

This Prospectus (the “**Prospectus**”) constitutes a prospectus relating to NEX Group plc (formerly ICAP Newco plc) (“**Newco**”) prepared in accordance with the Prospectus Rules (the “**Prospectus Rules**”) of the Financial Conduct Authority (the “**FCA**”), acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000, as amended (the “**FSMA**”). The Prospectus will be made available to the public in accordance with the Prospectus Rules.

This Prospectus has been prepared in connection with a scheme of arrangement pursuant to Part 26 of the Companies Act 2006 to introduce Newco as a new holding company to the ICAP group (comprising at the date of this Prospectus, ICAP plc (“**ICAP**”) and its subsidiaries and subsidiary undertakings) (the “**Scheme**”) and has been prepared on the assumption that the Scheme will become effective in accordance with its current terms. A summary of the Scheme and other proposals are set out in Part 1: *Details of the Proposed Transaction* of this Prospectus.

Application will be made to the FCA and to the London Stock Exchange plc (the “**London Stock Exchange**”) respectively for admission of all of the ordinary shares in the capital of Newco issued and to be issued (the “**Newco Ordinary Shares**”) to the premium listing segment of the Official List of the FCA and to trading on the London Stock Exchange’s main market for listed securities (together, “**Admission**”). It is expected that Admission will become effective, and that dealings in the Newco Ordinary Shares will commence, on the Business Day following the Scheme Effective Date. No application has been, or is currently intended to be, made for the Newco Ordinary Shares to be admitted to listing or traded on any other stock exchange.

Newco, the current directors of Newco (the “**Current Directors**”) and the proposed directors of Newco (the “**Proposed Directors**” and together with the Current Directors, the “**Directors**”), whose names appear in the section of this Prospectus headed *Directors, Company Secretary, Registered Office and Advisers*, accept responsibility for the information contained in this Prospectus. To the best of the knowledge of Newco and the Directors, who have taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

Prospective investors should read this Prospectus in its entirety and, in particular, the section of this Prospectus headed *Risk Factors*, when considering an investment in Newco. Prospective investors should be aware that an investment in Newco involves a degree of risk and that, if certain of the risks described in this Prospectus occur, investors may find their investment materially adversely affected. Accordingly, an investment in the Newco Ordinary Shares is only suitable for investors who are particularly knowledgeable in investment matters and who are able to bear the loss of the whole or part of their investment.

NEX GROUP PLC

(Formerly ICAP Newco plc)

(Incorporated under the Companies Act 2006 and registered under the laws of England and Wales with registered no. 10013770)

Admission to the premium listing segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange

Joint Sponsors and Joint Financial Advisers

Evercore Partners International LLP

J.P. Morgan Limited

Evercore Partners International LLP (“**Evercore**”), which is authorised and regulated in the United Kingdom by the FCA, has been appointed as joint financial adviser and joint sponsor to ICAP and Newco in connection with Admission. Evercore is acting exclusively for ICAP and Newco in connection with Admission and will not regard any other person (whether or not a recipient of this Prospectus) as its client in relation to Admission and will not be responsible to anyone other than ICAP and Newco for providing the protections afforded to clients of Evercore or its affiliates, or for providing advice in relation to Admission, the contents of this Prospectus or any other matter or arrangement referred to in this Prospectus. Apart from the responsibilities and liabilities, if any, which may be imposed on Evercore by the FSMA, or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither Evercore nor any of its affiliates accepts any responsibility or liability whatsoever for the contents of this Prospectus, and no representation, express or implied, is made by it, or purported to be made on its behalf, in relation to the contents of this Prospectus, including its accuracy, completeness or verification of any other statement made or purported to be made by it, or on its behalf, in connection with ICAP or Newco or the matters described in this Prospectus. To the fullest extent permitted by applicable law, Evercore and its affiliates accordingly disclaim all and any responsibility or liability whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise have in respect of this Prospectus or any statement contained therein.

J.P. Morgan Limited, which conducts its UK investment banking business activities as J.P. Morgan Cazenove (“**J.P. Morgan Cazenove**” and together with Evercore, the “**Joint Sponsors**”), which is authorised and regulated in the United Kingdom by the FCA, has been appointed as joint financial adviser and joint sponsor to ICAP and Newco in connection with Admission. J.P. Morgan Cazenove will not regard any other person (whether or not a recipient of this Prospectus) as its client in relation to Admission and will not be responsible to anyone other than ICAP and Newco for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, or for providing advice in relation to Admission, the contents of this Prospectus or any other matter or arrangement referred to in this Prospectus. Apart from the responsibilities and liabilities, if any, which may be imposed on J.P. Morgan Cazenove by the FSMA, or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, neither J.P. Morgan Cazenove nor any of its affiliates accepts any responsibility or liability whatsoever for the contents of this Prospectus, and no representation, express or implied, is made by it, or purported to be made on its behalf, in relation to the contents of this Prospectus, including its accuracy, completeness or verification of any other statement made or purported to be made by it, or on its behalf, in connection with ICAP or Newco or the matters described in this Prospectus. To the fullest extent permitted by applicable law, J.P. Morgan Cazenove and its affiliates accordingly disclaim all and any responsibility or liability whether arising in tort, contract or otherwise (save as referred to above) which they might otherwise have in respect of this Prospectus or any statement contained therein.

No Newco Ordinary Shares or any other securities of Newco have been marketed to, nor are any available for purchase, in whole or in part, by, the public in the United Kingdom or elsewhere in connection with Admission. This Prospectus does not constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell, otherwise dispose of or issue, or any solicitation of any offer to sell, otherwise dispose of, issue, purchase, otherwise acquire or subscribe for, any security.

The contents of this Prospectus should not be construed as legal, business or tax advice. This Prospectus is for information only and nothing in this Prospectus is intended to endorse or recommend a particular course of action. Each Shareholder should consult his, her or its own legal adviser, financial adviser or tax adviser for legal, financial or tax advice.

Notice to Overseas Shareholders

The release, publication or distribution of this Prospectus and the issue of the Newco Ordinary Shares pursuant to the Scheme in certain jurisdictions may be restricted by law. No action has been or will be taken to permit the possession, issue or distribution of this Prospectus (or any other offering or publicity materials or application forms relating to the Newco Ordinary Shares) in any jurisdiction where action for that purpose may be required or doing so is restricted by law. Accordingly, neither this Prospectus 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 Prospectus 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. To the fullest extent permitted by applicable law, the companies and persons involved in the preparation, release, publication or distribution of this Prospectus disclaim any responsibility or liability for the violation of such requirements by any person.

Accordingly, copies of this Prospectus are not being, and must not be, directly or indirectly, mailed, transmitted or otherwise forwarded, distributed or sent in, into or from any jurisdiction where to do so would violate the laws in that jurisdiction, and persons receiving this Prospectus (including, without limitation, agents, nominees, custodians and trustees) must not distribute, send or mail it in, into or from such jurisdiction where to do so would violate the laws of that jurisdiction. Any person (including, without limitation, any agent, nominee, custodian or trustee) who has a contractual or legal obligation, or may otherwise intend, to forward this Prospectus and/or any other related document to a jurisdiction outside the United Kingdom should inform themselves of, and observe, any applicable legal or regulatory requirements of such jurisdiction.

Notice to US holders

THIS PROSPECTUS DOES NOT CONSTITUTE AN INVITATION OR OFFER TO SELL OR THE SOLICITATION OF AN INVITATION OR OFFER TO BUY ANY SECURITY. NONE OF THE SECURITIES REFERRED TO IN THIS PROSPECTUS SHALL BE SOLD, ISSUED, SUBSCRIBED

FOR, PURCHASED, EXCHANGED OR TRANSFERRED IN ANY JURISDICTION IN CONTRAVENTION OF APPLICABLE LAW.

The Newco Ordinary Shares to be issued in connection with the Scheme have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. The Newco Ordinary Shares are expected to be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10), and only to the extent that corresponding exemptions from the registration or qualification requirements of state “blue sky” securities laws are available.

Under the US securities laws, persons who are “affiliates” (as such term is defined in Rule 144 under the US Securities Act) of Newco as at the Scheme Effective Time will be subject to certain United States transfer restrictions related to the Newco Ordinary Shares received pursuant to the Scheme. Under United States securities laws, a Shareholder who is an affiliate of Newco after completion of the Scheme may not resell the Newco Ordinary Shares received pursuant to the Scheme without registration under the US Securities Act, except (i) pursuant to Rule 144 under the US Securities Act, if available, (ii) outside the United States pursuant to Regulation S under the US Securities Act, (iii) pursuant to another available exemption from the registration requirements of the US Securities Act, or (iv) in a transaction not subject to such requirements. Whether a person is an affiliate of Newco for such purposes depends upon the circumstances, but can include certain officers and directors and significant shareholders. Shareholders who believe they may be affiliates for the purposes of the US Securities Act should consult their own legal advisers prior to any resale of Newco Ordinary Shares received pursuant to the Scheme.

For the purposes of qualifying for the exemption from the registration requirements of the US Securities Act afforded by Section 3(a)(10), ICAP will advise the Court through counsel that its sanctioning of the Scheme and Newco will advise the Court through counsel that its confirmation of the Newco Reduction of Capital will be relied upon as an approval of the Scheme and the Newco Reduction of Capital (as applicable) following a hearing on its fairness to Shareholders, at which hearing all Shareholders are entitled to attend in person or through counsel to support or oppose the sanctioning of the Scheme and with respect to which notification has been given to all Shareholders.

Dated: 6 December 2016

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SUMMARY INFORMATION

Summaries are made up of disclosure requirements known as “Elements”. These elements are numbered in Sections A–E (A.1–E.7).

This summary contains all the Elements required to be included in a summary for these type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements.

Even though an Element may be required to be inserted in the summary because of the type of securities and Issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of “not applicable”.

| Section A—Introduction and warnings | | |
|-------------------------------------|---|---|
| Element | | |
| A.1 | Introduction | <p>This summary should be read as an introduction to this Prospectus.</p> <p>Any decision to invest in the securities should be based on consideration of the Prospectus as a whole by the investor. Where a claim relating to the information contained in this Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the Member States, have to bear the costs of translating the Prospectus before the legal proceedings are initiated.</p> <p>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 the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.</p> |
| A.2 | Consent to use of prospectus for subsequent resale | Not applicable. No consent has been given by Newco (as defined below) or any person responsible for drawing up this Prospectus for the use of this Prospectus for subsequent resale or final placement of securities by financial intermediaries. |

| Section B—Issuer | | |
|------------------|---|--|
| Element | | |
| B.1 | Legal and commercial name | NEX Group plc (“ Newco ”) |
| B.2 | Domicile / legal form / legislation / country of incorporation | Newco is a public limited company, incorporated on 18 February 2016 in the United Kingdom, with registered number 10013770 and with its registered office situated in England and Wales. Newco operates under the Companies Act 2006. |
| B.3 | Current operations/ principal activities and markets | <p>The Group is a markets, technology and risk solutions business, which operates in all the world’s financial centres, with offices in 32 countries and more than 60 locations. The Group facilitates the efficient flow of capital, investment and risk safely through the financial system, and supports government and corporate borrowing. As a leading markets operator, the Group provides a wide variety of electronic execution, risk mitigation, messaging, broking and information services for wholesale market participants throughout the trade life cycle.</p> <p>As at the date of this Prospectus, the Group comprises three divisions: Electronic Markets, Post Trade Risk and Information and Global Broking.</p> |

| Section B—Issuer | | |
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| Element | | |
| | | <p>In November 2015, ICAP plc (“ICAP”) agreed terms for the disposal of IGBB to Tullett Prebon plc (“Tullett Prebon”) and the Transaction is expected to complete on 30 December 2016. As at the date of this Prospectus, IGBB remains part of the Group. IGBB is comprised of:</p> <ul style="list-style-type: none"> • three regionally managed hybrid voice broking businesses in EMEA, the Americas and Asia Pacific, including all e-trading products and services developed by the Group’s e-Commerce team (including Fusion) (“IGBB Global Broking”). The results of this business are currently included within the Global Broking division; • a 40.23 per cent. economic interest in iSwap Limited (“iSwap”), a global electronic trading platform for euro, US dollar, and pound sterling interest rate swaps. The results of iSwap are currently included within the Electronic Markets division; • revenues and operating profits from sales of information services products directly attributable to IGBB Global Broking and iSwap. The results of information sales are currently included within the Post Trade Risk and Information division; and • certain joint ventures, associates and investments. <p>The results of IGBB are disclosed as discontinued operations in ICAP’s Annual Report 2016.</p> <p><i>Electronic Markets</i></p> <p>The Electronic Markets division includes BrokerTec and EBS, which are electronic trading platforms in fixed income and FX. These platforms offer efficient and effective trading solutions to customers in more than 50 countries, across a range of instruments including spot FX, US Treasuries, European government bonds and European Union and US repo. These electronic platforms are built on the Group’s bespoke networks connecting participants in financial markets.</p> <p>In December 2014, the Group announced plans to combine its electronic businesses to create EBS-BrokerTec. The combined business allows the Group to leverage BrokerTec’s market leading platform, client relationships and strong team, as well as EBS’s technology and innovation pipeline, to deliver unique products and services to the industry and expand the addressable market of both platforms. The Group also owns a small cap equities exchange in the UK known as ISDX.</p> <p>BrokerTec is the leading electronic trading platform for US Treasuries, European Union and US repo. It also has a trading platform in other government fixed income securities such as European government bonds. BrokerTec facilitates trading for institutions, banks and non-bank professional trading firms.</p> <p>EBS, the Group’s electronic FX business, is a reliable and trusted source of orderly, executable and genuine liquidity across major and emerging market currencies. It has responded to changing market dynamics by transitioning from a business with a single offering to one that can support multiple execution methods and multiple ways of trading through a common distribution network. The core of this strategy has been the launch of EBS Direct in November 2013. This is a fully disclosed and relationship-based platform that allows liquidity providers to stream tailored prices directly to liquidity consumers.</p> |

| Section B—Issuer | | |
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| Element | | |
| | | <p><i>Post Trade Risk and Information</i></p> <p>The Post Trade Risk and Information division operates market infrastructure for post trade processing and risk management across asset classes and enables users of financial products to reduce operational, second order financial and system-wide risks. The services offered by the Post Trade Risk and Information division enable customers to increase the efficiency of trading, clearing and settlement and facilitate the effective management of capital and risk weighted assets and the associated cost. The portfolio risk services businesses comprise: TriOptima and Reset, which identify, neutralise, remove and reconcile risk within portfolios of derivative transactions; Traiana, which provides pre-trade risk and post-trade processing solutions; and the information and data sales business. More than 1,000 institutions use the Group's post trade risk services.</p> <p>The Post Trade Risk and Information division invests in new companies developing innovative technology-led offerings via Euclid Opportunities. Euclid identifies and provides investment to emerging financial technology firms providing new platforms, business models and technologies that have the potential to drive efficiency, transparency and scale across the post transaction lifecycle. Examples of investments include: Duco, a rapidly growing reconciliation on-demand provider; OpenGamma, an award winning risk analytics provider; and ENSO Financial Analytics, a portfolio analytics provider to asset managers and hedge funds. In April 2016, through Euclid Opportunities, ENSO was acquired by ICAP.</p> <p><i>Global Broking</i></p> <p>Global Broking provides hybrid voice interdealer broking services and complementary information services products across a wide range of asset classes including rates, emerging markets, commodities, equities, FX and money markets and credit. For each of these asset classes, the Group has electronic capability which gives customers the choice to enter prices and execute trades electronically, directly via one of the Group's electronic trading systems, and/or to engage with a broker to identify and help negotiate trades.</p> <p>Global Broking offers its customers a choice of trading venues and services, allowing them to select the execution method (matched principal, agency/name give-up or execution on-exchange) appropriate for the liquidity of the product and their specific needs. Market participants use Global Broking's hybrid voice-broking services to assess trading availability and successfully execute trades. Customers range from investment banks for fixed income products to end-user corporates and industrials for commodities.</p> <p>Global Broking's 1,352 voice brokers (as at 20 September 2016) draw on their deep customer relationships, market expertise and Global Broking's suite of pre-trade price discovery screens to identify potential trading interest, and in doing so create transparency, liquidity and facilitate the price discovery process. This is particularly important in markets where there is a wide range of potential transaction types and the number of parties willing to enter into certain transactions at any moment may be limited.</p> |

