to exceed the limits in Rule 9.1 in consequence of a company's 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, concert parties with 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 purchase by a company of its own shares, or the decision to seek shareholders' authority for any such purchase.

30.3.2 Under Note 2 on Rule 37 of the City Code, the exception in Note 1 on 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 purchase of their own shares by the company would take place. Note 2 will not normally be relevant unless the relevant person knows that a purchase for which requisite shareholder authority exists is being, or is likely to be, implemented (whether in whole or in part).

30.3.3 The UK Takeover Panel must be consulted in advance in any case where Rule 9 of the City 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 does 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 Ninety One plc of its own shares. In addition, the UK 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 Ninety One plc of its own shares.

30.4 **Squeeze-out rules**

Under the UK Companies Act, if a "takeover offer" (as defined in section 974 of the UK Companies Act) is made by an offeror to acquire all of the shares in Ninety One plc not already owned by it and the offeror were to acquire, or unconditionally contract to acquire, not less than 90 per cent. in value of the shares to which such offer relates, the offeror could then compulsorily acquire the remaining shares. The offeror would do so by sending a notice to the outstanding members informing them that it will compulsorily acquire their shares and, six weeks later, it would deliver a transfer of the outstanding shares in its favour to Ninety One plc which would execute the transfers on behalf of the relevant members, and pay the consideration for the outstanding shares to Ninety One plc which would hold the consideration on trust for the relevant members. The consideration offered to the members whose shares are compulsorily acquired under this procedure must, in general, be the same as the consideration that was available under the original offer unless a member can show that the offer value is unfair.

30.5 **Sell-out**

The UK Companies Act also gives minority members a right to be bought out in certain circumstances by an offeror who has made a takeover offer. If a takeover offer related to all the shares in Ninety One plc and, at any time before the end of the period within which the offer could be accepted, the offeror held or had agreed to acquire not less than 90 per cent. in value of the shares and not less than 90 per cent. of the voting rights carried by the shares in Ninety One plc, any holder of shares to which the offer related who had not accepted the offer could by a written communication to the offeror require it to acquire those shares. The offeror would be required to give any member notice of his or her right to be bought out within one month of that right arising. The offeror may impose a time limit on the rights of minority members to be bought out, but that period cannot end less than three months after the end of the acceptance period or, if later, three months from the date on which notice is served on members notifying them of their sell-out rights. If a member exercises his or her rights, the offeror is entitled and bound to acquire those shares on the terms of the offer or on such other terms as may be agreed.

Ninety One Limited

30.6 **Mandatory offer under the SA Companies Act**

30.6.1 Under the SA Companies Act, a mandatory offer applies if:

(a) either:

(i) a company reacquires any of its voting securities in terms of a scheme of arrangement or otherwise; or

(ii) a person acting alone has, or two or more related or interrelated persons, or two or more persons acting in concert, have, acquired a beneficial interest in voting rights attached to any securities issued by a company;

(b) before the acquisition, a person was, or persons contemplated in paragraph (i) above together were, able to exercise less than 35 per cent. of all the voting rights attached to securities of that company; and

(c) as a result of that acquisition, together with any other securities of the company already held by the person or persons contemplated in paragraph (ii) above, they are able to exercise at least 35 per cent. of all the voting rights attached to securities of that company.

30.6.2 Within one business day of the date of the acquisition contemplated above, the person or persons in whom 35 per cent., or more, of the voting rights beneficially vests must give notice in the prescribed manner to the holders of the remaining securities, including in that notice:

(a) a statement that they are in a position to exercise at least 35 per cent. of all the voting rights attached to the securities of that company; and

(b) offering to acquire any remaining such securities on terms determined in accordance with the SA Companies Act and the South African Takeover Regulations.

30.6.3 Within one month of giving the notice in paragraph 30.6.2 above, the aforementioned person or persons contemplated in paragraph 30.6.1 above must deliver a written offer to the holders of the remaining shares in the company, offering to acquire those securities on the terms contemplated in the SA Companies Act and South African Companies Regulations.

30.7 **Squeeze-out rules under the SA Companies Act**

If, within four months of the date of an offer for the acquisition of any class of securities of a company, that offer has been accepted by the holders of at least 90 per cent. of that class of securities, other than any such securities held before the offer by the offeror, a related or interrelated person, persons acting in concert or a nominee or a subsidiary of any such person or persons:

(a) within two further months, the offeror may notify the holders of the remaining securities of the class:

(i) that the offer has been accepted; and

(ii) that the offeror desires to acquire all the remaining securities of that class; and

(b) after giving notice in terms of paragraph (a)(i) the offeror is entitled, and bound, to acquire the securities concerned on the same terms that apply to securities whose holders accepted the original offer, subject to the right of a person to apply to court for an order that the offeror is not entitled to acquire the applicant's securities.

30.8 **Sell-out rules under the SA Companies Act**

30.8.1 If an offer for the acquisition of any class of securities of a company has resulted in the acquisition by the offeror, or a nominee or subsidiary of the offeror, or a related or interrelated person of any of them, individually or in the aggregate, of sufficient securities of that class such that, together with any other securities of that class already held by that person, or those persons in aggregate, they then hold at least 90 per cent. of the securities of that class:

(a) the offeror must notify the holders of the remaining securities of the class that the offer has been accepted to that extent; and

(b) within three months of receiving a notice in terms of this paragraph 30.8.1, a person may demand that the offeror acquires all of the person's securities of the class concerned; and

(c) after receiving a demand in terms of paragraph 30.8.1, the offeror is entitled, and bound, to acquire the securities concerned on the same terms that applied to securities whose holders accepted the original offer.

30.9 **Ninety One Limited MoI**

Under the Ninety One Limited MoI, a person (the "**Third Party**") cannot acquire 30 per cent. or more of the voting rights of Ninety One plc unless: (i) the Ninety One Limited Board consents; or (ii) the acquisition is pursuant to a procedure that applies to both Ninety One Limited Shares and Ninety One plc Shares in accordance with the SA Companies Act and the City Code (as applicable)

whereby the Ninety One Limited Shareholders and the Ninety One plc Shareholders are afforded equivalent treatment. Any Ninety One Limited Shares acquired by a Third Party in contravention of this provision of the Ninety One Limited MoI will be transferred to a trustee and Ninety One Limited may then direct the trustee to sell such Ninety One Limited Shares with the net sale of proceeds being paid to the Third Party.

31. **Sponsor independence**

In its capacity as the JSE Sponsor, J.P. Morgan Equities South Africa Proprietary Limited has confirmed to the JSE and to the Companies that, based on its internal procedures that are in place, it is satisfied that no conflict exists as a result of the various roles. Furthermore, there is no matter that would impair its independence and objectivity in its professional dealings in relation to the listing of the Companies or that would impact on its ability to act within the Code of Conduct as set out in the JSE Listings Requirements.

32. **Documents available for inspection**

Copies of the following documents may be inspected during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) for a period of 12 months following Admission at the offices of the Companies' solicitors (Linklaters LLP, One Silk Street, London EC2Y 8HQ, United Kingdom and Edward Nathan Sonnenbergs Inc., The MARC, Tower 1, 129 Rivonia Road, Sandton, Johannesburg, 2196, South Africa), the registered office of Ninety One Limited (36 Hans Strijdom Avenue, Foreshore, Cape Town 8001 and, where marked with an asterisk (*), also at www.investec.com/demerger and at www.investecassetmanagement.com/disclosure (and with a link also available via www.ninetyone.com):

32.1 *the Memorandum of Incorporation of Ninety One plc;

32.2 *the Ninety One plc Articles of Association;

32.3 *the Ninety One Limited MoI;

32.4 *the Investec Circular;

32.5 *the Registration Document;

32.6 *this document;

32.7 the Sharing Agreement;

32.8 the Voting Agreement;

32.9 the Ninety One plc SCS Trust Deed;

32.10 the Ninety One Limited SCS Trust Deed;

32.11 the UK DAS Share Trust Deed;

32.12 the UK DAN Share Trust Deed;

32.13 the SA DAS Share Trust Deed;

32.14 the SA DAN Share Trust Deed;

32.15 *the Accountant's Report on the Combined Historical Financial Information of the Ninety One Business, included for the purposes of the Listing Rules, as set out in Section A1 of Part XIV: "*Historical Financial Information*";

32.16 *the Independent Reporting Accountant's report on the Combined Historical Financial Information of the Ninety One Business, included for the purposes of the JSE Listings Requirements, as set out in Section A2 of Part XIV: "*Historical Financial Information*";

32.17 *the Independent Reporting Accountant's Report on the Historical Financial Information of Ninety One Limited, included for the purposes of the JSE Listings Requirements, as set out in Section B1 of Part XIV: "*Historical Financial Information*";

32.18 *the Accountant's report on the Historical Financial Information of Ninety One plc, included for the purposes of the Listing Rules, as set out in Section C1 of Part XIV: "*Historical Financial Information*";

32.19 *the Independent Reporting Accountant's report on the Historical Financial Information on Ninety One plc, included for purposes of the JSE Listings Requirements, as set out in Section C2 of Part XIV: "*Historical Financial Information*";

32.20 *the Accountant's report on the compilation of *pro forma* financial information of the Group included for the purposes of the Listing Rules, as set out in Section D1 of Part XIV: "*Historical Financial Information*";

32.21 *the Independent Reporting Accountant's assurance report on the compilation of the *pro forma* financial information of the Group, included for the purposes of JSE Listings Requirements, as set out in Section D2 of Part XIV: "*Historical Financial Information*";

32.22 *the Independent Reporting Accountant's report on the Non-IFRS Measures, included for the purposes of the JSE Listings Requirements, as set out in Section E of Part XIV: "*Historical Financial Information*";

32.23 *the Independent Reporting Accountant's review report on the policyholders' and shareholders' information, included for the purposes of the JSE Listings Requirements, as set out in Section F of Part XIV: "*Historical Financial Information*";

32.24 the rules of the Employee Share Plans;

32.25 the material contracts referred to in paragraph 21 of this Part XVIII, including the Demerger Agreements;

32.26 the Directors' service contracts referred to in paragraph 12 of this Part XVIII; and

32.27 the consent letters referred to in paragraph 29 of this Part XVIII.

DEFINITIONS

Definitions

The following definitions apply throughout this document unless the context requires otherwise:

"**4Factor**"	one of the Group's three equities investment strategies.
"**Action**"	any distribution or action affecting the amount or nature of, or economic benefit derived from, issued equity share capital including any cash dividend, distribution *in specie*, rights issue, bonus issue or capitalisation issue, repayment or reduction of capital, subdivision or consolidation, share buy-back or amendment of the rights of any shares or a series of one or more of such actions, but excluding any change in the Equalisation Ratio.
"**Adjusted EPS**"	profit after tax adjusted to remove non-operating items, divided by the weighted average number of ordinary shares in issue.
"**Administration Agreement**"	the agreement entered into between Ninety One plc, Ninety One Limited and the Trust Corporations in relation to the performance by the Trust Companies with their respective obligations under the Ninety One Voting Agreement, the DAT Deeds and the SCS Trust Deeds and certain related matters.
"**Admission**"	(i) the admission of all of the Ninety One plc Shares to listing on the premium listing segment of the UK Official List in accordance with the UK Listing Rules and to trading on the LSE's main market for listed securities in accordance with the UK Admission and Disclosure Standards; (ii) the secondary inward listing and admission to trading of all of the Ninety One plc Shares on the main board of the JSE in accordance with the JSE Listings Requirements; and (iii) the primary listing and admission to trading of all of the Ninety One Limited Shares on the main board of the JSE in accordance with the JSE Listings Requirements.
"**Advisor**"	one of the Group's two distribution channels, which focuses on investment products and services provided to clients such as large retail groups, wealth managers, private banks and intermediaries serving individual investors.
"**AIF**"	alternative investment funds.
"**Alternatives**"	one of the Group's four asset class offerings, including its investment strategies focused on natural resource equities.
"**Audit and Risk Committee**"	the audit and risk committee of the Companies.
"**Auditors**"	KPMG LLP with reference to Ninety One plc and KPMG Inc. with reference to Ninety One Limited.
"**Authorised Dealer Manual**"	the Exchange Control Regulations, Currencies and Exchanges Manual for Authorised Dealers.
"**Authorised Dealers**"	the South African banks and South African branches of foreign banks appointed to act as authorised dealers (as defined by the Excon Rules) in foreign exchange.
"**Bank and Wealth**"	Investec Group comprising the Specialist Banking Business and the Wealth & Investment Business, but excluding the Group.
"**Board Charter**"	the board charter of the Companies.