| Section B—Issuer | | |
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| Element | | |
| B.4a | Significant recent trends affecting the Group and the industry in which it operates | <p>For the year ended 31 March 2016</p> <p>The Group generates revenue from commissions on electronic execution, risk mitigation, messaging, broking and information services for wholesale market participants. The level of revenue is substantially dependent on customer trading volumes. The volumes of transactions are affected by the level of volatility in financial markets, by the steepness and absolute level of yield curves, as well as by customers' risk appetite and by their willingness and ability to trade.</p> <p>During the course of year ended 31 March 2016, the Group's trading performance was impacted by the ongoing combination of structural and cyclical factors including historically low and negative interest rates, low levels of volatility and bank deleveraging resulting in reduced risk appetite from bank customers. This was partly offset by the increase in trading activity in emerging market currency pairs on EBS Market, and greater demand for risk mitigation products such as triReduce and triResolve.</p> <p>Consistent with the Group's growth strategy, ICAP continues to make significant investment in all divisions. During the year the Group invested £96 million in new business lines including forwards on EBS Direct, BrokerTec Direct and triResolve Margin.</p> <p>The global regulatory effort to improve the transparency, risk management and resilience of participants in the world's financial markets continues to impact the structure of our marketplace. The strategies and business models of the Group's traditional bank customer base have changed in response to the requirements of Basel III, the Dodd-Frank Act in the US, EMIR in Europe and will continue to evolve with MiFID II and other new regulations as they come into force. Banks and other market participants are turning to technology to help them manage these challenges and the additional costs associated with them.</p> <p>Electronic trading is increasingly prevalent in both interbank and bank to customer markets and our customers are looking to use technology throughout the trade life cycle. Against this background of structural changes within wholesale financial markets and increased regulatory oversight and disclosure, our customers are seeking innovative products, greater liquidity and the best-in-class platforms and services. This presents an enormous opportunity for our business. At the same time, the issues created by over-capacity in the voice broking market have been apparent for a while and were a key driver behind the Transaction with Tullett Prebon.</p> <p>For the six months ended 30 September 2016</p> <p>The Group's continuing trading performance was impacted by the ongoing combination of structural and cyclical factors including historically low and negative interest rates, low levels of volatility and bank deleveraging resulting in reduced risk appetite from bank customers. This was partly offset by the increase in trading activity in emerging market currency pairs on EBS Market, and a greater demand for post trade products such as triReduce and triResolve.</p> |
| B.5 | Description of issuer's group | <p>ICAP is currently the ultimate holding company of the Group. If the Scheme becomes effective, Newco will become the ultimate holding company of the Group.</p> |

| Section B—Issuer | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|---|-------------|---------------------------------------|------------------------|--|-------------|--------|-------------------------|------------|--------|--|------------|-------|---------------------------|------------|-------|-------------------|------------|-------|--------------------------------------|------------|-------|------------------|------------|-------|
| Element | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B.6 | Shareholders | <p>As at 2 December 2016 (the latest practicable date prior to publication of this Prospectus), insofar as is known to Newco, the following persons were interested directly or indirectly in three per cent. or more of the voting rights in respect of the issued ordinary share capital of ICAP (and who will, immediately following the Scheme becoming effective (assuming that there will be no change in their interests between 2 December 2016 and the Scheme Effective Date) be interested directly or indirectly in three per cent. or more of the voting rights in respect of the issued ordinary share capital of Newco):</p> <table> <tr> <th><u>Name</u></th><th><u>Number of ICAP Ordinary Shares</u></th><th><u>Percentage held</u></th></tr> <tr> <td>Michael Spencer (together with IPGL (Holdings) Limited, IPGL Limited, INCAP Finance BV and INCAP Overseas BV)⁽¹⁾</td><td>109,908,943</td><td>16.84%</td></tr> <tr> <td>Schroders plc</td><td>84,914,868</td><td>13.01%</td></tr> <tr> <td>Silchester International Investors LLP . .</td><td>64,765,365</td><td>9.92%</td></tr> <tr> <td>Black Rock, Inc</td><td>32,698,333</td><td>5.01%</td></tr> <tr> <td>FIL Ltd</td><td>32,156,061</td><td>4.93%</td></tr> <tr> <td>Newton Investment Management Ltd . .</td><td>31,907,355</td><td>4.89%</td></tr> <tr> <td>AXA S.A.</td><td>29,749,171</td><td>4.56%</td></tr> </table> <p>Notes:</p> <p>(1) Michael Spencer has a direct interest in 3,889,383 ICAP Ordinary Shares, representing 0.60 per cent. of the issued share capital of ICAP. He owns a majority shareholding in IPGL (Holdings) Limited, of which IPGL Limited and INCAP Finance BV (INFBV) are wholly-owned subsidiaries. Michael Spencer is deemed to be interested in all the ICAP Ordinary Shares held by INFBV and its indirect wholly-owned subsidiary, INCAP Overseas BV, totalling 105,569,560 ICAP Ordinary Shares, representing 16.17 per cent. of the issued share capital of ICAP. IPGL Limited holds 350,000 ICAP Ordinary Shares acquired via a contract for difference and Michael Spencer holds 100,000 ICAP Ordinary Shares acquired via a contract for difference, together representing 0.07 per cent. of the issued share capital of ICAP.</p> <p>Save for the significant Shareholders noted above, in so far as is known to the Directors, there is no other person interested in three per cent. or more of the issued share capital of ICAP or who will be interested in three per cent. or more of the issued share capital of Newco immediately following the Scheme become effective or any other person who can, will or could, directly or indirectly, jointly or severally, exercise control over Newco.</p> <p>None of the Shareholders referred to above has or will have, immediately following Admission, voting rights that are different to those of any other holder of ICAP Ordinary Shares or Newco Ordinary Shares (as the case may be).</p> | <u>Name</u> | <u>Number of ICAP Ordinary Shares</u> | <u>Percentage held</u> | Michael Spencer (together with IPGL (Holdings) Limited, IPGL Limited, INCAP Finance BV and INCAP Overseas BV) ⁽¹⁾ | 109,908,943 | 16.84% | Schroders plc | 84,914,868 | 13.01% | Silchester International Investors LLP . . | 64,765,365 | 9.92% | Black Rock, Inc | 32,698,333 | 5.01% | FIL Ltd | 32,156,061 | 4.93% | Newton Investment Management Ltd . . | 31,907,355 | 4.89% | AXA S.A. | 29,749,171 | 4.56% |
| <u>Name</u> | <u>Number of ICAP Ordinary Shares</u> | <u>Percentage held</u> | | | | | | | | | | | | | | | | | | | | | | | | |
| Michael Spencer (together with IPGL (Holdings) Limited, IPGL Limited, INCAP Finance BV and INCAP Overseas BV) ⁽¹⁾ | 109,908,943 | 16.84% | | | | | | | | | | | | | | | | | | | | | | | | |
| Schroders plc | 84,914,868 | 13.01% | | | | | | | | | | | | | | | | | | | | | | | | |
| Silchester International Investors LLP . . | 64,765,365 | 9.92% | | | | | | | | | | | | | | | | | | | | | | | | |
| Black Rock, Inc | 32,698,333 | 5.01% | | | | | | | | | | | | | | | | | | | | | | | | |
| FIL Ltd | 32,156,061 | 4.93% | | | | | | | | | | | | | | | | | | | | | | | | |
| Newton Investment Management Ltd . . | 31,907,355 | 4.89% | | | | | | | | | | | | | | | | | | | | | | | | |
| AXA S.A. | 29,749,171 | 4.56% | | | | | | | | | | | | | | | | | | | | | | | | |
| B.7 | Selected historical key financial information | <p>Not applicable for Newco. Newco has not traded since its date of incorporation and as such there is no historical key financial information on Newco.</p> <p>The tables below set out selected financial information for the Group for the periods indicated. The data below has been extracted, without material adjustment, from the Group's audited consolidated financial statements as at and for the years ended 31 March 2016, 31 March 2015 and 31 March 2014 and the Group's unaudited consolidated financial statements as at and for the six months ended 30 September 2016 and 30 September 2015, in each case prepared in accordance with IFRS.</p> | | | | | | | | | | | | | | | | | | | | | | | | |

Section B—Issuer

| Element | | | | | | | |
|---|--------------------------------------|------------|-----------|------------|-----------|-------------------------------|-----------------------|
| | Consolidated Income Statement | | | | | | |
| | Year ended 31 March | | | | | Six months ended 30 September | |
| | 2016 | 2015 | 2015 | 2014 | 2014 | 2016 | 2015 |
| | (audited) | (restated) | (audited) | (restated) | (audited) | (unaudited) | (unaudited, restated) |
| | (£ in millions) | | | | | | |
| Revenue | 460 | 468 | 1,276 | 1,378 | 1,397 | 254 | 229 |
| Operating expenses | (405) | (387) | (1,160) | (1,249) | (1,263) | (192) | (180) |
| Other income/ (expense) | — | (1) | 2 | 6 | 6 | 20 | — |
| Operating profit | 55 | 80 | 118 | 135 | 140 | 82 | 49 |
| Finance income | 2 | 1 | 4 | 17 | 17 | — | 1 |
| Finance costs | (30) | (34) | (35) | (39) | (39) | (16) | (14) |
| Share of profit of joint ventures after tax | 1 | 1 | 4 | 4 | — | — | 1 |
| Share of profit of associates after tax | (1) | (1) | 4 | 4 | 4 | — | — |
| Profit before tax from continuing operations | 27 | 47 | 95 | 121 | 122 | 66 | 37 |
| Tax | (5) | (7) | (11) | (21) | (22) | (7) | 4 |
| Profit for the year / period from continuing operations | 22 | 40 | 84 | 100 | 100 | 59 | 41 |
| Profit for the year / period from discontinued operations | 46 | 44 | — | — | — | 27 | 37 |
| Profit for the year / period | 68 | 84 | 84 | 100 | 100 | 86 | 78 |
| Attributable to: | | | | | | | |
| Owners of the Company | 71 | 84 | 84 | 101 | 101 | 87 | 79 |
| Non-controlling interests | (3) | — | — | (1) | (1) | (1) | (1) |
| | 68 | 84 | 84 | 100 | 100 | 86 | 78 |
| Earnings per ordinary share (pence) | | | | | | | |
| —basic | 10.5 | 13.0 | 13.0 | 15.7 | 15.7 | 13.2 | 12.0 |
| —diluted | 10.3 | 12.8 | 12.8 | 15.4 | 15.4 | 13.0 | 11.8 |

Section B—Issuer

| Element | | | | | | |
|---|--|--------------------------|--------------------------|--------------------------|-------------------------------|--------------------------|
| | Consolidated Statement of Cash Flow | | | | | |
| | Year ended 31 March | | | | Six months ended 30 September | |
| | 2016 | 2015 | 2014 | 2014 | 2016 | 2015 |
| | (audited) | (audited) | (restated) | (audited) | (unaudited) | (unaudited) |
| | (£ in millions) | | | | | |
| Cash flows from operating activities | 147 | 199 | 142 | 141 | 64 | 97 |
| Cash flows from investing activities | | | | | | |
| Dividends received from associates | 6 | 4 | 4 | 4 | 4 | 3 |
| Dividends received from joint ventures | 2 | 1 | 4 | — | 1 | 1 |
| Other equity dividends received | 1 | — | 3 | 3 | 1 | — |
| Payments to acquire property and equipment | (17) | (9) | (14) | (14) | (8) | (7) |
| Intangible development expenditure | (54) | (48) | (53) | (53) | (33) | (26) |
| Proceeds from disposal of available-for-sale investments | 1 | — | 1 | 1 | — | — |
| Acquisition of available-for-sale investments | (5) | — | — | — | (2) | (4) |
| Proceeds from disposal of interest in subsidiaries | — | — | 3 | 3 | — | — |
| Acquisition of interests in subsidiaries | — | (1) | — | — | — | — |
| Proceeds from disposal of subsidiaries | — | 1 | — | — | — | — |
| Acquisition of interests in businesses | — | — | — | — | (36) | — |
| Acquisition of associates and joint ventures | (17) | — | (6) | (6) | (4) | (17) |
| Net cash flows from investing activities | (83) | (52) | (58) | (62) | (77) | (50) |
| Cash flows from financing activities | | | | | | |
| Dividends paid to non-controlling interest | (2) | — | (10) | (10) | (1) | — |
| Proceeds from exercise of share options | 3 | — | 4 | 4 | 2 | 1 |
| Dividends paid to owners of the Company | (141) | (141) | (141) | (141) | (100) | (99) |
| Repayment of borrowings | (126) | (259) | (121) | (121) | — | (126) |
| Funds received from borrowing net of fees | 171 | — | 349 | 349 | 115 | 228 |
| Net cash flows from financing activities | (95) | (400) | 81 | 81 | 16 | 4 |
| Net (decrease)/increase in cash and cash equivalents | (31) | (253) | 165 | 160 | 3 | 51 |
| Net cash and cash equivalents at beginning of the year | 448 | 697 | 592 | 602 | 433 | 448 |
| FX adjustments | 16 | 4 | (60) | (59) | 41 | (13) |
| Net cash and cash equivalents at end of the year* | 433⁽¹⁾ | 448⁽²⁾ | 697⁽³⁾ | 703⁽³⁾ | 477⁽⁴⁾ | 486⁽⁵⁾ |
| Notes: | | | | | | |
| (1) Net of £83 million overdraft as at 31 March 2016. | | | | | | |
| (2) Net of £33 million overdraft as at 31 March 2015. | | | | | | |
| (3) Net of £1 million overdraft as at 31 March 2014. | | | | | | |
| (4) Net of £16 million overdraft as at 30 September 2016. | | | | | | |
| (5) Net of £7 million overdraft as at 30 September 2015. | | | | | | |

Section B—Issuer

| Element | | | | | | |
|--|-----------------------------------|-----------------|-----------------|-----------------|-------------------------------|-----------------|
| | Consolidated Balance Sheet | | | | | |
| | Year ended 31 March | | | | Six months ended 30 September | |
| | 2016 | 2015 | 2014 | 2014 | 2016 | 2015 |
| | (audited) | (audited) | (restated) | (audited) | (unaudited) | (unaudited) |
| | (£ in millions) | | | | | |
| Assets | | | | | | |
| Non-current assets | | | | | | |
| Intangible assets arising on consolidation | 826 | 930 | 933 | 935 | 982 | 898 |
| Intangible assets arising from development expenditure | 88 | 108 | 95 | 96 | 104 | 114 |
| Property and equipment | 30 | 40 | 44 | 44 | 35 | 38 |
| Investment in joint ventures | 6 | 13 | 10 | | 7 | 13 |
| Investment in associates | 52 | 68 | 65 | 65 | 46 | 114 |
| Deferred tax assets | 13 | 6 | 11 | 12 | 4 | 8 |
| Trade and other receivables | 9 | 5 | 6 | 6 | 20 | 10 |
| Available-for-sale investments | 9 | 17 | 18 | 19 | 12 | 19 |
| | <u>1,033</u> | <u>1,187</u> | <u>1,182</u> | <u>1,177</u> | <u>1,210</u> | <u>1,214</u> |
| Current assets | | | | | | |
| Held for sale assets | 21,393 | 21 | — | — | 19,905 | 4 |
| Trade and other receivables | 59,461 | 24,411 | 22,935 | 22,937 | 91,283 | 17,592 |
| Available-for-sale investments | — | — | — | — | — | 1 |
| Restricted funds | 26 | 43 | 39 | 39 | 45 | 34 |
| Cash and cash equivalents | 157 | 481 | 698 | 703 | 174 | 493 |
| | <u>81,037</u> | <u>24,956</u> | <u>23,672</u> | <u>23,679</u> | <u>111,407</u> | <u>18,124</u> |
| Total assets | <u>82,070</u> | <u>26,143</u> | <u>24,854</u> | <u>24,856</u> | <u>112,617</u> | <u>19,338</u> |
| Liabilities | | | | | | |
| Current liabilities | | | | | | |
| Trade and other payables | (59,464) | (24,378) | (22,912) | (22,914) | (91,281) | (17,550) |
| Borrowings | (64) | (163) | (247) | (247) | (137) | (62) |
| Tax payable | (41) | (39) | (66) | (66) | (39) | (30) |
| Held for sale liabilities | (20,861) | (4) | — | — | (19,293) | (2) |
| Provisions | (13) | (20) | (10) | (10) | (11) | (18) |
| | <u>(80,438)</u> | <u>(24,604)</u> | <u>(23,235)</u> | <u>(23,237)</u> | <u>(110,761)</u> | <u>(17,662)</u> |
| Non-current liabilities | | | | | | |
| Trade and other payables | (12) | (37) | (9) | (9) | (24) | (29) |
| Borrowings | (519) | (386) | (540) | (540) | (585) | (564) |
| Deferred tax liabilities | (67) | (73) | (74) | (74) | (82) | (70) |
| Retirement benefit obligations | (3) | (6) | (4) | (4) | (4) | (6) |
| Provisions | (13) | (19) | (9) | (9) | (11) | (17) |
| | <u>(614)</u> | <u>(521)</u> | <u>(636)</u> | <u>(636)</u> | <u>(706)</u> | <u>(686)</u> |
| Total liabilities | <u>(81,052)</u> | <u>(25,125)</u> | <u>(23,871)</u> | <u>(23,873)</u> | <u>(111,467)</u> | <u>(18,348)</u> |
| Net assets | <u>1,018</u> | <u>1,018</u> | <u>983</u> | <u>983</u> | <u>1,150</u> | <u>990</u> |
| Equity | | | | | | |
| Capital and reserves | | | | | | |
| Called up share capital | 66 | 66 | 66 | 66 | 66 | 66 |
| Share premium account | 454 | 454 | 454 | 454 | 454 | 454 |
| Other reserves | 77 | 79 | 86 | 86 | 74 | 79 |
| Translation | 104 | 43 | (44) | (44) | 243 | 35 |
| Retained earnings | 276 | 330 | 379 | 379 | 270 | 314 |
| Equity attributable to owners of the Company | <u>977</u> | <u>972</u> | <u>941</u> | <u>941</u> | <u>1,107</u> | <u>948</u> |
| Non-controlling interests | 41 | 46 | 42 | 42 | 43 | 42 |
| Total equity | <u>1,018</u> | <u>1,018</u> | <u>983</u> | <u>983</u> | <u>1,150</u> | <u>990</u> |
| <p>The following significant changes to the financial condition and operating results of the Group occurred during these periods:</p> <p>The Group generates revenue from commissions on electronic execution, risk mitigation, messaging, broking and information services for wholesale market participants. The level of revenue is substantially dependent on customer trading volumes. The volumes of transactions are affected by the level of volatility in financial markets, by the steepness and absolute level of yield curves, as well as by customers' risk appetite and by their willingness and ability to trade. The Group's revenue in 2015 was lower than in 2014, reflecting bank deleveraging, in response to stricter regulatory capital requirements, negatively impacted the trading activity of the Group's customers.</p> | | | | | | |