"**Boards**" or "**Directors**"	the common boards of directors of the Companies comprising the Ninety One plc Board and the Ninety One Limited Board, and "**Director**" means any member of the Boards, as the context so requires.
"**BofA Securities**"	Merrill Lynch International.
"**Botswana**"	the Republic of Botswana.
"**Business Day**"	any day other than a Saturday, a Sunday, Christmas Day, Good Friday or a day which is a bank holiday under the Banking and Financial Dealings Act 1971 in any part of the United Kingdom.
"**certificated**" or "**in certificated form**"	a share or other security which is not in uncertificated or dematerialised form.
"**City Code**"	the UK's City Code on Takeovers and Mergers.
"**Class Rights Actions**"	actions in relation to which the two bodies of Shareholders may have divergent interests, as are described in paragraph 7.3 of Part X: "*Details of the DLC Structure – Class Rights Actions*".
"**Client Groups**"	the Group's five geographically defined sales and client relationship management units, being Africa, the United Kingdom, Asia Pacific, the Americas and Europe.
"**Common Monetary Area**"	the monetary union comprising South Africa, Namibia, Lesotho and Swaziland.
"**Companies**"	Ninety One plc and Ninety One Limited taken together or either of them as the context requires.
"**Company Secretary**"	the company secretary of Ninety One plc or Ninety One Limited as the context requires, and "**Company Secretaries**" shall mean both taken together.
"**Conversion Date**"	the time and date of termination of the Sharing Agreement in accordance with its terms.
"**Court**"	the High Court of Justice in England and Wales.
"**Court Meeting**"	the meeting of Investec plc Ordinary Shareholders convened pursuant to an order of the Court under section 896 of the UK Companies Act to consider and, if thought fit, approve the Scheme, including any adjournment thereof.
"**CREST**"	the system for the paperless settlement of trades in securities and the holding of uncertificated securities operated by Euroclear in accordance with the CREST Regulations.
"**CREST Regulations**"	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) (as amended).
"**CSDP**"	a Central Securities Depositary Participant, a participant as defined in section 1 of the South African FMA.
"**DAT Deeds**"	the SA DAN Share Trust Deed, the SA DAS Share Trust Deed, the UK DAN Share Trust Deed and the UK DAS Share Trust Deed.
"**Demerger**"	the UK Demerger and the SA Demerger.
"**Demerger Agreements**"	together, the Separation Agreement, the Transitional Services Agreement, the Transitional Trade Mark Licence Agreement and the Relationship Agreement.
"**Demerger Record Time**"	6:00 p.m. (London time) on the second Friday after the date of the Scheme Court Hearing, which is expected to be 13 March 2020.

"**Demerger Resolution**"	the ordinary resolution of Investec plc and Investec limited set out in paragraph (1) of the relevant Notice of General Meetings in Part XIX or Part XX of the Investec Circular.
"**Directors**"	the common directors of each of the Companies whose names are set out on page 69 of this document.
"**Disclosure and Transparency Rules**"	the rules relating to the disclosure of information made in accordance with section 73A(3) of the FSMA.
"**Dividend Access Shares**"	the UK DAN Share, the UK DAS Share, the SA DAN Share and the SA DAS Share, the rights attaching to which are described in paragraph 6.4 of Part X: "*Details of the DLC Structure – Dividend Access Shares*".
"**Dividend Agreement**"	the dividend agreement entered into between Investec Limited, Investec plc, Investec 1, Forty Two Point Two and HSBC Johannesburg dated 31 July 2013 which sets out the terms on which payment of dividends by IAM SA and IAM UK will be made to an account held by HSBC Johannesburg.
"**Dividend Allowance**"	the first £2000 payment of the total amount of dividend income.
"**DLC Agreements**"	the Sharing Agreement, the Voting Agreement, the DAT Deeds and the SCS Trust Deeds.
"**DLC Equalisation Principles**"	the principles described in paragraph 5.1 of Part X: "*Details of the DLC Structure – DLC Equalisation Principles*".
"**DLC Share Dealing Policy**"	the share dealing policy adopted by the Companies with effect from Admission.
"**DLC Structure**"	the arrangement whereby, *inter alia*, Ninety One plc and Ninety One Limited agree to operate as a single economic enterprise with each Company observing the principles applicable to the management and operation of each dual-listed company.
"**DLC Structure Principles**"	the principles which are essential to the implementation, management and operation of the DLC Structure, which are described in paragraph 3 of Part X: "*Details of the DLC Structure – DLC Structure Principles*".
"**EBT**"	the employee benefit trusts of the Group.
"**EEA**"	the European Economic Area.
"**Employee Share Plans**"	the LTIP and the SIP.
"**Equalisation Fraction**"	the Equalisation Ratio expressed as a fraction with the numerator being the number related to Ninety One Limited Shares and the denominator being the number related to the Ninety One plc Shares.
"**Equalisation Ratio**"	the ratio for the time being of: (i) the dividend, capital and, in relation to the Joint Electorate Actions voting rights per Ninety One Limited Share; to (ii) the dividend, capital and, in relation to the Joint Electorate Actions, voting rights per Ninety One plc Share, which at the date of this document is 1:1.
"**Equalisation Share**"	as described in paragraph 6.5 of Part X: "*Details of the DLC Structure – Equalisation Shares*".
"**Equities**"	one of the Group's four asset class offerings, including its 4Factor, Quality and Value investment strategies in equities markets.
"**EU**"	the European Union.
"**euro**"	the single currency of the EU Member States that adopt or have adopted the euro as their lawful currency under the legislation of the European Union or European Monetary Union.
"**Euroclear**"	Euroclear UK & Ireland Limited, the operator of CREST.

"**Excon Rules**"	the Exchange Control Regulations, Currencies and Exchanges Manual for Authorised Dealers and circulars.
"**Executive Committee**"	the executive committee of the Companies.
"**Executive Directors**"	the executive directors of the Companies.
"**FAIS**"	the Financial Advisory and Intermediary Services Act 37 of 2002.
"**FAIS Ombud**"	the South African Office of the Ombud for Financial Services Providers.
"**FCA Handbook**"	the FCA's Handbook of rules and guidance.
"**Fenchurch Advisory**"	Fenchurch Advisory Partners LLP.
"**FIC**"	the Financial Intelligence Centre.
"**Financial Conduct Authority**" or "**FCA**"	the Financial Conduct Authority of the UK.
"**FinSurv**"	the Financial Surveillance Department of the South African Reserve Bank.
"**Fixed Income**"	one of the Group's four asset class offerings.
"**Forty Two Point Two**"	Forty Two Point Two, a company incorporated in the Republic of Mauritius, whose registered office is at Level 3, Alexander House, 35 Cybercity, Ebène, Mauritius.
"**FSMA**"	the Financial Services and Markets Act 2000, as amended.
"**GDP**"	gross domestic product.
"**General Meetings**"	the Investec Limited General Meeting and the Investec plc General Meeting or either of them, as the context requires.
"**Global Coordinator**"	J.P. Morgan Securities plc.
"**Global Offer**"	the proposed sale of up to approximately 10.4 per cent. of the combined total issued share capital of the Companies by Investec plc and Investec Investments to institutional and certain other investors, comprising: (i) the sale by Investec Investments of up to 44,365,424 Ninety One Limited Shares representing (assuming the Demerger proposals have been completed in full) 14.78 per cent. of Ninety One Limited's ordinary share capital and 4.8 per cent. of the Companies' combined total issued share capital; and (ii) the sale by Investec plc of up to 51,853,198 Ninety One plc Shares representing 8.3 per cent. of Ninety One plc's ordinary share capital and 5.6 per cent. of the Companies' combined total issued share capital. Any South African resident institutional investors participating in the Investec plc portion of the Global Offer will be required to utilise their foreign investment allowance (and will not fall within the investor's domestic investment allowance). Investec plc and Investec Investments may, in their sole discretion, increase or decrease the Global Offer to sell an amount above or below 10.4 per cent. of the combined total issued share capital of the Companies or may elect not to proceed with the Global Offer.
"**Group**"	the Companies and their subsidiaries and subsidiary undertakings from time to time which, prior to the Demerger, shall be deemed to include the historical activities of the Ninety One Business (including the Major Subsidiaries).
"**HMRC**"	HM Revenue & Customs.
"**HSBC Johannesburg**"	HSBC Bank plc, Johannesburg Branch.
"**Human Capital and Remuneration Committee**"	the human capital and remuneration committee of the Companies.

"**IAM SA**"	Investec Asset Management Holdings (Pty) Ltd incorporated and registered in South Africa with registration number 1997/000445/07 and its registered office address at 36 Hans Strijdom Avenue, Foreshore, Cape Town, 8001, Republic of South Africa, to be renamed Ninety One Africa Proprietary Limited on or around 16 March 2020. Investec Asset Management Holdings (Pty) Ltd is held 80 per cent. plus one share by Investec Limited, and its remaining shares are held by Forty Two Point Two.
"**IAM UK**"	Investec Asset Management Limited, incorporated and registered in England and Wales with registered number 02036094 and its registered office address at 55 Gresham Street, London EC2V 7HB, United Kingdom. Investec Asset Management Limited is held 80 per cent. plus one share by Investec plc, and its remaining shares are held by Forty Two Point Two.
"**IAS**"	International Accounting Standards.
"**IFD**"	Investment Firms Directive.
"**IFML**"	Investec Fund Managers Limited.
"**IFR**"	Investment Firm Regulation.
"**IFRS**"	International Financial Reporting Standards and interpretations issued by the International Financial Reporting Interpretations Committee published by the International Accounting Standards Board as adopted by the European Union.
"**Insolvency Event**"	in relation to the Companies, any of the following events: (i) a provisional liquidator is appointed to either of the Companies; (ii) except to reconstruct or amalgamate while solvent on terms approved by the other party, a Company enters into a scheme of arrangement, or composition with, or assignment for the benefit of its creditors generally; (iii) an administration order is made in respect of either Company or a receiver is appointed in relation to the whole or substantially the whole of the property, assets or undertaking of Ninety One; (iv) the appointment of a curator to Ninety One pursuant to section 69(1)(a) of the South African Banks Act (Act No. 94 of 1990); or (v) anything analogous or having a substantially similar effect to any of the events specified above happens under the requirements of applicable regulation.
"**Institutional**"	one of the Group's two distribution channels, which focuses on investment products and services provided to institutional clients, such as large private and public sector pension funds, sovereign wealth funds, insurers, corporates, foundations and central banks.
"**Investec**"	Investec Limited and Investec plc taken together or either of them as the context requires.
"**Investec 1**"	Investec 1 Limited, incorporated and registered in England and Wales with registered number 00119609 and its registered office address at 30 Gresham Street, London, England, EC2V 7QP, United Kingdom. Investec 1 Limited is a wholly owned subsidiary of Investec plc.
"**Investec Asset Management Pension Scheme**"	the UK employee pension scheme (registration number: 10233621) set up by the Trust Deed with effect from 1 May 1998 on the acquisition of Guinness Flight Hambro Ltd by the Investec Group. The scheme is closed to new members and the active members of the scheme ceased accruing benefits with effect from 31 March 2002.
"**Investec Circular**"	the Investec Shareholder circular published by Investec on 29 November 2019 in connection with Demerger and Admission.
"**Investec EBT**"	the employee benefit trusts of Investec.