| Section B—Issuer | | |
|------------------|--|--|
| Element | | |
| | | <p>In November 2015, ICAP agreed terms for the disposal of IGBB to Tullett Prebon and the Transaction is expected to complete on 30 December 2016. As at the date of this Prospectus, IGBB remains part of the Group. As a result the year ended 31 March 2015 has been restated to reflect this and the results of IGBB have been disclosed as discontinued operations. The Group's revenue in 2016 was lower than in 2015, reflecting the ongoing combination of structural and cyclical factors including historically low and negative interest rates, low levels of volatility and bank deleveraging resulting in reduced risk appetite from bank customers.</p> <p>For the six months ended 30 September 2016, the Group reported continuing revenue of £254 million, 11 per cent. ahead of the prior period on a reported basis and flat on a constant currency basis. The Group's continuing trading performance was impacted by the ongoing combination of structural and cyclical factors including historically low and negative interest rates, low levels of volatility and bank deleveraging resulting in reduced risk appetite from bank customers. This was partly offset by the increase in trading activity in emerging market currency pairs on EBS Market, and a greater demand for post trade products such as triReduce and triResolve. The recent US election has prompted an increase in trading activity since 30 September 2016.</p> <p>Operating profit in 2015 of £118 million was lower than in 2014 (£135 million) predominantly due to the lower level of revenue. Operating profit also included exceptional costs of £76 million in the year ended 31 March 2014 in relation to regulatory matters and £75 million in the year ended 31 March 2015 mainly in relation to costs associated with the restructuring programme.</p> <p>The Group's operating profit in 2016 was lower than in 2015 (restated), reflecting increased investment in the development of new products and solutions across the business. The 31 March 2015 restated income statement reflects the disposal of IGBB with the result of the IGBB business in addition to transaction related costs being disclosed as discontinued. In the 2015 restated income statement exceptional costs were £75 million before a tax credit of £18 million. This includes £16 million relating to continuing operations and £59 million relating to discontinued operation.</p> <p>The Group's operating profit for the six months ended 30 September 2016 was £33 million higher than for the six months ended 30 September 2015. Operating profit included a favourable movement of £25 million in the Group's acquisition and disposals costs before tax on the prior period which is attributable to £19 million fair value gain arising from increased investment in ENSO and £6 million decrease on the amortisation of intangibles arising on consolidation, plus exceptional items in relation to continuing operations in the period was a gain of £8 million comprising a £5 million release of an onerous lease provision as previously vacated office space has now been sublet and a £3 million income from an insurance recovery relating to past legal costs.</p> <p>The Group's net assets increased from £983 million at the end of 2014 to £1,018 million at the end of 2016 primarily reflecting the retained profit over that period in addition to movements in other reserves.</p> |

| Section B—Issuer | | |
|------------------|--|--|
| Element | | |
| | | <p>The Group's net assets at 30 September 2016 were £1,150 million, £132 million higher than the 31 March 2016 position (£1,018 million), principally reflecting profit for the period of £86 million and a £144 million gain for the retranslation of foreign currency net assets driven by the weakening of sterling during the period. This was partially offset by the £100 million payment of the 2015/16 final dividend.</p> <p>The Group has generated cash from its operations to fund investment in the business and to provide funds to pay interest and dividends on the Group's capital. Over the three years from 2014 (restated) to 2016, the net cash generated from operating activities, less the amounts used in investment activities, totalled £295 million. The amount paid as dividends to Shareholders in that period totalled £423 million. Over that three year period the Group has repaid £506 million of debt and raised £520 million (net of fees) of new debt. Net cash and cash equivalents decreased by £264 million over that three year period.</p> <p>There has been no significant change in the financial condition or operating results of the Group since 30 September 2016, being the end of the last financial period for which financial information has been published.</p> |
| B.8 | Pro forma financial information | <p>The unaudited pro forma financial information set out below has been prepared on the basis set out in the notes below to illustrate the effect of the Transaction on the consolidated net assets and income statement of the Group had the Transaction occurred on the dates stated below. It has been prepared for illustrative purposes only. Because of its nature, the pro forma financial information addresses a hypothetical situation and, therefore, does not represent the Group's actual financial position or results. It is based on the audited consolidated financial statements of the Group for the year ended 31 March 2016 and presented in accordance with the accounting policies to be adopted by Newco in preparing the financial statements for the period ending 31 March 2017.</p> <p>The unaudited pro forma statement of net assets at 31 March 2016 gives effect to the Transaction as if it had occurred on 31 March 2016. The unaudited pro forma income statement for the year ended 31 March 2016 is presented as if the Transaction had taken place on 1 April 2015.</p> |

Section B—Issuer

| Element | | Unaudited pro forma consolidated statement of net assets at 31 March 2016 | | | | | |
|---|------------------------------------|--|--|---|-------------------------------------|--|---|
| | | | Adjustments | | | | Retained Group pro forma as at 31 March 2016 |
| | Group as at 31 March 2016 | IGBB net asset adjustment as at 31 March 2016 | IGBB assets/ liabilities to be retained by ICAP | Transaction consideration and repayment of borrowings | Other Transaction adjustments | | |
| | Note 1 | Note 2 | Note 3 | Note 4 | Note 5 | | |
| | | | | (£ in millions) | | | |
| <i>Non-current assets</i> | | | | | | | |
| Intangible assets arising on consolidation . . . | 826 | — | — | — | — | | 826 |
| Intangible assets arising from development expenditure | 88 | — | — | — | — | | 88 |
| Property and equipment | 30 | — | — | — | 5 | | 35 |
| Investment in joint ventures | 6 | — | — | — | — | | 6 |
| Investment in associates | 52 | — | — | — | — | | 52 |
| Deferred tax assets . | 13 | — | — | — | — | | 13 |
| Trade and other receivables | 9 | — | — | — | — | | 9 |
| Available-for-sale investments | 9 | — | — | — | — | | 9 |
| | <u>1,033</u> | <u>—</u> | <u>—</u> | <u>—</u> | <u>5</u> | | <u>1,038</u> |
| <i>Current assets</i> | | | | | | | |
| Held for sale assets | 21,393 | (21,390) | — | — | — | | 3 |
| Trade and other receivables | 59,461 | — | — | — | — | | 59,461 |
| Receivable from affiliates | — | — | — | — | — | | — |
| Amount receivable by the Retained Group from IGBHL | — | — | 330 | (330) | — | | — |
| Restricted funds . . | 26 | — | — | — | — | | 26 |
| Cash and cash equivalents | 157 | — | 37 | 222 | (50) | | 366 |
| | <u>81,037</u> | <u>(21,390)</u> | <u>367</u> | <u>(108)</u> | <u>(50)</u> | | <u>59,856</u> |
| Total assets | 82,070 | (21,390) | 367 | (108) | (45) | | 60,894 |
| Liabilities | | | | | | | |
| <i>Current liabilities</i> | | | | | | | |
| Trade and other payables | (59,464) | — | — | — | 2 | | (59,462) |
| Short-term borrowings and overdrafts | (64) | — | — | — | — | | (64) |
| Tax payable | (41) | — | — | — | 3 | | (38) |
| Held for sale liabilities | (20,861) | 20,860 | — | — | — | | (1) |
| Short-term provisions | (8) | — | — | — | 6 | | (2) |
| | <u>(80,438)</u> | <u>20,860</u> | <u>—</u> | <u>—</u> | <u>11</u> | | <u>(59,567)</u> |
| <i>Non-current liabilities</i> | | | | | | | |
| Trade and other payables | (12) | — | — | — | — | | (12) |
| Deferred tax liabilities | (67) | — | — | — | — | | (67) |
| Long-term borrowings | (519) | — | — | 108 | — | | (411) |
| Retirement benefit obligations | (3) | — | — | — | — | | (3) |
| Long-term provisions | (13) | — | — | — | — | | (13) |
| | <u>(614)</u> | <u>—</u> | <u>—</u> | <u>108</u> | <u>—</u> | | <u>(506)</u> |
| Total liabilities . . . | (81,052) | 20,860 | — | 108 | 11 | | (60,073) |
| Net assets | 1,018 | (530) | 367 | — | (34) | | 821 |

| Section B—Issuer | | | | | | | | | | | | | | |
|---|-------------------------------|---|--|-------------------------------|---------------------------|--------------------------------|----------|--|-------------------------------------|--------|--|---|---------------------|--|
| Element | | | | | | | | | | | | | | |
| | | <p>Notes to the unaudited pro forma consolidated statement of net assets:</p> <ol style="list-style-type: none"> 1. The consolidated statement of net assets of the Group has been directly extracted from the audited consolidated financial statements of the Group as at and for the year ended 31 March 2016. 2. Represents the Transaction. The financial information used in this adjustment has been extracted from the audited consolidated financial statements of the Group as at and for the year ended 31 March 2016. The assets and liabilities attributable to IGBB, which reflect certain provisions in the Sale and Purchase Agreement with Tullett Prebon, are presented as held for sale assets and liabilities on the Group's balance sheet as at 31 March 2016. The assets and liabilities were transferred to held for sale at their carrying value on 11 November 2015, when ICAP signed the Original Sale and Purchase Agreement with Tullett Prebon. <table> <tr> <th></th><th>Adjustment (£ in millions)</th><th>Explanation of adjustment</th></tr> <tr> <td>Held for sale assets</td><td>(21,390)</td><td>Assets attributable to IGBB, which reflect certain provisions in the Sale and Purchase Agreement where certain assets will reside with the Retained Group on Completion.</td></tr> <tr> <td>Held for sale liabilities</td><td>20,860</td><td>Liabilities attributable to IGBB, which reflect certain provisions in the Sale and Purchase Agreement where certain liabilities will reside with the Retained Group on Completion.</td></tr> <tr> <td>Held for sale net assets</td><td><u>(530)</u></td><td></td></tr> </table> <ol style="list-style-type: none"> 3. Represents adjustments in relation to assets and liabilities that will not be sold with IGBB under the terms of the Sale and Purchase Agreement. | | Adjustment (£ in millions) | Explanation of adjustment | Held for sale assets | (21,390) | Assets attributable to IGBB, which reflect certain provisions in the Sale and Purchase Agreement where certain assets will reside with the Retained Group on Completion. | Held for sale liabilities | 20,860 | Liabilities attributable to IGBB, which reflect certain provisions in the Sale and Purchase Agreement where certain liabilities will reside with the Retained Group on Completion. | Held for sale net assets | <u>(530)</u> | |
| | Adjustment (£ in millions) | Explanation of adjustment | | | | | | | | | | | | |
| Held for sale assets | (21,390) | Assets attributable to IGBB, which reflect certain provisions in the Sale and Purchase Agreement where certain assets will reside with the Retained Group on Completion. | | | | | | | | | | | | |
| Held for sale liabilities | 20,860 | Liabilities attributable to IGBB, which reflect certain provisions in the Sale and Purchase Agreement where certain liabilities will reside with the Retained Group on Completion. | | | | | | | | | | | | |
| Held for sale net assets | <u>(530)</u> | | | | | | | | | | | | | |

| Section B—Issuer | | | |
|------------------|---|---|--|
| Element | | | |
| | | <div> <div>Adjustment</div> <div>(£ in millions)</div> </div> | <div>Explanation of adjustment</div> |
| | IGBHL debt | 330 | As set out in Part IV of the March Circular there will be a loan of £330 million due from IGBHL to the Retained Group on Completion |
| | Cash and cash equivalents | 37 | IGBB had cash and cash equivalents and restricted funds of £392 million as at 31 March 2016, compared to an expected cash level of £355 million at Completion under the Sale and Purchase Agreement. |
| | Net assets | <u>367</u> | |
| | <p>The terms of the Sale and Purchase Agreement set a minimum cash balance for IGBB on Completion and require the Completion balance sheet of IGBB to include a single amount payable to the Retained Group of £330 million. An internal reorganisation of the Group will be performed prior to Completion such that the required minimum level of cash remains in IGBB together with a single amount payable of £330 million due to the Retained Group. For the purposes of the unaudited pro forma financial information, it is assumed that the minimum level of cash, which will be determined by reference to, in particular, foreign exchange rates, will be £355 million and the £330 million loan payable to the Retained Group by IGBB is settled on 31 March 2016.</p> <p>4. Management intends to use the cash received on repayment by Tullett Prebon of the £330 million loan from the Retained Group to IGBB to repay any remaining borrowings on the Retained Group revolving credit facility. At 31 March 2016, the Group had £108 million of drawings on its revolving credit facility. This adjustment to long term borrowings reflects the repayment of these borrowings, with the remaining £222 million of the £330 million proceeds reflected as an increase in cash.</p> | | |
| | | <div>Adjustment</div> <div>(£ in millions)</div> | <div>Explanation of adjustment</div> |
| | Cash received from loan repayment | 330 | As set out in Part IV of the March Circular there will be a loan of £330 million due from IGBHL to the Retained Group which will be repaid on Completion. |
| | Repayment of revolving credit facility | (108) | Repayment of borrowings on the Retained Group's revolving credit facility. |
| | Adjustment to cash and cash equivalents | <u>222</u> | |