"**Investec Group**"	Investec and its subsidiaries and subsidiary undertakings, excluding the Group.
"**Investec Group Limited Pension Fund**"	the employee pension fund of Investec Group Limited.
"**Investec Group Provident Fund**"	the employee provident fund operated by Investec Limited for the benefit of South African and Namibian employees.
"**Investec Investments**"	Investec Investments Proprietary Limited, incorporated and registered in South Africa with registration number 1990/001609/07 and its registered office address at 100 Grayston Drive, Sandown, Sandton 2195, South Africa. Investec Investments Proprietary Limited is a wholly owned subsidiary of Investec Limited.
"**Investec Limited**"	Investec Limited, a company incorporated under the laws of South Africa with registration number 1925/002833/06. Investec Limited is listed on the JSE.
"**Investec Limited Botswanan Register**"	the Botswanan branch register of Investec Limited.
"**Investec Limited Namibian Register**"	the Namibian branch register of Investec Limited.
"**Investec Limited Ordinary Shares**"	the ordinary shares of R 0.0002 each in the share capital of Investec Limited.
"**Investec Limited Preference Share Register**"	the register of Investec Limited Preference Shareholders.
"**Investec Limited Preference Shareholders**"	a holder of the Investec Limited Preference Shares.
"**Investec Limited Preference Shares**"	the Investec Limited variable rate redeemable preference shares of R0.60 each in the share capital of Investec Limited and the Investec Limited perpetual preference shares of R0.01 each in the share capital of Investec Limited.
"**Investec Limited Register**"	the Investec Limited SA Register, the Investec Limited Botswanan Register, the Investec Limited Namibian Register and the Investec Limited Preference Share Register, or one or more of them, as the context requires.
"**Investec Limited SA Register**"	the South African Register of Investec Limited.
"**Investec Limited Shares**"	the Investec Limited Ordinary Shares, the Investec Limited Preference Shares and the Investec Limited Special Converting Shares, or one or more of them, as the context requires.
"**Investec Limited Special Converting Shares**"	the special converting shares in Investec Limited issued to Investec SA Trust Co.
"**Investec Ordinary Shareholder**"	a holder of the Investec Ordinary Shares.
"**Investec plc**"	Investec plc, a company incorporated under the laws of England and Wales registered under number 3633621, with its registered office at 2 Gresham Street, London EC2V 7QP, United Kingdom. Investec plc has a primary listing on the LSE and a secondary inward listing on the JSE.
"**Investec plc Ordinary Shareholder**"	a holder of Investec plc Ordinary Shares.
"**Investec plc Ordinary Shares**"	the ordinary shares of £0.0002 each in the share capital of Investec plc.
"**Investec plc Preference Share Register**"	the register of Investec plc Preference Shareholders.

"**Investec plc Preference Shareholders**"	a holder of Investec plc Preference Shares.
"**Investec plc Preference Shares**"	Investec plc preference shares of £0.01 each in the share capital of Investec plc and the Investec plc perpetual preference shares of R0.001 each in the share capital of Investec plc.
"**Investec plc Register**"	the Investec plc UK Register, the Investec plc SA Register and the Investec plc Preference Share Register, or one or more of them, as the context requires.
"**Investec plc SA Register**"	the South African branch register of Investec plc.
"**Investec plc Shares**"	the Investec plc Ordinary Shares, the Investec plc Preference Shares and the Investec plc Special Converting Shares or one or more of them as the context requires.
"**Investec plc UK Register**"	Investec plc's principal share register maintained in the UK.
"**Investec SA Trust Co**"	Investec SSC (SA) (Pty) Ltd, a limited liability company incorporated in South Africa with registration number 2001/027607/07, or such other entity as replaces SA Trust Co. from time to time. Investec SA Trust Co is wholly owned by the trustee of the Investec Charitable Trust.
"**Investec Shareholders**"	holders of Investec plc Shares or Investec Limited Shares.
"**IRBA Codes**"	Independent Regulatory Board Codes.
"**ISAE**"	International Standard on Assurance Engagements.
"**Joint Bookrunners**"	J.P. Morgan Cazenove, Investec Bank plc and BofA Securities.
"**Joint Electorate Actions**"	the Companies' actions in relation to matters affecting the shareholders of Ninety One Limited and Ninety One plc in similar ways on which the shareholders of both Companies effectively vote together as a single decision making body.
"**J.P. Morgan Cazenove**"	J.P. Morgan Securities plc (which conducts its UK investment banking activities under the marketing name J.P. Morgan Cazenove).
"**J.P. Morgan Equities SA**"	J.P. Morgan Equities South Africa Proprietary Limited.
"**JSE**"	the exchange operated by JSE Limited under the FMA.
"**JSE Limited**"	JSE Limited, a public company incorporated and registered in South Africa with registration number 2005/022939/06, licensed as an exchange under the FMA and its registered office address at One Exchange Square, 2 Gwen Lane, Sandown, 2196, South Africa.
"**JSE List**"	the list maintained by the JSE of securities admitted for listing on the JSE.
"**JSE Listings Requirements**"	the listings requirements issued by JSE Limited under the FMA to be observed by issuers of equity securities listed on the JSE (as amended).
"**JSE Sponsor**"	J.P. Morgan Equities SA.
"**King IV**"	the King IV Report on Corporate Governance for South Africa.
"**Liquidation Event**"	in relation to the Companies, where an order is made or an effective resolution is passed for winding-up of the Companies or a liquidator is appointed to the Companies.
"**Listing Rules**"	the listing rules relating to admission to the Official List made under section 73A(2) of the FSMA.
"**LSE**"	the securities exchange operated by London Stock Exchange plc under the FSMA.
"**LTIP**"	the long term incentive plan of the Group.

"**Major Subsidiaries**"	for the purposes of the JSE Listings Requirements, Investec Assurance Limited and Investec Asset Management Guernsey Limited.
"**MAR**"	Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse.
"**Marathon Trust**"	Marathon Investment Trust, a Mauritian trust vehicle with ITL Trustees Limited as trustee.
"**Matching Action**"	in relation to an Action in respect of the holders of Ninety One Limited Shares or the holders of the Ninety One plc Shares (the "**Initial Action**"), an Action in respect of the holders of ordinary shares in the other company which the Boards have resolved, as far as practicable, has an economic effect equivalent, but not necessarily identical to, the Initial Action on holders of ordinary shares of the company undertaking the Initial Action.
"**Matching Dividend**"	the matching cash dividend to be received by the Shareholders of one Company, as nearly as practicable at the same time, if it is proposed that the Shareholders of the other Company should receive a cash dividend, as described in paragraph 6.3 of Part X: "*Details of the DLC Structure – No Matching Dividend to be paid*".
"**Member States**"	the Member States of the EU.
"**MiFID I**"	Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments.
"**MiFID II**"	EU Directive 2014/65/EU on markets in financial instruments.
"**MiFID II Product Governance Requirements**"	EU Directive 2014/65/EU on markets in financial instruments, Articles 9 and 10 of Commission delegated Directive (EU) 20117/593 supplementing MiFID I, and local implementing measures.
"**Multi-Asset**"	one of the Group's four asset class offerings.
"**Ninety One Business**"	the asset management business of Investec prior to implementation of the Demerger or the business of Ninety One following the implementation of the Demerger, as the context requires, consisting of the business of IAM UK and IAM SA.
"**Ninety One Global**"	Ninety One Global Limited, incorporated and registered in England and Wales with registered number 11730926. Ninety One Global Limited is a wholly owned subsidiary of Ninety One plc.
"**Ninety One International**"	Ninety One International Limited, incorporated and registered in England and Wales with registered number 11731068. Ninety One International Limited is a wholly owned subsidiary of Ninety One Global Limited.
"**Ninety One Limited**"	Ninety One Limited (previously Investec Asset Management SA Group Limited), incorporated in South Africa with registration number 2019/526481/06 and its registered office address at 36 Hans Strijdom Avenue, Foreshore, Cape Town 8001, South Africa.
"**Ninety One Limited Board**"	the board of directors of Ninety One Limited.
"**Ninety One Limited Equivalent Number**"	in relation to Ninety One Limited Special Converting Shares, such number as equals the number of Ninety One plc Shares then in issue divided by the Ninety One Equalisation Fraction then applicable.
"**Ninety One Limited MoI**"	the memorandum of incorporation of Ninety One Limited adopted by special resolution on 29 January 2020, as described in paragraph 8 of Part XVIII: "*Additional Information – Ninety One plc Articles and Ninety One Limited MoI*".
"**Ninety One Limited Offer Shares**"	the Ninety One Limited Shares sold pursuant to the Global Offer.

"**Ninety One Limited SCS Trust Deed**"	the declaration of trust entered into by Ninety One plc, Ninety One Limited and SA Trust Co which sets out the parties' rights and obligations in relation to the Ninety One Limited Special Converting Shares.
"**Ninety One Limited Shareholder**"	a holder of Ninety One Limited Shares.
"**Ninety One Limited Shares**"	the ordinary shares of no par value in the capital of Ninety One Limited.
"**Ninety One Limited Special Converting Shares**"	the special converting shares in Ninety One Limited issued to SA Trust Co.
"**Ninety One Limited Special Rights Share**"	the special rights share in the capital of Ninety One Limited having the rights, preferences and limitations set out in the Ninety One Limited MoI.
"**Ninety One Limited Special Voting Share**"	the special voting share in Ninety One Limited issued to SA Trust Co.
"**Ninety One LTIP**"	the Ninety One plc Long Term Incentive Plan and the Ninety One Limited Long Term Incentive Plan taken together or either of them as the context requires.
"**Ninety One plc**"	Ninety One plc (previously Investec Asset Management UK Group plc), incorporated and registered in England and Wales with registered number 12245293 and its registered office address at One Silk Street, London, EC2Y 8HQ, United Kingdom.
"**Ninety One plc Articles**" or "**Ninety One plc Articles of Association**"	the articles of association of Ninety One plc adopted by special resolution on 13 February 202 to take effect from upon Admission, as described in paragraph 8 of Part XVIII: "*Additional Information – Ninety One plc Articles and Ninety One Limited MoI*".
"**Ninety One plc Board**"	the board of directors of Ninety One plc.
"**Ninety One plc Equivalent Number**"	in relation to the Ninety One plc Special Converting Shares, such number as equals the number of Ninety One Limited Shares then in issue multiplied by the Equalisation Fraction then applicable.
"**Ninety One plc Offer Price**"	the final offer price in respect of the Ninety One plc Shares to be sold pursuant to the Global Offer, to be set out in the Pricing Statement.
"**Ninety One plc Offer Shares**"	the Ninety One plc Shares sold pursuant to the Global Offer.
"**Ninety One plc Reduction of Capital**"	the proposed cancellation of Ninety One plc's share premium account.
"**Ninety One plc SCS Trust Deed**"	the declaration of trust entered into by Ninety One plc, Ninety One Limited and UK Trust Co which sets out the parties' rights and obligations in relation to the Ninety One plc Special Converting Shares.
"**Ninety One plc Shareholder**"	a holder of Ninety One plc Shares.
"**Ninety One plc Shares**"	the ordinary shares with a nominal value of £0.0001 each in the capital of Ninety One plc.
"**Ninety One plc Special Converting Shares**"	the special converting shares in Ninety One plc issued to UK Trust Co.
"**Ninety One plc Special Rights Share**"	the redeemable preference share of £0.0001 in the capital of Ninety One plc having the rights set out in the Ninety One plc Articles.
"**Ninety One plc Special Voting Share**"	the special voting share in Ninety One plc issued to UK Trust Co.
"**Ninety One Share Plans**"	the Ninety One LTIP and Ninety One SIP.
"**Nominations and Directors Affairs Committee**"	the nomination and directors affairs committee of the Companies.