Section B—Issuer

| Element | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|--|---|---|-------------------------------------|---|--|--------|--------|--------|--|--|--|-----------------|--|--|-------------------|-----|---|---|-----|-------------------|-------|---|---|-------|--|------|---|---|------|-----------------------------|-----|---|---|-----|------------------------------|-------|---|---|-------|-------------------|-----|---|---|-----|--|------|---|---|------|-----------------------------|-----|---|---|-----|----------------------------|----|---|---|----|-------------------|---|---|---|---|--|---|---|---|---|--------------------------|---|---|---|---|-------------------------|------|---|---|------|-------------------|-----|---|---|-----|--|------|---|---|------|-----------------------------|-----|---|---|-----|--|----|---|---|----|-------------------|------|---|---|------|--|----|---|---|----|-----------------------------|---|---|---|---|---------------|-----|---|---|-----|---------------------------------------|----|---|---|----|--|------|---|---|------|-----------------------------|-----|---|---|-----|--|----|---|---|----|-------------------|----|------|---|---|--|---|---|-------|-------|-----------------------------|------|---|------|------|--|----|------|-------|-------|---------------------------------------|-----|------|---|----|--|------|---|-------|-------|-----------------------------|------|---|------|------|-------------------------------|----|------|-------|-------|-----------------|--|--|--|--|------------------|----|------|-------|-------|-------------------------------------|-----|---|---|---|--|----|------|-------|-------|
| | <div>5. The £50 million adjustment to cash comprises £22 million of estimated separation and related costs including technology, facilities and related staff costs to separate the IGBB business which will be incurred by the Group before Completion. Of the £22 million, an estimated £5 million represents capital expenditure on assets that will be capitalised by the Group. In addition, an adjustment of £28 million has been made in respect of costs directly attributable to executing the Transaction including professional fees, bankers’ fees and other related costs. Of the £50 million adjustment, £6 million was provided and £2 million was accrued by the Group as at 31 March 2016.</div> <div>6. No account has been taken of any trading activity or other transactions of the Group or IGBB since 31 March 2016.</div> <div>Unaudited pro forma consolidated income statement for the year ended 31 March 2016</div> <table><tr><th></th><th>the Group for the year ended 31 March 2016</th><th>IGBB results for the year ended 31 March 2016</th><th>Other Transaction adjustments</th><th>Retained Group pro forma for the year ended 31 March 2016</th></tr><tr><th></th><th>Note 1</th><th>Note 2</th><th>Note 3</th><th></th></tr><tr><th></th><th></th><th colspan="2">(£ in millions)</th><th></th></tr><tr><td>Revenue</td><td>460</td><td>—</td><td>—</td><td>460</td></tr><tr><td>Trading</td><td>(321)</td><td>—</td><td>—</td><td>(321)</td></tr><tr><td>Acquisition and disposal costs</td><td>(75)</td><td>—</td><td>—</td><td>(75)</td></tr><tr><td>Exceptional items</td><td>(9)</td><td>—</td><td>—</td><td>(9)</td></tr><tr><td>Operating expenses</td><td>(405)</td><td>—</td><td>—</td><td>(405)</td></tr><tr><td>Trading</td><td>139</td><td>—</td><td>—</td><td>139</td></tr><tr><td>Acquisition and Disposal costs</td><td>(75)</td><td>—</td><td>—</td><td>(75)</td></tr><tr><td>Exceptional items</td><td>(9)</td><td>—</td><td>—</td><td>(9)</td></tr><tr><td>Operating profit</td><td>55</td><td>—</td><td>—</td><td>55</td></tr><tr><td>Trading</td><td>1</td><td>—</td><td>—</td><td>1</td></tr><tr><td>Acquisition and disposal costs</td><td>1</td><td>—</td><td>—</td><td>1</td></tr><tr><td>Finance income</td><td>2</td><td>—</td><td>—</td><td>2</td></tr><tr><td>Finance costs</td><td>(30)</td><td>—</td><td>—</td><td>(30)</td></tr><tr><td>Trading</td><td>110</td><td>—</td><td>—</td><td>110</td></tr><tr><td>Acquisition and disposal costs</td><td>(74)</td><td>—</td><td>—</td><td>(74)</td></tr><tr><td>Exceptional items</td><td>(9)</td><td>—</td><td>—</td><td>(9)</td></tr><tr><td>Profit before tax from continuing operations</td><td>27</td><td>—</td><td>—</td><td>27</td></tr><tr><td>Trading</td><td>(23)</td><td>—</td><td>—</td><td>(23)</td></tr><tr><td>Acquisition and disposal costs</td><td>16</td><td>—</td><td>—</td><td>16</td></tr><tr><td>Exceptional items</td><td>2</td><td>—</td><td>—</td><td>2</td></tr><tr><td>Tax</td><td>(5)</td><td>—</td><td>—</td><td>(5)</td></tr><tr><td>Trading profit for the year</td><td>87</td><td>—</td><td>—</td><td>87</td></tr><tr><td>Acquisition and disposal costs</td><td>(58)</td><td>—</td><td>—</td><td>(58)</td></tr><tr><td>Exceptional items</td><td>(7)</td><td>—</td><td>—</td><td>(7)</td></tr><tr><td>Profit for the year from continuing operations</td><td>22</td><td>—</td><td>—</td><td>22</td></tr><tr><td>Trading</td><td>73</td><td>(73)</td><td>—</td><td>—</td></tr><tr><td>Gain on distribution and disposal of IGBB—acquisition and disposal costs</td><td>—</td><td>—</td><td>1,120</td><td>1,120</td></tr><tr><td>Exceptional items</td><td>(27)</td><td>—</td><td>(37)</td><td>(64)</td></tr><tr><td>Profit for the year from discontinued operations</td><td>46</td><td>(73)</td><td>1,083</td><td>1,056</td></tr><tr><td>Trading profit for the year</td><td>160</td><td>(73)</td><td>—</td><td>87</td></tr><tr><td>Acquisition and disposal costs</td><td>(58)</td><td>—</td><td>1,120</td><td>1,062</td></tr><tr><td>Exceptional items</td><td>(34)</td><td>—</td><td>(37)</td><td>(71)</td></tr><tr><td>Profit for the year</td><td>68</td><td>(73)</td><td>1,083</td><td>1,078</td></tr><tr><td>Attributable to</td><td></td><td></td><td></td><td></td></tr><tr><td>Owners</td><td>71</td><td>(76)</td><td>1,083</td><td>1,078</td></tr><tr><td>Non controlling interests</td><td>(3)</td><td>3</td><td>—</td><td>—</td></tr><tr><td></td><td>68</td><td>(73)</td><td>1,083</td><td>1,078</td></tr></table> | | the Group for the year ended 31 March 2016 | IGBB results for the year ended 31 March 2016 | Other Transaction adjustments | Retained Group pro forma for the year ended 31 March 2016 | | Note 1 | Note 2 | Note 3 | | | | (£ in millions) | | | Revenue | 460 | — | — | 460 | Trading | (321) | — | — | (321) | Acquisition and disposal costs | (75) | — | — | (75) | Exceptional items | (9) | — | — | (9) | Operating expenses | (405) | — | — | (405) | Trading | 139 | — | — | 139 | Acquisition and Disposal costs | (75) | — | — | (75) | Exceptional items | (9) | — | — | (9) | Operating profit | 55 | — | — | 55 | Trading | 1 | — | — | 1 | Acquisition and disposal costs | 1 | — | — | 1 | Finance income | 2 | — | — | 2 | Finance costs | (30) | — | — | (30) | Trading | 110 | — | — | 110 | Acquisition and disposal costs | (74) | — | — | (74) | Exceptional items | (9) | — | — | (9) | Profit before tax from continuing operations | 27 | — | — | 27 | Trading | (23) | — | — | (23) | Acquisition and disposal costs | 16 | — | — | 16 | Exceptional items | 2 | — | — | 2 | Tax | (5) | — | — | (5) | Trading profit for the year | 87 | — | — | 87 | Acquisition and disposal costs | (58) | — | — | (58) | Exceptional items | (7) | — | — | (7) | Profit for the year from continuing operations | 22 | — | — | 22 | Trading | 73 | (73) | — | — | Gain on distribution and disposal of IGBB—acquisition and disposal costs | — | — | 1,120 | 1,120 | Exceptional items | (27) | — | (37) | (64) | Profit for the year from discontinued operations | 46 | (73) | 1,083 | 1,056 | Trading profit for the year | 160 | (73) | — | 87 | Acquisition and disposal costs | (58) | — | 1,120 | 1,062 | Exceptional items | (34) | — | (37) | (71) | Profit for the year | 68 | (73) | 1,083 | 1,078 | Attributable to | | | | | Owners | 71 | (76) | 1,083 | 1,078 | Non controlling interests | (3) | 3 | — | — | | 68 | (73) | 1,083 | 1,078 |
| | the Group for the year ended 31 March 2016 | IGBB results for the year ended 31 March 2016 | Other Transaction adjustments | Retained Group pro forma for the year ended 31 March 2016 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Note 1 | Note 2 | Note 3 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | (£ in millions) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Revenue | 460 | — | — | 460 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Trading | (321) | — | — | (321) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Acquisition and disposal costs | (75) | — | — | (75) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Exceptional items | (9) | — | — | (9) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Operating expenses | (405) | — | — | (405) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Trading | 139 | — | — | 139 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Acquisition and Disposal costs | (75) | — | — | (75) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Exceptional items | (9) | — | — | (9) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Operating profit | 55 | — | — | 55 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Trading | 1 | — | — | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Acquisition and disposal costs | 1 | — | — | 1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Finance income | 2 | — | — | 2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Finance costs | (30) | — | — | (30) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Trading | 110 | — | — | 110 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Acquisition and disposal costs | (74) | — | — | (74) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Exceptional items | (9) | — | — | (9) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Profit before tax from continuing operations | 27 | — | — | 27 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Trading | (23) | — | — | (23) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Acquisition and disposal costs | 16 | — | — | 16 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Exceptional items | 2 | — | — | 2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tax | (5) | — | — | (5) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Trading profit for the year | 87 | — | — | 87 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Acquisition and disposal costs | (58) | — | — | (58) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Exceptional items | (7) | — | — | (7) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Profit for the year from continuing operations | 22 | — | — | 22 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Trading | 73 | (73) | — | — | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Gain on distribution and disposal of IGBB—acquisition and disposal costs | — | — | 1,120 | 1,120 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Exceptional items | (27) | — | (37) | (64) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Profit for the year from discontinued operations | 46 | (73) | 1,083 | 1,056 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Trading profit for the year | 160 | (73) | — | 87 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Acquisition and disposal costs | (58) | — | 1,120 | 1,062 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Exceptional items | (34) | — | (37) | (71) | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Profit for the year | 68 | (73) | 1,083 | 1,078 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Attributable to | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Owners | 71 | (76) | 1,083 | 1,078 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Non controlling interests | (3) | 3 | — | — | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | 68 | (73) | 1,083 | 1,078 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Section B—Issuer | | | | | | | | | | | | | | | | | | | | |
|---|---|--|--|---|--------------------------|------------|--------------------------------------|--------------|---|------------|--------------------------|----------|-------------------------|-------------|---|------------|----------------------|-------------|---|-----------|
| Element | | | | | | | | | | | | | | | | | | | | |
| | | <p>Notes to the unaudited pro forma consolidated income statement:</p> <p>1. The consolidated income statement of the Group has been directly extracted from the audited consolidated financial statements of the Group for the year ended 31 March 2016. The Group’s consolidated income statement discloses its trading profit separately from its reported profit. Trading profit is reconciled to profit for the year on the face of the consolidated income statement, which also includes acquisition and disposal costs and exceptional items. Trading operating expenses, trading operating profit and trading profit before tax are non-IFRS measures that may not be comparable to similarly titled financial measures of other companies.</p> <p>Unaudited consolidated pro forma trading income statement from continuing operations</p> <table><tr><td></td><td>For the year ended 31 March 2016 (£ in millions)</td></tr><tr><td>Revenue</td><td>460</td></tr><tr><td>Trading operating expenses</td><td>(321)</td></tr><tr><td>Trading operating profit</td><td>139</td></tr><tr><td>Finance income</td><td>1</td></tr><tr><td>Finance costs</td><td>(30)</td></tr><tr><td>Trading profit before tax from continuing operations</td><td>110</td></tr><tr><td>Tax</td><td>(23)</td></tr><tr><td>Trading profit for the year from continuing operations</td><td>87</td></tr></table> <p>‘Acquisition and disposal costs’ includes: any gains, losses or other associated costs on the full or partial disposal of investments, associates, joint ventures or subsidiaries and costs associated with a business combination that do not constitute fees relating to the arrangement of financing; amortisation or impairment of intangible assets arising on consolidation; any remeasurement after initial recognition of deferred contingent consideration which has been classified as a liability, and any gains or losses on the revaluation of previous interests. The costs may also include items such as gains or losses on the settlement of pre-existing relationships with acquired businesses and the remeasurement of liabilities that are above the value of indemnification.</p> <p>Items which are of a non-recurring nature and material, when considering both size and nature, are disclosed separately to give a clearer presentation of the Group’s results. These are shown as ‘exceptional items’ on the face of the consolidated income statement.</p> <p>2. Represents the Transaction. The financial information used in this adjustment has been extracted from the audited consolidated financial statements of the Group as at and for the year ended 31 March 2016. The results of the IGBB business, which reflect certain provisions in the Sale and Purchase Agreement with Tullett Prebon, are presented as discontinued operations on the face of the Group’s consolidated income statement for the year ended 31 March 2016.</p> | | For the year ended 31 March 2016 (£ in millions) | Revenue | 460 | Trading operating expenses | (321) | Trading operating profit | 139 | Finance income | 1 | Finance costs | (30) | Trading profit before tax from continuing operations | 110 | Tax | (23) | Trading profit for the year from continuing operations | 87 |
| | For the year ended 31 March 2016 (£ in millions) | | | | | | | | | | | | | | | | | | | |
| Revenue | 460 | | | | | | | | | | | | | | | | | | | |
| Trading operating expenses | (321) | | | | | | | | | | | | | | | | | | | |
| Trading operating profit | 139 | | | | | | | | | | | | | | | | | | | |
| Finance income | 1 | | | | | | | | | | | | | | | | | | | |
| Finance costs | (30) | | | | | | | | | | | | | | | | | | | |
| Trading profit before tax from continuing operations | 110 | | | | | | | | | | | | | | | | | | | |
| Tax | (23) | | | | | | | | | | | | | | | | | | | |
| Trading profit for the year from continuing operations | 87 | | | | | | | | | | | | | | | | | | | |

| Section B—Issuer | | | | | | | | | | | | | | | | | | | | | | |
|---|-----------------------------|--|--|-----------------------------|--|------------------------|-----------------|--|--|-----|--|-----|---|-------|---|------|--|-------|---|-------|--|--------------|
| Element | | | | | | | | | | | | | | | | | | | | | | |
| | | <div>3. The unaudited pro forma income statement has been adjusted to reflect:<ul style="list-style-type: none">£24 million of costs directly attributable to executing the Transaction including professional fees, bankers’ fees and other related costs. These one-off costs, which will be classified as exceptional items, will not have a continuing impact on the results of the Retained Group. The majority of these costs will be treated as non-deductible for tax purposes.£16 million of estimated separation and related costs, technology, facilities and related staff costs to separate the business which will be incurred by the Group pre-Completion. Of the £16 million, an estimated £12 million represents cash expenses and £4 million represents non-cash expenses relating to the impact of the Transaction on equity settled share schemes. These one-off costs, which will be classified as exceptional items, will not have a continuing impact on the results of the Retained Group. The majority of these costs will be deductible for tax purposes and shown net of a tax credit of £3 million.£1,120 million gain on distribution and disposal of IGBB by the Group. For the purposes of this unaudited pro forma financial information, this gain has been calculated as follows:</div> <div><table><tr><td></td><td>Pro forma adjustment</td></tr><tr><td></td><td>(£ in millions)</td></tr><tr><td>Proceeds</td><td></td></tr><tr><td>Amount receivable by the Retained Group from IGBHL .</td><td>330</td></tr><tr><td></td><td>330</td></tr><tr><td>IGBB adjusted net assets as at 1 April 2015</td><td>(558)</td></tr><tr><td>Unrealised foreign exchange reserves recycled to the income statement</td><td>(42)</td></tr><tr><td></td><td>(270)</td></tr><tr><td>Distribution received by Shareholders</td><td>1,390</td></tr><tr><td>Gain on distribution and disposal of IGBB</td><td>1,120</td></tr></table></div> <div><p>The gain on distribution and disposal of IGBB will be presented as an acquisition and disposal cost in the income statement of the Retained Group and will not have a continuing impact on the results of the Retained Group. The gain on distribution and disposal will not be taxable.</p><p>The fair value of approximately 56 per cent. share in the Enlarged Tullett Prebon Group received by Shareholders over the carrying value of the 100 per cent. share of IGBB will be distributed directly to Shareholders through the reduction and repayment of capital. The distribution received by Shareholders of £1,390 million has been estimated based on the Tullett Prebon share price on 2 December 2016 (the latest practicable date prior to publication of this Prospectus) of 448 pence per share and 310 million shares to be issued by Tullett Prebon to Shareholders.</p></div> | | Pro forma adjustment | | (£ in millions) | Proceeds | | Amount receivable by the Retained Group from IGBHL . | 330 | | 330 | IGBB adjusted net assets as at 1 April 2015 | (558) | Unrealised foreign exchange reserves recycled to the income statement | (42) | | (270) | Distribution received by Shareholders | 1,390 | Gain on distribution and disposal of IGBB | 1,120 |
| | Pro forma adjustment | | | | | | | | | | | | | | | | | | | | | |
| | (£ in millions) | | | | | | | | | | | | | | | | | | | | | |
| Proceeds | | | | | | | | | | | | | | | | | | | | | | |
| Amount receivable by the Retained Group from IGBHL . | 330 | | | | | | | | | | | | | | | | | | | | | |
| | 330 | | | | | | | | | | | | | | | | | | | | | |
| IGBB adjusted net assets as at 1 April 2015 | (558) | | | | | | | | | | | | | | | | | | | | | |
| Unrealised foreign exchange reserves recycled to the income statement | (42) | | | | | | | | | | | | | | | | | | | | | |
| | (270) | | | | | | | | | | | | | | | | | | | | | |
| Distribution received by Shareholders | 1,390 | | | | | | | | | | | | | | | | | | | | | |
| Gain on distribution and disposal of IGBB | 1,120 | | | | | | | | | | | | | | | | | | | | | |