"**Non-Executive Directors**"	the non-executive directors of the Companies.
"**Notices of General Meeting**"	notices of the General Meetings set out in Part XIX and Part XX of the Investec Circular.
"**OEIC**"	open ended investment companies.
"**Offer Price**"	the final offer price in respect of the Global Offer, to be set out in the Pricing Statement.
"**Offer Shares**"	the Shares to be sold pursuant to the Global Offer.
"**Offer Size**"	the number of Shares which are comprised in the Global Offer, to be set out in the Pricing Statement.
"**Offer Size Range**"	up to 51,853,198 Ninety One plc Shares (the "**Ninety One plc Offer Size Range**") and up to 44,365,424 Ninety One Limited Shares, which are comprised in the Global Offer.
"**Official List**"	the Official List of the Financial Conduct Authority.
"**Pillar 1**"	the minimum capital requirements imposed on prudentially regulated firms to address credit risk, market risk and operational risk to which the firm is exposed. It is calculated on the basis of formulaic rules relating to the firm's exposures, fixed overheads or other metrics depending on the type of regulated firm.
"**Pillar 2**"	the discretionary capital buffer which is additional to the Pillar 1 requirement and imposed by prudential regulators to address idiosyncratic risks to which a firm is exposed and which are not adequately covered by Pillar 1 (such as systemic risk, pension risk, concentration risk and reputational risk).
"**POPI Act**"	the South African Protection of Personal Information Act, No. 4 of 2013.
"**pounds sterling**", "**£**", "**sterling**", "**pence**", "**p**" or "**GBP**"	the lawful currency of the UK.
"**PRA**"	the Prudential Regulation Authority of the UK.
"**Price Range**"	the indicative price range in respect of the Global Offer, being 190 pence to 235 pence per Ninety One Share.
"**Pricing Statement**"	the pricing statement to be published on or about 16 March 2020 by the Companies detailing the Offer Price and the number of Shares which are the subject of the Global Offer.
"**Prospectus Regulation**"	the Prospectus Regulation (EU) (2017/1129) (and amendments thereto).
"**Prospectus Regulation Rules**"	the prospectus rules published by the FCA under section 73 A of FSMA.
"**Quality**"	one of the Group's three equities investment strategies.
"**R**", "**Rand**", "**ZAR**"	the lawful currency of South Africa.
"**Redeemable Preference Shares**"	the redeemable preference shares of £1.00 each in the capital of Ninety One plc.
"**Registrar of Companies**"	the Registrar of Companies in England and Wales.
"**Registration Document**"	the Registration Document published by the Companies on 31 January 2019.
"**Regulatory Information Service**"	in respect of the UK: (i) one of the regulatory information services authorised by the FCA to receive, process and disseminate regulatory information from listed companies; and (ii) in respect of South Africa, SENS.

"**Relationship Agreement**"	the agreement: (i) recording the right of Bank and Wealth, for so long as it has an aggregate interest in the combined total issued share capital of the Companies: (a) greater than 25 per cent., to appoint up to two Non-Executive Directors to the Board; and (b) equal to or less than 25 per cent. but equal to or greater than 7 per cent., to appoint one Non-Executive Director to the Board; and (ii) ensuring that the Companies are capable of operating independently of Bank and Wealth pursuant to the Listing Rules following the Demerger, a summary of the principal terms of which is set out in paragraph 21.1.3 of Part XVIII: "*Additional Information – Relationship Agreement*".
"**Restricted Jurisdiction**"	any jurisdiction in respect of which the Ninety One plc Board or the Ninety One Limited Board (as the case may be) considers, in its absolute discretion, that the requirements of applicable regulation would mean that a transfer of Special Converting Shares to the shareholders entitled to such shares who are resident in that jurisdiction would be impractical or unlawful.
"**SA Companies Act**"	the South African Companies Act, No. 71 of 2008 (as amended).
"**SA DAN Share**"	the dividend access (non-South African resident) redeemable preference share in Ninety One Limited.
"**SA DAN Share Trust Deed**"	the declaration of trust entered into by Ninety One plc, Ninety One Limited and SA Trust Co which sets out the parties' rights and obligations in relation to the SA DAN Share.
"**SA DAS Share**"	the dividend access (South African resident) redeemable preference share of Rand 1.00 in Ninety One Limited.
"**SA DAS Share Trust Deed**"	the declaration of trust to be entered into by Ninety One plc, Ninety One Limited and SA Trust Co which sets out the parties' rights and obligations in relation to the SA DAS Share.
"**SA Demerger**"	the distribution by Investec Limited of all of Investec Limited's shareholding in Ninety One Limited, pursuant to which Investec Limited Ordinary Shareholders will receive one Ninety One Limited Share for every two Investec Limited Ordinary Shares held at the Demerger Record Time.
"**SA Demerger Effective Time**"	the time at which the SA Demerger becomes unconditional in all respects, expected to be at 7:00 p.m. (London time) on 13 March 2020.
"**SA FSCA**"	the South African Financial Sector Conduct Authority.
"**SA Registered Offer Shares**"	Offer Shares which are registered on the South African branch share register of Ninety One plc in South Africa.
"**SA Registrar**"	Computershare Investor Services Proprietary Limited, Rosebank Towers, 15 Biermann Avenue, Rosebank 2196, Republic of South Africa.
"**SA Trust Co**"	Ninety One SSC (SA) (Pty) Ltd, a limited liability company incorporated in South Africa with registration number 2020/005116/07, or such other entity as replaces SA Trust Co. from time to time.
"**SARB**"	the South African Reserve Bank.
"**SARS**"	the South African Revenue Service.
"**Scheme**"	the scheme of arrangement between Investec plc Ordinary Shareholders to effect the UK Demerger in its present form or with or subject to any modification, addition or condition approved or imposed by the Court and agreed to by Investec and, if applicable, Ninety One plc.
"**Scheme Court Hearing**"	the hearing by the Court to sanction the Scheme and confirm the reduction of capital.