| Section B—Issuer | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Element | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | <p>The unaudited pro forma income statement assumes that the disposal took place on 1 April 2015 and therefore considers IGBB net assets at that date to calculate the gain on distribution and disposal. For the purposes of calculating the gain on distribution and disposal set out above, adjustments have been made to IGBB net assets as at 1 April 2015 in relation to assets and liabilities that will not be sold with IGBB under the terms of the Sale and Purchase Agreement. Equivalent adjustments were also reflected in the held for sale net assets of IGBB of £530 million in the pro forma statement of net assets:</p> <table> <tr> <th></th><th>Adjustment (£ in millions)</th><th>Explanation of adjustment</th></tr> <tr> <td>IGBB net assets as at 1 April 2015 . .</td><td>574</td><td></td></tr> <tr> <td colspan="3">Sale and Purchase Agreement adjustments:</td></tr> <tr> <td>Intangible assets arising from development expenditure</td><td>(16)</td><td>Intangible assets arising from development expenditure which will remain with the Retained Group on Completion.</td></tr> <tr> <td>Property and equipment</td><td>(14)</td><td>Property and equipment which will remain with the Retained Group on Completion.</td></tr> <tr> <td>Trade and other receivables</td><td>(25)</td><td>The full risks and rewards of certain receivables will reside with the Retained Group on Completion.</td></tr> <tr> <td>Cash and cash equivalents</td><td>3</td><td>IGBB had cash and cash equivalents and restricted funds net of bank overdrafts of £352m as at 1 April 2015, compared to a minimum of £355m at Completion under the Sale and Purchase Agreement.</td></tr> <tr> <td>Tax payable</td><td>31</td><td>The obligation relates to certain potential tax liabilities which will reside with the Retained Group on Completion.</td></tr> <tr> <td>Long-term provisions</td><td>5</td><td>Obligation of interest on certain tax liabilities will remain with the Retained Group on Completion.</td></tr> <tr> <td>IGBB adjusted net assets as at 1 April 2015 . . .</td><td>558</td><td></td></tr> <tr> <td>4.</td><td colspan="2">No account has been taken of any trading activity or other activities or other transactions of the Group or IGBB since 31 March 2016.</td></tr> </table> | | Adjustment (£ in millions) | Explanation of adjustment | IGBB net assets as at 1 April 2015 . . | 574 | | Sale and Purchase Agreement adjustments: | | | Intangible assets arising from development expenditure | (16) | Intangible assets arising from development expenditure which will remain with the Retained Group on Completion. | Property and equipment | (14) | Property and equipment which will remain with the Retained Group on Completion. | Trade and other receivables | (25) | The full risks and rewards of certain receivables will reside with the Retained Group on Completion. | Cash and cash equivalents | 3 | IGBB had cash and cash equivalents and restricted funds net of bank overdrafts of £352m as at 1 April 2015, compared to a minimum of £355m at Completion under the Sale and Purchase Agreement. | Tax payable | 31 | The obligation relates to certain potential tax liabilities which will reside with the Retained Group on Completion. | Long-term provisions | 5 | Obligation of interest on certain tax liabilities will remain with the Retained Group on Completion. | IGBB adjusted net assets as at 1 April 2015 . . . | 558 | | 4. | No account has been taken of any trading activity or other activities or other transactions of the Group or IGBB since 31 March 2016. | |
| | Adjustment (£ in millions) | Explanation of adjustment | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| IGBB net assets as at 1 April 2015 . . | 574 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Sale and Purchase Agreement adjustments: | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Intangible assets arising from development expenditure | (16) | Intangible assets arising from development expenditure which will remain with the Retained Group on Completion. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Property and equipment | (14) | Property and equipment which will remain with the Retained Group on Completion. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Trade and other receivables | (25) | The full risks and rewards of certain receivables will reside with the Retained Group on Completion. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cash and cash equivalents | 3 | IGBB had cash and cash equivalents and restricted funds net of bank overdrafts of £352m as at 1 April 2015, compared to a minimum of £355m at Completion under the Sale and Purchase Agreement. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Tax payable | 31 | The obligation relates to certain potential tax liabilities which will reside with the Retained Group on Completion. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Long-term provisions | 5 | Obligation of interest on certain tax liabilities will remain with the Retained Group on Completion. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| IGBB adjusted net assets as at 1 April 2015 . . . | 558 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4. | No account has been taken of any trading activity or other activities or other transactions of the Group or IGBB since 31 March 2016. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| B.9 | Profit forecast / estimate | Not applicable. This Prospectus does not contain any profit forecast or estimate. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Section B—Issuer | | |
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| Element | | |
| B.10 | Audit report—qualifications | Not applicable. There are no qualifications in the audit reports on the historical financial statements. |
| B.11 | Working capital | Not applicable. Newco is of the opinion that, taking into account the bank and other facilities available to the Group, Newco and the Group have sufficient working capital for their present requirements, that is for at least the next 12 months following the date of publication of this Prospectus. |

| Section C—Securities | | |
|-----------------------------|-------------------------------------|--|
| Element | | |
| C.1 | Type and class of securities | <p>Assuming no further ICAP Ordinary Shares are issued after 2 December 2016 (the latest practicable date prior to publication of this Prospectus), Shareholders are expected to be issued with, on the basis of one Newco Ordinary Share for each ICAP Ordinary Share held, 664,537,006 Newco Ordinary Shares in aggregate pursuant to the Scheme.</p> <p>When admitted to trading, the Newco Ordinary Shares will be registered with ISIN number GB00BDBBJQ12 and SEDOL number BDBBJQ1.</p> <p>Following the Share Consolidation, the Newco Ordinary Shares will be registered with ISIN number GB00BZ02MH16 and SEDOL number BZ02MH1.</p> <p>The Newco Ordinary Shares will be traded on the London Stock Exchange under the ticker symbol “NXG”.</p> |
| C.2 | Currency of issue | British pounds sterling. |
| C.3 | Issued share capital | <p>Under the Scheme, all of the ICAP Ordinary Shares will be cancelled on the Scheme Effective Date. In consideration for the cancellation of the ICAP Ordinary Shares, Newco will issue Newco Ordinary Shares credited as fully paid to Shareholders on the basis of one Newco Ordinary Share for every ICAP Ordinary Share held at the Scheme Record Time. Assuming no further ICAP Ordinary Shares are issued after 2 December 2016 (the latest practicable date prior to publication of this Prospectus), the nominal value of the issued share capital of Newco immediately following the Scheme becoming effective will be £1,827,720,321 divided into 664,537,006 Newco Ordinary Shares of £2.75 per share.</p> <p>As part of the Newco Reduction of Capital, the nominal value of the Newco Ordinary Shares will be reduced from £2.75 to £0.10 per share (or such other amount determined by the Directors prior to the Demerger Effective Date). Part of the capital resulting from that reduction in nominal value will be repaid to the holders of the Newco Ordinary Shares and the balance of the resulting capital will create distributable reserves in Newco.</p> |

| Section C—Securities | | |
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| Element | | |
| | | <p>The Newco Ordinary Shares will undergo the Share Consolidation, which is expected to take place immediately following the Demerger, to maintain comparability, as far as possible, between the share price of a Newco Ordinary Share before and after the Demerger. The Share Consolidation ratio cannot be fixed at this time as it will depend on a number of factors including fluctuations in the price of ICAP Ordinary Shares or Newco Ordinary Shares (as the case may be) and Tullett Prebon Ordinary Shares. Accordingly, the number of Newco Ordinary Shares resulting from the Share Consolidation will be announced by the Directors prior to the Demerger Effective Date. Immediately following the Share Consolidation, holders of Newco Ordinary Shares will own the same proportion of issued share capital in Newco as they did previously (subject to fractional entitlements) but will hold fewer Newco Ordinary Shares than the number of ICAP Ordinary Shares currently held (or Newco Ordinary Shares held immediately following the Scheme).</p> |
| C.4 | Rights attaching to the Newco Ordinary Shares | <p>The Newco Ordinary Shares will rank equally for voting purposes. On a show of hands each Shareholder will have one vote and on a poll each Shareholder will have one vote per Newco Ordinary Share held.</p> <p>Each Newco Ordinary Share will rank equally for any dividend declared. Each Newco Ordinary Share will rank equally for any distributions made on a winding up.</p> <p>Each Newco Ordinary Share will rank equally in the right to receive a relative proportion of shares in case of a capitalisation of reserves.</p> |
| C.5 | Restrictions on transfer | <p>Subject to the Articles and selling restrictions dictated by applicable laws, the Newco Ordinary Shares will be issued fully paid and free from all liens and from any restrictions on transfer (except as may result from failure to comply with a notice from Newco requiring information about interests in the Newco Ordinary Shares).</p> |
| C.6 | Admission to trading | <p>Application will be made for all the Newco Ordinary Shares to be admitted to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities.</p> |
| C.7 | Dividend policy | <p>Newco's dividend policy will be to maintain a progressive dividend in line with its view of the underlying earnings and cash flow of the Group.</p> |

| Section D—Risks | | |
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| D.1 | Key information on the key risks specific to Newco or its industry | <ul style="list-style-type: none"> • Damage to the Group's reputation and other consequences of perceived or actual failures in regulatory or governance compliance or in operational, financial or governance controls may materially adversely impact the Group. |

| Section D—Risks | | |
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| | | <p>The Group's ability to operate, to attract and retain customers and employees, or to raise appropriate financing or capital may be adversely affected as a result of its reputation becoming damaged. Clients will rely on the Group's integrity and probity. If the Group fails, or appears to fail, to deal promptly and effectively with issues that may give rise to reputational risk, its reputation and in turn its business prospects may be materially harmed. These issues include, but are not limited to: (a) appropriately dealing with potential conflicts of interest; (b) complying with all applicable legal and regulatory requirements; (c) effectively managing customer relationships and ensuring full communication with customers; (d) avoiding claims of discrimination; (e) maintaining effective anti-money laundering, anti-terrorist financing and anti-bribery and corruption policies and procedures; (f) ensuring effective data security, privacy, recordkeeping, sales and trading practices; (g) properly identifying and managing the legal, reputational, credit, liquidity and market risks inherent in its business; and (h) ensuring full compliance with corporate governance and reporting requirements.</p> <p>Any failure by the Group to address these or any other issues which could adversely affect its reputation could result in losses of front office personnel and customers, a reduced ability to compete effectively, financial losses and potential litigation and regulatory actions and penalties against the Group.</p> <ul style="list-style-type: none"> • The Group requires financial liquidity to facilitate its operations. In addition to significant cash balances, the Group maintains credit facilities provided by the Group's bankers. The Group's existing credit facilities impose certain operating and financial restrictions on the Group, and contain covenants that require the Group to maintain specified financial ratios and satisfy specified financial tests, that may limit how the Group conducts its business. In the medium to longer term, the Group may be unable to renew existing facilities or raise additional financing and the withdrawal, non-renewal or a lack of access to credit facilities, whether as a result of market conditions, general market disruption or a failure by the Group itself, could severely impact the Group's business, results of operations or financial condition. |

| Section D—Risks | | |
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| | | <ul style="list-style-type: none"> The Group operates in a regulated environment that imposes significant compliance requirements. The Group's ability to comply with applicable laws, rules and regulations will be largely dependent on its establishment and maintenance of compliance, control and reporting systems, as well as its ability to attract and retain qualified compliance and other risk management personnel. These requirements may require the Group to make changes to its management and support structure that could significantly increase the cost of doing business. Failure to establish and maintain effective compliance and reporting systems or failure to attract and retain personnel who are capable of designing and operating such systems, may increase the risk that the Group could breach applicable laws and regulations, thereby exposing it to the risk of litigation and investigations and possible sanctions by regulatory agencies. Any investigations or actions by these agencies could adversely affect the Group, both in terms of its reputation, and financially to the extent that penalties are imposed. Similarly, any failure of commercial management to understand and act upon applicable laws and regulations would present a similar risk. <p>Any significant changes in regulation, including in particular changes in regulation in the United Kingdom (including changes as a result of the UK's exit from the EU following the EU referendum) or the United States, may result in rules that are more onerous than the existing rules to which the Group is currently subject and the Group may incur significant costs in establishing the necessary systems and procedures, and in training its front office personnel, to enable it to comply with any new regulations to which it becomes subject. In addition, changes in the Group's regulatory environment may disadvantage the Group relative to its competitors operating under different regulatory environments which may reduce the Group's relative competitiveness.</p> |
| D.3 | Key information on the key risks relating to the Newco Ordinary Shares | <ul style="list-style-type: none"> The Group is currently operating in challenging market conditions, characterised by relatively short periods of volatility and extended periods of subdued market activity. The market price of the Newco Ordinary Shares could be negatively affected by sales of substantial amounts of such shares in the public markets or the perception that these sales could occur. Newco's ability to pay dividends in the future depends, among other things, on the Group's financial performance and capital requirements. |

| Section E—Offer | | |
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| E.1 | Net proceeds / expenses | <p>Not applicable. Newco is not undertaking an offer of its securities.</p> <p>No net proceeds will be receivable by Newco in connection with Admission.</p> <p>The total costs and expenses payable by the Group relating to the Transaction are estimated to amount to approximately £74.1 million.</p> <p>No expenses will be charged to the Shareholders.</p> |
| E.2 | Reasons for the offer / use of proceeds | <p>Not applicable. Newco is not undertaking an offer of its securities.</p> <p>Newco Ordinary Shares are being issued as part of the Scheme, which is intended to interpose Newco as the new group holding company of the Group. Pursuant to the Scheme, Shareholders will receive Newco Ordinary Shares in exchange for their existing shares in ICAP, which will be cancelled.</p> |
| E.3 | Terms and conditions of the offer | <p>Not applicable. Newco is not undertaking an offer of its securities.</p> <p>The Scheme is subject to various conditions:</p> <ul style="list-style-type: none"> (a) the Scheme having been approved by the requisite majorities of Shareholders; (b) the passing by the requisite majorities of Shareholders of the resolutions required to be passed to approve and implement the Transaction; (c) the passing by the requisite majorities at a general meeting of Newco of the resolutions required to be passed to approve and implement the Transaction; (d) the passing by the requisite majorities at a general meeting of Tullett Prebon of the resolutions required to be passed to approve and implement the Transaction; (e) the Scheme having been sanctioned (with or without modification) by the Court and the ICAP Reduction of Capital having been confirmed by the Court and an office copy of the Scheme Court Order and associated statement of capital having been delivered to the Registrar of Companies for registration and, if the Court so orders it to become effective, such order and statement of capital having been registered by the Registrar of Companies; (f) the FCA having confirmed to Newco or the Joint Sponsors (and such confirmation not having been withdrawn) that the application for the admission of all of the Newco Ordinary Shares to the premium listing segment of the Official List has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject) will become effective as soon as the FCA's decision to admit the Newco Ordinary Shares is announced in accordance with LR3.2.7G of the Listing Rules; (g) the London Stock Exchange having confirmed to Newco or the Joint Sponsors (and such confirmation not having been withdrawn) that all of the Newco Ordinary Shares will be admitted to trading on the main market for listed securities of the London Stock Exchange; |

| Section E—Offer | | |
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| | | <p>(h) the FCA having confirmed to Tullett Prebon or the Tullett Prebon Sponsor (and such confirmation not having been withdrawn) that the application(s) for the re-admission of all of the Tullett Prebon Ordinary Shares and admission of all of the New Tullett Prebon Shares to the premium listing segment of the Official List has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject) will become effective as soon as the FCA's decision to re-admit the Tullett Prebon Ordinary Shares and to admit the New Tullett Prebon Shares is announced in accordance with LR3.2.7G of the Listing Rules;</p> <p>(i) the London Stock Exchange having confirmed to Tullett Prebon or the Tullett Prebon Sponsor (and such confirmation not having been withdrawn) that all of the Tullett Prebon Ordinary Shares will be re-admitted and all of the New Tullett Prebon Shares will be admitted, in each case to trading on the main market for listed securities of the London Stock Exchange;</p> <p>(j) ICAP having allotted and issued the ICAP R Share to Newco prior to the Scheme Effective Date;</p> <p>(k) the merger control clearances (approvals, expiries of relevant waiting periods and non-referrals as appropriate) being obtained in each of the relevant jurisdictions in which ICAP and Tullett Prebon operate (namely, the United Kingdom, the United States, Australia and Singapore), and any other merger control notifications and filings in other jurisdictions that are considered necessary by Tullett Prebon and ICAP, or otherwise required by any competition authority in any jurisdiction, having been made, and the obtaining of all necessary regulatory consents, approvals or clearances from the competent authorities of any such jurisdiction have been granted in respect of the Transaction or any matter arising from or relating to the Transaction;</p> <p>(l) all necessary consents and approvals from, or notifications to, or filings and applications with, the regulatory authority in a jurisdiction (or such other regulatory authority in that jurisdiction, as may be required) where a member or an affiliate of the IGBB Group is established or undertaking business operating by way of a branch or otherwise on a provision of services basis that, pursuant to applicable law and regulation in that jurisdiction, are necessary to be obtained or made (as applicable) before Completion in respect of any direct or indirect change in the shareholding and/or voting rights and/or other control of such member or affiliate of the IGBB Group resulting from the Transaction, have been obtained or made (as applicable);</p> <p>(m) the irrevocable and unconditional approval and/or consent to the disposal by ICAP of the Sale Shares from the holders of bonds issued by ICAP and IGH;</p> <p>(n) the relevant approvals, consents or waivers from certain joint venture partners of the Group which are required to implement the Transaction or to avoid an adverse effect on the business of IGBB, the Group or the Tullett Prebon Group following Completion;</p> <p>(o) the Tullett Prebon Consolidation Waiver being obtained;</p> <p>(p) the Reorganisation having been completed in the form agreed with Tullett Prebon;</p> |

| Section E—Offer | | |
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| | | <p>(q) this Prospectus having been approved by the FCA in a form approved by Tullett Prebon;</p> <p>(r) the Sale and Purchase Agreement not having terminated or lapsed in accordance with its terms on or immediately before the Scheme Effective Date; and</p> <p>(s) the passing of any other resolutions required to be passed by shareholders of ICAP, Newco and/or Tullett Prebon in order to effect the Transaction.</p> <p>Save for conditions (e) and (r), all the above conditions have been satisfied or waived (as the case may be) as at the date of this Prospectus.</p> <p>The ICAP Directors will not take the necessary steps to implement the Scheme unless the above conditions have been satisfied or, if capable of waiver, waived.</p> |
| E.4 | Material interests | Other than as disclosed in B.6, there are no interests, including conflicting interests, that are material to the issue of the Newco Ordinary Shares or Admission. |
| E.5 | Lock-up arrangements | Not applicable. |
| E.6 | Dilution | <p>Not applicable. Newco is not undertaking an offer of its securities.</p> <p>If the Scheme becomes effective, Shareholders will receive, for each ICAP Ordinary Share held, one Newco Ordinary Share.</p> |
| E.7 | Estimated expenses charged to investors | Not applicable. There are no commissions, fees or expenses to be charged to investors. |

RISK FACTORS

Any investment in the Newco Ordinary Shares is speculative and subject to a high degree of risk. Prior to investing in the Newco Ordinary Shares, prospective investors should carefully consider risk factors associated with any investment in the Newco Ordinary Shares, the Group's business and the industry in which it operates together with all other information contained in this Prospectus including, in particular, the risk factors described below.

Prospective investors should note that the risks relating to the Group, its industry and the Newco Ordinary Shares summarised in the section entitled "Summary Information" are the risks that Newco and the Directors believe to be the most relevant to an assessment by a prospective investor of whether to consider an investment in the Newco Ordinary Shares. However, as the risks which the Group faces 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 the section entitled "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 Newco Ordinary Shares and should be used as guidance only. Additional risks and uncertainties relating to the Group that are not currently known to Newco, or that it currently deems immaterial, may individually or cumulatively also have a material adverse effect on the Group's business, prospects, results of operations and/or financial position and, if any such risk should occur, the price of the Newco Ordinary Shares may decline and investors could lose all or part of their investment. Investors should consider carefully whether an investment in the Newco Ordinary Shares is suitable for them in light of the information in this Prospectus and their personal circumstances.

1. RISKS RELATED TO THE GROUP'S BUSINESS

1.1 **Damage to the Group's reputation and other consequences of perceived or actual failures in regulatory or governance compliance or in operational, financial or governance controls may materially adversely impact the Group**

The Group's ability to operate, to attract and retain customers and employees, or to raise appropriate financing or capital may be adversely affected as a result of its reputation becoming damaged. Clients will rely on the Group's integrity and probity. If the Group fails, or appears to fail, to deal promptly and effectively with issues that may give rise to reputational risk, its reputation and in turn its business prospects may be materially harmed. These issues include, but are not limited to:

- (a) appropriately dealing with potential conflicts of interest;
- (b) complying with all applicable legal and regulatory requirements, see the risk factors in paragraph 1.9 "*The Group may not detect, deter or prevent employee misconduct, employee errors or fraudulent activity and may suffer financial loss either directly or as a consequence of damage to its reputation*" and paragraph 2.1 "*The Group operates in a regulated environment that imposes significant compliance requirements. Changes regulations may increase the cost and complexity of doing business, or may disadvantage the Group relative to its competitors. The failure to comply with regulations could subject the Group to sanctions, force it to cease providing certain services, or oblige it to change the scope or nature of its operations*" below;
- (c) effectively managing customer relationships and ensuring full communication with customers;
- (d) avoiding claims of discrimination;
- (e) maintaining effective anti-money laundering, anti-terrorist financing and anti-bribery and corruption policies and procedures;
- (f) ensuring effective data security, privacy, recordkeeping, sales and trading practices, see the risk factor in paragraph 1.8 "*Software or systems failure could limit the Group's ability to conduct its operations or impact the Group in other ways*" below;
- (g) properly identifying and managing the legal, reputational, credit, liquidity and market risks inherent in its business, each of which is discussed further in different risk factors below; and
- (h) ensuring full compliance with corporate governance and reporting requirements (both at Newco level and at subsidiary level, in the UK and internationally, across the Group).

Any failure by the Group to address these or any other issues which could adversely affect its reputation could result in losses of front office personnel and customers, a reduced ability to compete effectively, financial losses and potential litigation and regulatory actions and penalties against the Group.

Notwithstanding anything in this risk factor, this risk factor should not be taken as implying that (i) Newco is unable to comply with its obligations as a company with securities admitted to the Official List or (ii) any member of the Group which is a supervised firm regulated by the FCA or another relevant supervisory or regulatory body is unable to comply with its obligations as a supervised firm regulated by the FCA or such other relevant supervisory or regulatory body.

1.2 Inter-dealer broking and the resultant clearing and settlement processes expose the Group to risks that may have an impact on its liquidity and profitability

Where the Group brokers or otherwise facilitates the execution of transactions, it does so in three different ways: as a matched principal, as an executing broker in respect of exchange traded instruments, and by name give-up.

In matched principal transactions, the Group acts as an intermediary by serving as counterparty for identified buyers and sellers in matching, in whole or in part, reciprocal back-to-back trades. In order to facilitate customer transactions and provide liquidity or through broker error these transactions may not immediately match precisely giving rise to residual balances and consequential market risk. In such a situation the Group's policy, in line with the restriction from taking proprietary trading positions under the terms of the FCA investment firm consolidation waiver, is to liquidate or hedge and liquidate these principal positions as soon as reasonably practicable.

Where the Group acts in a matched principal capacity the clearing and settlement processes give rise to an intra-day funding requirement and in certain markets an overnight funding requirement. In addition the Group requires access to clearing and settlement providers and may need access to funding for payment of collateral, margin calls and other clearing charges. This places liquidity requirements on the Group and in the event that the Group was unable to access liquidity to post the required collateral it could severely limit the Group's ability to conclude trades with its customers and in extreme cases could lead to an inability to operate in certain markets.

Where the Group acts as an executing broker, in its own name or via a third party in relation to exchange traded products, it executes customer orders which are subsequently given up in line with market practice to the customer's account maintained by a clearing broker. In the event that the clearing broker fails to take up the position traded, this could leave the Group with a position which would expose it to liquidity risk in the form of a requirement to provide funding in the form of margin or collateral until the trade is picked up.

Additionally the Group is exposed to the risk that one of the counterparties to a transaction may fail to fulfil its obligations, either because it is not matched immediately or, even if matched, because one party fails to deliver the cash or securities it is obligated to deliver. In addition, widespread technological or communications failures, as well as actual or perceived credit difficulties or the insolvency of one or more large or visible market participants, could cause market-wide credit difficulties or other market disruptions. These failures, difficulties or disruptions could result in a large number of market participants not settling transactions or otherwise not performing their obligations. Adverse movements in the prices of securities that are the subject of these transactions can increase the risk.

The Group is subject to financing risk in these circumstances because if a transaction does not settle on a timely basis, the resulting unmatched position may need to be funded, either directly by it or through one of its clearing organisations at the Group's expense. These charges may be recoverable from the defaulting counterparty, but sometimes are not. In instances where the unmatched failure to deliver is prolonged or widespread due to rapid or widespread declines in liquidity for an instrument, there may also be regulatory capital charges required to be taken by the Group which, depending on their size and duration, could limit the Group's flexibility to transact other business. Settlement losses of this nature could adversely affect the Group's financial condition or results of operations.

1.3 The Group requires access to settlement services and other market infrastructure arrangements without which its ability to undertake some or all of its activities would be affected

The Group uses various market infrastructure arrangements including settlement services, such as Euroclear and Clearstream, and central counterparties, such as the Depository Trust & Clearing Corporation (“DTCC”). Loss of access to, or restrictions on the Group’s use of, these services, due to non-compliance with membership or participants’ requirements, or due to credit or reputational issues causing a restriction in the funding facilities made available to the Group, or due to such services ceasing to operate for whatsoever reason could impact the Group’s ability to carry out its activities.

1.4 The Group requires financial liquidity to facilitate its day to day operations. Lack of sufficient liquidity could adversely impact the Group’s operations

The Group requires financial liquidity to facilitate its operations. In addition to significant cash balances, the Group maintains credit facilities provided by the Group’s lenders. The Group’s existing credit facilities impose certain operating and financial restrictions on the Group, and contain covenants that require the Group to maintain specified financial ratios and satisfy specified financial tests, that may limit how the Group conducts its business. In the medium to longer term, the Group may be unable to renew existing facilities or raise additional financing and the withdrawal, non-renewal or a lack of access to credit facilities, whether as a result of market conditions, general market disruption or a failure by the Group itself, could severely impact the Group’s business, results of operations or financial condition.

1.5 The Group may be adversely affected financially either directly or indirectly if its reputation is harmed as a result of employing mathematical and/or financial algorithms that subsequently turn out to be flawed

The Group provides brokerage and post trade services that may use proprietary or third party software that subsequently turns out to employ incorrect mathematical and/or financial algorithms, be incorrectly implemented and/or incorrectly employed. The Group could suffer a loss to its reputation and subsequent financial damage through loss of revenue and/or litigation.

1.6 To remain competitive the Group must continue to develop its business both organically, including by developing new products and/or through making appropriate acquisitions. Failure to do so successfully, including the failure to integrate acquisitions effectively, could adversely impact the Group. Failure to realise the benefits of investments in some markets could also affect the Group’s profitability. Changes in the risk profile of the Group as a result of developing the business could result in a new or increased exposure to risks that could impact the Group

The markets in which the Group operates are dynamic and to remain competitive the Group must invest in the development of the business to respond to changes in customer demand for its services. This business development activity may include hiring brokers, opening offices in new countries, expanding existing offices, providing broking and other services in new product markets, serving different types of customers and undertaking activities through different business models. Such activity may be achieved through the acquisition of businesses or through investment in existing businesses, and may result in changes in the risk profile of the Group. Failure to integrate acquisitions effectively or failure to manage changes in the Group’s risk profile appropriately or failure to realise the benefit of investments in some markets may adversely affect the Group’s business or result in it failing to achieve anticipated benefits. The acquisition of businesses can also give rise to unforeseen legal, regulatory, contractual, employment or other issues, or significant unexpected liabilities or contingencies.

The nature and size of the Transaction gives rise to particular risks which are discussed in more detail in paragraph 3 “*Risks related to the Transaction*” below.

1.7 The Group may need to replace, upgrade and expand its computer and communications systems in response to technological or market developments

The Group needs to maintain the computer and communications systems and networks that it currently operates. Its failure to maintain these systems and networks adequately could have a material effect on the performance and reliability of such systems and networks, which in turn could materially harm its business.

Further, the markets in which the Group competes are characterised by rapidly changing technology, evolving customer demand and uses of its services and the emergence of new industry standards and practices that could render its existing technology and systems obsolete. There is a risk that the Group may fail to anticipate and adapt to technological advances, evolving customer demands and changing standards in a timely, cost-efficient and competitive manner and to upgrade and expand its systems accordingly. Any upgrades or expansions in technology and the use of technology may require significant expenditures of funds. In the longer term, the Group may not have sufficient funds to update and expand its systems adequately, and any upgrade or expansion attempts may not be successful and accepted by the marketplace and its customers. Any failure by the Group to update and expand its systems and technology adequately or to adapt its systems and technology to evolving customer demands or emerging industry standards would have a material effect on the Group's ability to compete effectively which could reduce its revenue and profitability.

A particular risk faced by the Group is the development by its competitors of new electronic trade execution or market information products that gain acceptance in the market. These products could give those competitors a "first mover" advantage that may be difficult for the Group to overcome with its own technology.

1.8 Software or systems failure, loss or disruption of data or data security failures could limit the Group's ability to conduct its operations or impact the Group in other ways

The Group is heavily dependent on the capacity and reliability of the computer and communications systems supporting its operations, whether owned and operated internally or by third parties, and on the integrity of the data held within and used by such systems. These systems include broking platforms essential to transacting business and middle office and back office systems required to record, monitor and settle transactions. These systems are concentrated at the Group's operating sites and are difficult to replicate.

The performance of these computer and communications systems could deteriorate or fail for any number of reasons. These could include loss of power, human error, natural disasters, fire, sabotage or intentional acts of vandalism (including cyber-attacks or other malicious third party actions), hardware or software malfunctions or defects, computer viruses, customer error or misuse, lack of proper maintenance or monitoring, loss of data, data disruption and similar events. If such a degradation or failure were to occur, it could cause, among other things:

- (a) significant disruptions in service to the Group's customers;
- (b) slower response times;
- (c) delays in trade execution;
- (d) failed settlement of trades; and
- (e) incomplete or inaccurate accounting, recording or processing of trades.

Failure of the communications and computer systems and facilities on which the Group relies may lead to significant financial losses, litigation or arbitration claims filed by or on behalf of its customers and regulatory sanctions. Any such failure could also have a negative effect on the Group's reputation.

The secure transmission of confidential information over public and private networks is a critical element of the Group's operations. Its networks and those of the third-party service providers and counterparties with whom the Group trades and its customers may be vulnerable to unauthorised access, computer viruses and other security problems, including inadvertent dissemination of non-public information. The Group's activities also require the recording, storing, manipulation and dissemination of significant amounts of data. Whilst the Group maintains electronic and physical security measures, loss of data integrity could occur.

Any failure by the Group to maintain the confidentiality of information or other data security failures could impact the Group's ability to trade effectively and could result in significant financial losses, litigation by its customers or counterparties and regulatory sanctions as well as adverse reputational effects.

1.9 The Group may not detect, deter or prevent employee misconduct, employee errors or fraudulent activity and may suffer financial loss either directly or as a consequence of damage to its reputation

The Group faces a number of operational risks relating to the conduct of its employees (wilful or otherwise). Whilst the Group maintains controls designed to mitigate such risks, these controls will not be able to entirely eliminate the occurrence of these risks. The principal operational risks relating to the conduct of its employees faced by the Group include:

- (a) Systems—unauthorised use of systems or data leading to loss of data integrity, dissemination of confidential material, introduction of malicious software or the theft of intellectual property, see the risk factor in paragraph 1.8 *“Software or systems failure could limit the Group’s ability to conduct its operations or impact the Group in other ways”* above;
- (b) Employee Error—an employee, whether in the front office or in a control function, fails to carry out properly his assigned role, resulting in significant economic loss or damage to the Group’s reputation. Employee errors in the front office may give rise to losses. This could be caused by residual balances, see the risk factor in paragraph 1.2 *“Inter-dealer broking and the resultant settlement process exposes the Group to risks that may have an impact on its liquidity and profitability”* above, incorrect charging of broker commission on name give-up trades or other broker errors;
- (c) Fraudulent Transactions—the Group suffers a loss as a consequence of unauthorised or fraudulent activity;
- (d) Employee Misconduct—misconduct including hiding unauthorised activities from the Group, improper or unauthorised activities on behalf of customers, improper use of confidential information, the use of improper marketing materials, or the inappropriate use of authority or influence by current or former personnel; and
- (e) Settlements—the unauthorised transfer of funds or the use of incorrect settlement instructions leading to loss.

Should the Group’s operational risk controls prove to be inadequate and an operational risk related to employee conduct occurs, the Group is likely to be adversely impacted and this could result in significant damage to the Group’s reputation, a material financial loss or potential litigation and regulatory sanctions. See also the risk factor in paragraph 1.10 *“The Group is subject to a number of ongoing investigations relating to misconduct by its employees and may be subject to further investigations in the future which may result in the imposition of substantial fines and penalties, significant strain on management time and resources and reputational damage”* below.

1.10 The Group is subject to a number of ongoing investigations relating to misconduct by its employees and may be subject to further such investigations in the future which may result in the imposition of substantial fines and penalties, significant strain on management time and resources and reputational damage

There have been a number of highly publicised cases involving fraud or other misconduct by employees of financial services firms in recent years and various investigations have been conducted by the FCA in the United Kingdom, the Commodity Futures Trading Commission (the **“CFTC”**) in the United States and other regulators around the world, which have resulted in substantial fines being imposed on a number of institutions.

In particular, the CFTC and other government agencies have requested information from the Group in relation to the setting of the US dollar segment of a benchmark known as ISDA Fix. ICAP continues to cooperate with the agencies’ inquiries into the setting of that rate. ICAP Capital Markets LLC was the collection agent for ISDA Fix panel bank submissions in US dollars, but was not a panel member itself. It is not possible to predict the ultimate outcome of this investigation or to provide an estimate of any potential financial impact.

Subsequently, in September and October 2014, five class actions were filed alleging injury due to purported manipulation of the USD ISDA Fix rate. ICAP Capital Markets LLC is a defendant in those actions along with several ISDA Fix panel banks. The cases were filed in the US District Court in the Southern District of New York and have been consolidated into a single case. The defendants filed a motion to dismiss the complaint for failure to state a claim which was granted in part and denied in part

on 28 March 2016. Plaintiffs' antitrust claims remain and a pretrial conference took place on 5 May 2016. Defendants filed Answers to the Complaint on 24 May 2016 and discovery is in progress.