"**SCS Trust Deeds**"	the Ninety One plc SCS Trust Deed and the Ninety One Limited SCS Trust Deed.
"**SDRT**"	stamp duty reserve tax.
"**Securities Act**"	US Securities Act of 1933.
"**SENS**"	the Stock Exchange News Service of the JSE.
"**Separation Agreement**"	the agreement recording certain terms upon which the Demerger is to be effected and upon which relations between the Companies and Bank and Wealth and their respective subsidiaries shall be governed subject to, and following, the Demerger, a summary of the principal terms of which is set out in paragraph 21.1.1 of Part XVIII: "*Additional Information – Separation Agreement*".
"**Share Purchase Agreements**"	the Share Purchase Agreements to be entered into prior to Admission between the Investec EBT and the EBT relating to the transfer of Shares following the Demerger but prior to the Global Offer.
"**Shareholders**" or "**Shareholder**"	a Ninety One plc Shareholder or a Ninety One Limited Shareholder or both (as the case may be).
"**Shareholders' Agreement**"	the shareholders' agreement entered into between Investec Limited, Investec plc, Investec 1, Forty Two Point Two, IAM SA and IAM UK dated 31 July 2013 which regulates the respective rights of IAM SA and IAM UK's shareholders.
"**Shares**"	the Ninety One plc Shares and the Ninety One Limited Shares.
"**Sharing Agreement**"	the DLC Structure sharing agreement to be entered into between Ninety One Limited and Ninety One plc.
"**SICAV**"	société d'investissement à capital variable.
"**Silica**"	Silica Holdings and its subsidiaries and subsidiary undertakings.
"**Silica Holdings**"	Silica Holdings (Pty) Ltd, registration number 2000/030673/07, a private company incorporated in South Africa. Silica Holdings (Pty) Ltd is a wholly owned subsidiary of Investec Asset Management Holdings (Pty) Ltd.
"**SIP**"	the Share Incentive Plan of the Group.
"**South Africa**"	the Republic of South Africa, and "**South African**" shall be construed accordingly.
"**South African Exchange Control Regulations**"	the South African exchange control regulations as promulgated by Government Notice R.1111 of 1 December 1961 and amended up to Government Notice No. R.445 in Government Gazette No. 35430 of 8 June 2012, as amended by Orders and Rules in terms thereof, dated 2016.
"**South African FMA**"	the South African Financial Markets Act, No. 19 of 2012 (as amended).
"**South African Takeover Regulations**"	the Takeover Regulations published under the SA Companies Act.
"**Special Converting Shares**"	the Ninety One plc Special Converting Shares and the Ninety One Limited Special Converting Shares.
"**Special Rights Shares**"	the Ninety One plc Special Rights Share and the Ninety One Limited Special Rights Share.
"**Strate**"	Strate Proprietary Limited, a private company incorporated and registered in South Africa with registration number 1998/022242/07 and its office address at 5th Floor, The MARC Tower 1 129 Rivonia Road, Sandown, Sandton, 2146, South Africa which is a registered central securities depository in terms of the FMA, and which manages the Strate System.

"**Strate System**"	the system operated for dealings in Uncertificated securities listed on the JSE that take place on the JSE and for dealings in Certificated securities listed on the JSE that take place off market.
"**Sustainability, Social and Ethics Committee**"	the sustainability, social and ethics committee of the Companies.
"**Taxable Excess**"	the amount an individual shareholder's total dividend income for a tax year exceeds the United Kingdom Dividend Allowance.
"**Transitional Services Agreement**"	the agreement recording the terms upon which Bank and Wealth will provide certain services to the Companies on a transitional basis following the Demerger, a summary of the principal terms of which is set out in paragraph 21.1.2 of Part XVIII: "*Additional Information – Transitional Services Agreement*".
"**Transitional Trade Mark Licence Agreement**"	the agreement recording the terms upon which Bank and Wealth will provide a licence to use the Investec brand for a transitional period following the Demerger, a summary of the principal terms of which is set out in paragraph 21.1.4 of Part XVIII: "*Additional Information – Transitional Trade Mark Licence Agreement*".
"**Trust Company**"	UK Trust Co or SA Trust Co, or one or both of them, as the context requires.
"**Trust Corporations**"	Sanne Group (UK) Limited and Sanne Fund Services SA (Pty) Limited.
"**UCITS IV Directive**"	Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to the undertakings for collective investment in transferable securities.
"**UK**" or "**United Kingdom**"	the United Kingdom of Great Britain and Northern Ireland.
"**UK Companies Act**"	the UK Companies Act 2006 (as amended).
"**UK Corporate Governance Code**"	the UK Corporate Governance Code published by the Financial Reporting Council and dated July 2018, as amended from time to time.
"**UK DAN Share**"	the dividend access (non-UK resident) redeemable preference share of £0.0001 in Ninety One plc.
"**UK DAN Share Trust Deed**"	the declaration of trust entered into by Ninety One plc, Ninety One Limited and UK Trust Co which sets out the parties' rights and obligations in relation to the UK DAN Share.
"**UK DAS Share**"	the dividend access (UK resident) redeemable preference share of £0.0001 in Ninety One plc.
"**UK DAS Share Trust Deed**"	the declaration of trust entered into by Ninety One plc, Ninety One Limited and UK Trust Co which sets out the parties' rights and obligations in relation to the UK DAS Share.
"**UK Demerger**"	the reduction of Investec plc's share premium account by £855,926,402 and the transfer of a portion of Investec plc's shareholding in IAM UK to Ninety One plc in exchange for Ninety One plc issuing to Investec plc Ordinary Shareholders one Ninety One plc Share for every two Investec plc Ordinary Shares held at the Demerger Record Time, to be implemented pursuant to the Scheme.
"**UK Demerger Effective Time**"	the time at which the UK Demerger becomes effective, expected to be at 7:00 p.m. (London time) on 13 March 2020.
"**UK Registered Offer Shares**"	the Offer Shares which are not registered on the South African branch share register of Ninety One plc but are registered on the main share register of Ninety One plc in the United Kingdom.

"**UK Registrar**"	Computershare Investor Services PLC, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, United Kingdom.
"**UK Sponsor**"	J.P. Morgan Cazenove.
"**UK Trust Co**"	Ninety One SSC (UK) Limited, a limited liability company incorporated in England and Wales with registered number 12403312, or such other entity as replaces UK Trust Co from time to time.
"**uncertificated**" or "**in uncertificated form**"	recorded on the relevant register of the share, depositary interest or other security concerned as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST.
"**Underwriting Agreement**"	the underwriting agreement expected to be entered into on or around 2 March 2020 and in any case prior to Admission between Ninety One plc, Ninety One Limited, the Directors of Ninety One, Investec plc, Investec Limited, Investec Investments and the Joint Bookrunners.
"**United States**" or "**US**"	the United States of America, its territories and possessions, any State of the United States of America, and the District of Columbia.
"**US$**" or "**USD**"	the lawful currency of the US.
"**VAT**"	value added tax.
"**Value**"	one of the Group's three equities investment strategies.
"**Voting Agreement**"	the voting agreement to be entered into between Ninety One Limited, SA Trust Co, Ninety One plc and UK Trust Co.

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