ICAP Capital Markets LLC, along with a number of banks and Tradeweb Markets LLC, is also a defendant in ten civil lawsuits relating to the interest rates swaps market (eight class actions brought by investors and two cases brought by failed competitors). These actions, all of which have been consolidated in federal court in New York, allege that defendants colluded to prevent buy side customers from accessing the interest rates swaps market on electronic, exchange-like platforms, including the boycott of any platform offering all-to-all trading. The actions generally assert claims of violation of antitrust laws and unjust enrichment. Amended consolidated complaints were filed on 9 September 2016. All defendants filed motions to dismiss for failure to state a claim on 4 November 2016. Under the current schedule, plaintiffs must either amend their complaints or file opposition briefs by 9 December 2016.

It has been agreed that any liability arising as a result of the ISDA Fix investigation, the resulting ISDA Fix litigation, and the interest rate swaps market litigation will be retained by the Retained Group. Although ICAP Capital Markets LLC has been a principal trading subsidiary of IGBB, in order that any liability relating to these matters is retained by the Retained Group, under the terms of the Transaction, the business of ICAP Capital Markets LLC (excluding any liability relating to these matters) has been transferred to another subsidiary of IGBHL. The legal entity ICAP Capital Markets LLC will then be retained by the Retained Group as it will no longer be a subsidiary of IGBB at Completion and, therefore, will not be acquired by Tullett Prebon. Accordingly the Group may suffer financial loss either directly or as a consequence of damage to its reputation as a result of these matters.

There are also various ongoing investigations and legal proceedings relating to IGBB. For example on 25 September 2013, ICAP Europe Limited ("**IEL**"), which will be a subsidiary of IGBHL at Completion, reached settlement agreements with the FCA and the CFTC relating to the involvement of certain brokers in the attempted manipulation of Yen LIBOR by bank traders between October 2006 and January 2011. Under the terms of the settlements, IEL paid penalties of US\$65 million to the CFTC and £14 million to the FCA. ICAP and its subsidiaries, including IGBB entities, continue to co-operate with the government agencies in Europe and in the US in relation to their investigations into the setting of Yen LIBOR. The European Commission announced a Euro 14.9 million fine for the same conduct on 4 February 2015 which currently is the subject of an appeal by ICAP seeking a full annulment of the decision. ICAP was dismissed as a defendant in one set of US civil litigation action against various Yen LIBOR and Euroyen TIBOR setting banks, but was added as a defendant along with IEL in a second set of litigation. Additionally, the plaintiff in the first litigation has added IEL as a defendant in that action. Motions to dismiss have been filed by defendants in both actions. ICAP and IEL have also been added as defendants in a fourth amended complaint filed on 13 August 2015 against various EURIBOR setting banks. Motions to dismiss have been filed in that action as well. ICAP and IEL intend to defend these litigations vigorously. ICAP and ICAP Australia Pty LTD ("**IAPL**"), which will be a subsidiary of IGBHL at Completion, were also named as defendants in a new litigation filed on 16 August 2016 against various Bank Bill Swap Reference Rate ("**BBSW**") setting banks. ICAP and IAPL intend to defend the litigation vigorously.

It is expected that IGBB will be acquired by Tullett Prebon pursuant to the Transaction. However, under the terms of the Sale and Purchase Agreement, ICAP has provided Tullett Prebon with an indemnity for certain known regulatory, litigation and employment claims, in each case subject to certain limitations. In addition, although it is intended that any liability arising as a result of the ISDA Fix investigation or the resulting litigation or class actions will be retained by the Group, Tullett Prebon has the benefit of an indemnity in the Sale and Purchase Agreement for any residual liability as a result of the ISDA Fix investigation on any member of the Enlarged Tullett Prebon Group. Accordingly, the Group may still suffer financial loss in the future as a result of these matters. See also the risk factor in paragraph 3.5 "*The Group may be required in the future to incur costs under the warranties and indemnities in the Sale and Purchase Agreement*" below.

The Group's reputation may also be damaged by any involvement or the involvement of any of its employees or former employees in any regulatory investigation and by any allegations or findings, even where the associated fine or penalty is not material. It may also be damaged by association where there is a regulatory investigation into, or an allegation or finding of fraud or other material misconduct which relates to one of its competitors or clients or any of their employees. If the Group or any of its employees were to be implicated in any misconduct uncovered by a regulatory investigation, the Group may be subject to the imposition of substantial fines and penalties. Any involvement of the Group in any such

regulatory investigation and in proceedings resulting from any allegations or findings arising therefrom may place significant strain on management time and resources.

1.11 The Group may suffer costs associated with legal action taken to defend its business, employees, rights and assets, including intellectual property, and may be adversely affected if it is not able to protect its rights. The Group may be subject to claims made against it which may result in significant legal costs and settlements

The Group may take legal action to enforce its contractual, intellectual property and other legal rights where it believes that those rights have been violated and that legal action is an appropriate remedy. The steps the Group has taken, or may take to protect its contractual, intellectual property and other legal rights may be inadequate. Action taken to defend the Group's contractual, intellectual property and other legal rights may be protracted, involve the expenditure of significant financial and managerial resources, and may ultimately not be successful, which may result in an adverse impact on the Group's financial position.

The Group may also be subject to a claim of economic or reputational significance, whether by a third party or an employee. Such claims could include actions arising from acts inconsistent with employment law, health and safety laws, contractual agreements, from infringements of intellectual property rights, or from personal injury, diversity or discrimination claims. The Group may incur significant costs in defending any claims, or if any such action is successful, in making payments to resolve the action and may suffer reputational damage.

1.12 The Group's future success depends to a significant degree upon the continued contributions of its key personnel and its ability to recruit, train, retain and motivate personnel and to ensure that employment contract terms are appropriate

The Group's future success depends upon the expertise and successful retention of certain key personnel, including personnel involved in the management and development of the business, personnel directly generating revenue, and personnel involved in the management of the control functions, and upon its ability to recruit, train, retain and motivate qualified and highly trained personnel in all areas of the business. The Group's employment contracts with key personnel generally include minimum notice periods and non-compete provisions; fixed terms with staggered renewal dates apply to some personnel directly generating revenue. The Group seeks to ensure that it has appropriate succession plans in place, to lessen the impact of the departure of a key member of personnel or a team of revenue generators. Nevertheless, the Group's business, its operating results, and its financial condition may be adversely affected by the departure of one or more key members of personnel.

The Group competes with other firms for personnel and the level of this competition is intense. Such competition may significantly increase personnel costs and may result in the loss of capability, customer relationships and expertise through the loss of key personnel to competitors. The Group's business, its operating results and its financial condition may be adversely affected due to such competitor activity, which may continue or intensify in the future; see the risk factor in paragraph 2.5 "*The markets in which the Group operates are highly competitive and competition could intensify in the future. If the Group is unable to continue to compete effectively for any reason, certain aspects of its business may be materially damaged which could result in lower revenue and loss of reputation*" below. If the Group is not able to attract and retain highly skilled employees, or if it incurs increased costs associated with attracting and retaining personnel, or if it fails to assess training needs adequately or deliver appropriate training, this could be substantially detrimental to the Group's ability to compete and would therefore have an adverse effect on its revenue and profitability and could harm its reputation.

The Group's ability to recruit, train, retain and motivate personnel and to ensure that employment contract terms are appropriate may be adversely affected as a result of the announcement of the Transaction.

The Group also faces the risk that any of its employment agreements may contain terms under which it is obliged to make payments to an employee in excess of the benefit to the business of the employee's services. In such cases, the Group's profitability could be adversely affected.

1.13 Loss of access to its premises or an inability to operate from its facilities could limit the Group's ability to conduct its operations

The Group's employees operate from premises that provide the necessary facilities and systems to enable them to carry out their roles. The loss of access to these sites or an inability to operate from these sites, due to, for example, loss of power, acts of war or terrorism, human error, natural disasters, fire, or sabotage, could limit the Group's ability to conduct its operations or impact the Group in other ways.

Whilst the Group has disaster recovery sites, and business continuity plans are in place and are regularly tested, these may not cover all activities within the Group. Further, if the Group's business continuity plans do not operate effectively, they may not be adequate to correct or mitigate the effects of any of the above eventualities. In addition, the business continuity plans or personnel of its third-party service providers may not be adequate to correct or mitigate any of the above eventualities or may not be implemented properly.

1.14 Customers and counterparties that owe the Group money, securities or other assets may default on their obligations to the Group due to bankruptcy, lack of liquidity, operational failure or other reasons

Where the Group brokers on a matched principal basis it is exposed to the risk of loss should one of the counterparties to a transaction default prior to the settlement date, requiring the Group to replace the defaulted contract in the market. This is a contingent risk in that the Group will only suffer loss if the market price of the securities has moved adversely to the original trade price. The Group does undertake a limited amount of matched principal broking where a counterparty is buying its own securities and in these circumstances in the event of that counterparty defaulting prior to settlement the risk of loss due to movement in the value of the securities is heightened. The Group is also exposed to short term pre-settlement risk where it acts as an executing broker during the period between the execution of the trade and the client claiming the trade.

Where the Group brokers on a matched principal basis it is exposed to settlement risk where a counterparty defaults on its contractual obligation to deliver securities or cash after the Group has completed its part of the transaction. Unlike pre-settlement risk, this settlement risk exposure is to the full principal value of the transaction. The Group seeks to mitigate this risk by effecting settlement on a delivery-versus-payment basis. However, these procedures and controls do not eliminate settlement risk and defaults may still occur and have a significant impact on the Group's results and financial condition.

The majority of the Group's revenues are charged to customers by invoicing. The Group is exposed to credit risk that customers may default on their obligations and it would suffer financial loss. Failure or delay in the process of collecting invoiced receivables reduces cash inflows and also gives rise to liquidity risk to the Group, and may also increase the credit risk exposure.

The Group is also exposed to counterparty credit risk in respect of cash deposits held with financial institutions. The Group is also exposed to concentration risk in that it may have exposures with a counterparty arising through a number of different activities in a number of different regions and may also have cash deposits with the same counterparty.

The Group seeks to mitigate its credit risk through the adoption of specific credit risk management policies which include the assessment, monitoring and escalation of credit risk exposures by dedicated credit risk management teams. However, these procedures cannot eliminate all defaults, particularly those that may arise from events or circumstances that are difficult to detect or foresee. In addition, reflecting the interconnected nature of the global financial system, concerns about, or a default by, one institution could lead to significant systemic liquidity problems, including losses or defaults by other institutions.

The Group's profitability and retained earnings may be materially adversely affected in the event of a significant default by any of its customers and counterparties and this could be exacerbated where it has a concentrated exposure to the counterparty or where the default arises from, or gives rise to further losses as a result of, systemic risk.

1.15 The Group's financial position and results of operations could be adversely affected by changes in exchange rates

The Group reports its financial results in pounds sterling. However, a significant proportion of the Group's activity is conducted outside the UK in currencies other than pounds sterling. For the purposes of preparing its consolidated financial statements, the Group converts the results of operations of its subsidiaries which account in other currencies into pounds sterling at period average or period-end rates in accordance with International Financial Reporting Standards as adopted in the EU ("IFRS"). As a result, the Group's reported results of operations will be affected by movements in the exchange rates between pounds sterling and the other currencies in which Group companies operate, and these movements can have a significant impact on the Group's results of operations and financial position. The Group also has an exposure to the effect of movements in foreign exchange rates on its financial assets and liabilities denominated in foreign currencies.

1.16 Changes in the Group's accounting policies or in accounting standards could materially affect how it reports its financial condition and results of operations

From time to time, the International Accounting Standards Board (the "IASB") and/or the European Union change the financial accounting and reporting standards that govern the preparation of the Group's financial statements. These changes can be difficult to predict and may materially impact how the Group records and reports its financial condition and results of operations. In some cases, the Group could be required to apply a new or revised standard retroactively, resulting in restating prior period financial statements. By way of example, the IASB has issued amendments to a number of standards which, when endorsed and applicable to the Group, are expected to impact its financial statements. These standards include: IFRS 9, which is expected to impact the classification and measurement of financial instruments; IFRS 15, which is expected to impact the measurement and timing of revenue recognition; and IFRS 16, which is expected to impact the measurement and presentation of leases. IFRS 9, IFRS 15 and IFRS 16 remain to be endorsed by the European Union and as such, it is not yet possible to quantify the precise impact of this amended standard.

The IASB may make other changes to financial accounting and reporting standards that will govern the preparation of the Group's financial statements, which the Group may adopt if determined to be appropriate by its management, or which the Group may be required to adopt. Any such change in the Group's accounting policies or accounting standards could materially affect its reported financial condition and results of operations.

1.17 Changes in judgements, estimates and assumptions made by management in the application of the Group's accounting policies may result in significant changes to the Group's reported financial condition and results of operations

Accounting policies and methods are fundamental to how the Group will record and report its financial condition and results of operations. In the application of the Group's accounting policies, management must make judgements, estimates and assumptions about the carrying amounts of assets and liabilities and future conditions that are not readily apparent from other sources. Management considers impairment of goodwill and other intangible assets arising on consolidation, investment in joint ventures and associates, contingent liabilities, and the presentation of exceptional items to be the areas where increased judgement is required. These judgements, estimates and assumptions are based on historical experience and other factors that are considered relevant, including expectations of future events that are believed to be reasonable under the circumstances. Judgements, estimates and assumptions are continuously evaluated and revisions to accounting estimates are recognised in the accounting period in which an estimate is revised. Due to the inherent uncertainty in making estimates, actual results reported in future periods may be based on amounts which differ from those estimates, and revisions to estimates can result in significant changes to the carrying value of assets and liabilities.

2. RISKS RELATED TO THE INDUSTRY

2.1 **The Group operates in a regulated environment that imposes significant compliance requirements. Changes in regulations may increase the cost and complexity of doing business, or may disadvantage the Group relative to its competitors. The failure to comply with regulations could subject the Group to sanctions, force it to cease providing certain services, or oblige it to change the scope or nature of its operations**

Regulatory obligations require a significant commitment of resources. The Group's ability to comply with applicable laws, rules and regulations will be largely dependent on its establishment and maintenance of compliance, control and reporting systems, as well as its ability to attract and retain qualified compliance and other risk management personnel. These requirements may require the Group to make changes to its management and support structure that could significantly increase the cost of doing business. Failure to establish and maintain effective compliance and reporting systems or failure to attract and retain personnel who are capable of designing and operating such systems, may increase the risk that the Group could breach applicable laws and regulations, thereby exposing it to the risk of litigation and investigations and possible sanctions by regulatory agencies. These agencies have broad powers to investigate and enforce compliance with applicable rules and regulations and to punish non-compliance, and any investigations or actions by these agencies could adversely affect the Group, both in terms of its reputation, and financially to the extent that penalties are imposed. Similarly, any failure of commercial management to understand and act upon applicable laws and regulations would present a similar risk.

The Group's lead regulator is the FCA and certain members of the Group are required to comply with, among other things, the relevant provisions of the FCA's Handbook of rules and guidance. The FCA adopts a risk-based approach to supervision which it undertakes in various ways, including through the review of prudential returns, visits to the Group and meetings with senior management. In the United States, the Group's activities are primarily regulated by, amongst others, the Financial Industry Regulatory Authority and the Securities and Exchange Commission. Under Title VII of the Dodd-Frank Act, certain activities of the Group relating to OTC derivatives are now regulated by the CFTC. The Group's operations in other countries are subject to relevant local regulatory requirements which may change from time to time.

Any significant changes in regulation, including in particular the changes in regulation in the United Kingdom and the United States discussed above, may result in rules that are more onerous than the existing rules to which the Group is currently subject and the Group may incur significant costs in establishing the necessary systems and procedures, and in training its front office personnel, to enable it to comply with any new regulations to which it becomes subject. In addition, changes in the Group's regulatory environment may disadvantage the Group relative to its competitors operating under different regulatory environments which may reduce the Group's relative competitiveness. See also the risk factor in paragraph 2.2 "*Changes in the regulatory framework as a result of the UK's exit from the EU following the EU referendum could impact the Group's profits*" below.

The Group may face significant additional costs as a result of improving its risk management and in managing its culture to reflect developing best practice within the financial markets. The increased burden of responding to regulatory enquiry and supervision may require investment in management and support resource that could also increase costs further.

The compliance requirements imposed by the regulators are designed to ensure the integrity of the financial markets and to protect customers and other third parties who deal with the Group and are not designed to protect the Group's investors. Consequently, these regulations may serve to limit the Group's flexibility regarding its capital structure. Customer protection and market conduct requirements may also restrict the scope of the Group's activities.

The Group may develop its activities in a way that changes the nature of its customer base or the geographic markets in which it operates and this may increase the Group's regulatory burden and the risk of infringement of rules and regulations.

2.2 **Changes in the regulatory framework as a result of the UK's exit from the EU following the EU referendum could impact the Group's profits**

On 23 June 2016 the UK voted in the EU referendum to leave the European Union. A significant proportion of the regulatory regime applicable to the Group in the UK and anticipated regulatory reform

is derived from European Union directives and regulations. There is currently considerable uncertainty as to what the exact implications of the vote to leave will be on the regulatory regime applicable to the Group, which is likely to continue in the medium term. However, it is possible that the UK's exit from the European Union will materially change the regulatory framework applicable to the Group's operations in the future. In addition, the UK exit from the European Union could result in restrictions on the movement of capital and the mobility of personnel. Any of these risks could result in higher operating costs and could have a material adverse effect on the Group's business, prospects, financial condition and results of operations.

2.3 Domestic or international market factors that reduce activity levels could significantly reduce the Group's revenue

The Group generates revenue primarily from commissions it earns by facilitating and executing customer orders. These revenue sources are substantially dependent on customer trading volumes. The volume of transactions the Group's customers conduct with it will be directly affected by domestic and international market factors that are beyond the Group's control, including:

- (a) economic, political and market developments (including, for example, as a result of the UK's exit from the EU following the EU referendum);
- (b) broad trends in industry and finance;
- (c) changes in trading patterns in the broader marketplace which depend on customer confidence levels and risk appetite, both of which may be adversely affected at times when the financial markets generally are unsettled;
- (d) price levels and price volatility in the securities, currency, commodities and other markets. In general market volatility tends to increase trading activity although in more recent years periods of market volatility have tended to be relatively short;
- (e) legislative and regulatory changes which may generate significant uncertainty and therefore reduced activity by customers pending the outcome of such changes;
- (f) changes in market dynamics or structure as a result of new regulations or a rapid change in the method of broking in one or more products, see the risk factor in paragraph 2.4 "*Changes in market dynamics or structure as a result of new regulations directly or indirectly affecting the Group's activities or its customers, or a rapid change in the method of broking in one or more products, could significantly harm the Group*" below;
- (g) actions of competitors, see the risk factor in paragraph 2.5 "*The markets in which the Group operates are highly competitive and competition could intensify in the future. If the Group is unable to continue to compete effectively for any reason, certain aspects of its business may be materially damaged which could result in lower revenue and loss of reputation*" below;
- (h) changes in government monetary policies, with the easing of monetary policy in certain markets resulting in a flattening of yield curves and the dampening of activity in certain asset classes; and
- (i) changes in interest rates, foreign exchange rates and inflation.

Material decreases in trading volumes from period to period may significantly reduce the Group's reported revenue which can contribute to reduced profit levels and lower retained earnings.

2.4 Changes in market dynamics or structure as a result of new regulations directly or indirectly affecting the Group's activities or its customers, or a rapid change in the method of broking in one or more products, could significantly harm the Group

In response to the global financial crisis, regulators worldwide have been adopting an increased level of scrutiny in supervising the financial markets, and have been developing a number of new regulations and other reforms designed to strengthen the financial system and to improve the operation of the world's financial markets. Some of the detailed rules and regulations are still in the process of being finalised, and some of those that have already been agreed are being phased in over time.

These regulations and reforms may affect the Group's business directly, through their impact on the way in which trading in one or more OTC product markets is undertaken which may reduce the role of interdealer brokers as intermediaries in those markets, or through the introduction of requirements and

rules to operate as an intermediary which the Group is unable to satisfactorily respond to, and indirectly through their impact on the Group's customers and their willingness and ability to trade.

The new regulations, including the Dodd-Frank Act in the United States, the Second Markets in Financial Instruments Directive ("MiFID II") and the Markets in Financial Instruments Regulations ("MiFIR") in Europe, may result in changes in the method of broking in certain product markets, and may create new types of competition between interdealer brokers and other market intermediaries for execution business.

Any inability of the Group to adapt or deliver services that are compliant with the new regulations could significantly adversely affect its competitive position and therefore reduce the revenue and profitability of the Group. To date, the Group has needed to incur certain costs to comply with the new regulations, and even if successful in adapting its services to new regulations, the costs of making those adaptations or otherwise complying with those regulations may significantly increase the cost base of the Group. There is also a possibility that further regulations and reforms affecting the OTC markets may be introduced that may adversely affect the role of interdealer brokers or may introduce requirements or rules that the Group is unable to meet.

Changing regulation may also impact the activities of the Group's customers, including through increased capital and liquidity requirements, which may cause a reduction in overall trading activity or increased costs in certain markets. This may in turn reduce the Group's revenue.

2.5 The markets in which the Group operates are highly competitive and competition could intensify in the future. If the Group is unable to continue to compete effectively for any reason, certain aspects of its business may be materially damaged which could result in lower revenue and loss of reputation

The Group has numerous current and prospective competitors, both domestic and international. Some of its competitors and potential competitors may have, in certain markets, larger customer bases, more established name recognition and greater financial, marketing, technology and personnel resources than the Group might have, or may be able to offer services that are disruptive to current market structures and assumptions. These resources may enable them to, among other things:

- (a) develop services similar to the Group or new services that are preferred by the Group's customers;
- (b) provide access to trading in products or a range of products that the Group does not offer;
- (c) provide better execution and lower transaction costs;
- (d) provide new services more quickly and efficiently than the Group can;
- (e) offer better, faster and more reliable technology;
- (f) take greater advantage of new or existing acquisitions, alliances and other opportunities;
- (g) more effectively market, promote and sell their services;
- (h) migrate products more quickly or effectively to electronic platforms which could move trading activity from the Group;
- (i) better leverage their relationships with their customers, including new classes of customer; or
- (j) offer better contractual terms to customers.

In addition, new or existing competitors could gain access to markets or products in which the Group currently enjoys a competitive advantage. Competitors may have a greater ability to offer new services, or existing services to more diverse customers. This may erode the Group's market share. Even if new or existing competitors do not significantly erode the Group's market share, they may offer their services at lower prices, and the Group may then be required to reduce its commissions to remain competitive, which could have a material adverse effect on its profitability.

In addition, consolidation among the Group's customers may cause revenue to be dependent on a smaller number of customers and may result in additional pricing pressure. While no single customer currently accounts for a material part of the Group's total revenue, if the Group's existing customers consolidate and new customers do not generate offsetting volumes of transactions, then the Group's revenue may become concentrated in a smaller number of customers. In that event, the Group's

revenue may be dependent on its continued good relationships with those customers to a material extent and any adverse change in those relationships could materially reduce the Group's revenue.

3. RISKS RELATED TO THE TRANSACTION

3.1 Completion is subject to a number of conditions which may not be satisfied or waived

Completion of the Transaction is conditional upon, amongst other things: (i) completion of the relevant antitrust filings and/or obtaining the relevant approvals and clearances from appropriate competition authorities in the UK, US and other relevant jurisdictions (including but not limited to the expiry of certain waiting periods); (ii) completion of the relevant regulatory notifications and/or obtaining the relevant regulatory approvals (by both ICAP and Tullett Prebon); (iii) obtaining the Tullett Prebon Consolidation Waiver by Tullett Prebon; (iv) obtaining the relevant key third party joint venture (including iSwap) consents; (v) obtaining the approval of ICAP bondholders; (vi) obtaining the relevant approvals from shareholders of ICAP, Newco and Tullett Prebon; (vii) the Scheme having been approved by Shareholders and sanctioned by the Court; (viii) the Newco Reduction of Capital having been sanctioned by the Court; (ix) obtaining confirmation from the FCA that the application for the admission of Newco Ordinary Shares to the premium listing segment of the Official List has been approved and will become effective as soon as the FCA's decision to admit the Newco Ordinary Shares is announced; (x) confirmation from the London Stock Exchange that the Newco Ordinary Shares will be admitted to trading on the main market for listed securities of the London Stock Exchange; (xi) obtaining confirmation from the FCA that the application for the re-admission of all of the existing Tullett Prebon Ordinary Shares and the admission for the New Tullett Prebon Shares issued as consideration in the Transaction, in each case to the premium listing segment of the Official List, has been approved and will become effective as soon as the FCA's decision to re-admit the existing Tullett Prebon Ordinary Shares and admit the New Tullett Prebon Shares is announced; (xii) confirmation from the London Stock Exchange that all of the existing Tullett Prebon Ordinary Shares will be re-admitted and the New Tullett Prebon Shares will be admitted, in each case to trading on the main market for listed securities of the London Stock Exchange; (xiii) the revenues and key broker and non-broker headcounts of IGBB and the Tullett Prebon Group each being greater than agreed thresholds; and (xiv) the passing of any other resolutions required to be passed by shareholders of ICAP, Newco and/or Tullett Prebon in order to effect the Transaction.

Although the Directors believe that the above conditions are capable of being satisfied, it is possible that the parties may not be able to obtain the clearances or approvals required, or that they may not be obtainable within a timescale acceptable to the parties, or that they may only be obtained subject to certain conditions or undertakings which may not be acceptable to the parties. In the event that the FCA, competition authority or any other required clearance is not obtained on terms reasonably satisfactory to ICAP or if any other condition is not fulfilled or waived (as the case may be), the Transaction may not be completed. Further, it is possible that the FCA, competition authority or other regulator may attach conditions to their approval of the Transaction, which might delay or prevent the realisation of synergies identified by the parties or otherwise impact ICAP's strategy and operations. If this were to happen it is possible that the business, results of operations and/or financial condition of the Group, following completion of the Transaction, may be materially adversely affected.

3.2 The Newco Reduction of Capital may not be implemented on a timely basis or at all

Implementation of the Newco Reduction of Capital is conditional upon, amongst other things, sanction by the Court. It is possible that such sanction will be given only subject to conditions or will not be given, in which case it is possible that the Newco Reduction of Capital will not occur on a timely basis or at all. In such an event, the Newco Reduction of Capital may not be implemented and the benefits expected to result from the Newco Reduction of Capital, namely the ability to complete the Demerger and to create distributable reserves in the accounts of Newco, will not be achieved.

3.3 The prospect of the Transaction could cause disruptions in the businesses of the Group, which could have material adverse effects on their businesses and financial results

The success of the Group depends on the continued contribution of key personnel. The length of time from announcement of the Transaction to Completion could cause disruption to the operation and strategic progress of the Group businesses as the attention of key personnel is distracted to the delivery of the Transaction. It is also plausible that the prospect of the Transaction could cause disruptions to the

businesses of the Group as current and prospective employees may experience uncertainty about their future roles in the Group or the Enlarged Tullett Prebon Group (as the case may be), which may adversely affect the Group's ability to retain or recruit key managers and other employees.

If the Group fails to manage these risks effectively, the business and financial results of the Group could be adversely affected.

3.4 Newco's ability to pay dividends and effect returns of capital in the future may be affected by the Transaction

Newco's ability to pay dividends on the Newco Ordinary Shares and effect certain returns of capital is dependent upon, amongst other things, it having sufficient cash resources and, where necessary, sufficient distributable reserves out of which any proposed dividend may be paid (see the risk factor in paragraph 3.2 "*The Newco Reduction of Capital may not be implemented on a timely basis or at all*" above). Newco will be a holding company and will be dependent on payment of dividends, distributions, loans or advances by its subsidiaries to produce distributable reserves. Any payment of dividends, distributions, loans or advances to Newco by its subsidiaries is dependent upon the business and financial condition, earnings and cash flow position and other factors affecting such subsidiaries. Following Completion, the Group will not have the benefit of the profits or cash flow from IGBB, which is likely to reduce the distributable profits and/or cash resources available to Newco to pay dividends or effect returns of capital. Newco's policy will be to maintain a progressive dividend in line with its view of the underlying earnings and cash flow of the Group.

3.5 The Group may be required in the future to incur costs under the warranties and indemnities in the Sale and Purchase Agreement

The Sale and Purchase Agreement contains certain warranties relating to, amongst other things:

- (a) the constitution, powers of attorney and statutory books of each company in the IGBB Group;
- (b) ICAP's ownership of IGBHL's shares;
- (c) the incorporation of Newco;
- (d) the assets used by IGBB;
- (e) the licences and consent requirements of IGBB and its compliance with such licences and consent requirements;
- (f) any litigation the IGBB Group might be involved in or potentially involved in;
- (g) the solvency of the IGBB Group;
- (h) the indebtedness of the IGBB Group;
- (i) the material contracts of IGBB;
- (j) the intellectual property rights owned and used by IGBB including its IT systems;
- (k) the property interests relevant to IGBB;
- (l) employment-related matters in respect of employees aligned with IGBB; and
- (m) certain tax matters relating to the activities of IGBB.

The majority of the warranties will be repeated at Completion.

In addition to the above warranties, ICAP has provided indemnities in favour of Tullett Prebon for, amongst other things, the Reorganisation and certain known regulatory, litigation and employment claims including any residual liability in respect of the ISDA Fix investigation. ICAP and/or Newco could have significant indemnification obligations to Tullett Prebon to the extent any of these indemnification obligations are realised. The extent to which the Group will be required in the future to incur costs under any of these warranties and indemnities is not predictable and, if the Group should incur such costs, these costs could have an adverse effect on its financial condition.

For further information on the terms of the Sale and Purchase Agreement please see paragraph 18.1 of Part 7: *Additional Information*.

3.6 ICAP could incur substantial costs, and there may be impacts on the functioning of the Group's business, as a result of the separation process and/or fulfilment of ICAP's obligations under the Transitional Services Agreements

The process of separating the IGBB Group from the Group will be complex, involving the separation of significant business systems and other resources. Prior to completion, IGH and IGBHL entered into two Transitional Services Agreements pursuant to which (i) IGH will, from Completion, provide IGBHL with the use of or access to certain resources that will be retained by the Retained Group (the “**Transitional Services Agreement**”), and (ii) IGBHL will, from Completion, provide IGH with the use of or access to certain resources that will be owned by or under the control of the IGBB Group at Completion (the “**Reverse Transitional Services Agreement**”), while the separation and integration processes are taking place. Further details of the Transitional Services Agreement and the Reverse Transitional Services Agreement, respectively, are set out in paragraph 18.2 of Part 7: *Additional Information*.

The Retained Group could incur substantial costs, and there may be impacts on the functioning of the Retained Group's business, as a result of the separation process and/or fulfilment of the Group's obligations under the Transitional Services Agreements. The Retained Group will be reliant on the IGBB Group under the Enlarged Tullett Prebon Group for the provision of certain systems and related services for the continued operation of the Retained Group's business, functions and processes during the integration period following Completion. There can, however, be no assurance that these systems and services will operate as expected, and they may not fulfil their intended purposes or may be damaged or interrupted by unanticipated usage, human error, unauthorised access, natural hazards or disasters or similarly disruptive events.

Notwithstanding anything in this risk factor, this risk factor should not be taken as implying that (i) Newco is unable to comply with its obligations as a company with securities admitted to the Official List or (ii) any member of the Group which is a supervised firm regulated by the FCA or another relevant supervisory or regulatory body is unable to comply with its obligations as a supervised firm regulated by the FCA or such other relevant supervisory or regulatory body.

3.7 The Group's operations will be more dependent on its retained businesses

Newco's performance will be dependent on the performance of the Retained Group and will therefore be more exposed to the risks within those businesses with less benefit of diversification. Following Completion, the Retained Group will be smaller and less diverse than it is currently. IGBB currently generates revenues and profits from a wide range of products, markets and customers.

While many of these will overlap with those of the Retained Group following Completion, they do give exposure to products, markets and customers where revenues and profits may vary over time differently from those of the Retained Group providing diversification of risk. Following Completion, the Group will be more concentrated on a narrower group of products, market and customers and its financial performance will be more exposed to revenues and profits available from them. Without the benefit of the revenues or profits from IGBB, the Retained Group's overall financial performance will depend more on the performance of each of its continuing operations, in particular the EBS, Brokertec, TriOptima, Traiana, Reset, and Information businesses (excluding the IGBB Information Services).

To the extent the Retained Group does not repay or repurchase short or long-term debt, any reduction in profit as a result of the Transaction will reduce the income and cash flows available to service interest costs on outstanding debt. Additionally, any changes in the profitability of the Retained Group may have a more pronounced effect on the ratio of operating profit before interest costs to interest costs, and thus on the headroom of compliance with the Retained Group's banking covenants and the profits available to fund dividends to Shareholders or to be reinvested in the Retained Group's business.

3.8 There is a potential loss of embedded synergies between IGBB and the Group's businesses

Certain functions that support multiple businesses within the current Group may benefit from economies of scale or other synergies. The cost of these functions supporting the Retained Group after the sale of IGBB may differ from and may exceed the cost currently incurred by the Group.

3.9 Changes in regulation and in the mix of the Group's revenues could cause the Group to become subject to consolidated capital requirements

The Retained Group is not expected to be subject to prudential consolidation requirements under the EU Capital Requirements Regulation ("**CRR**") or the Capital Requirements Directive ("**CRD**"). ICAP has held discussions with the FCA regarding the applicability of the prudential consolidation to the Retained Group following the Transaction. If the Retained Group contains a financial holding company (as defined in the CRR), such group consolidation and group capital requirements would apply to the Retained Group. The tests under the CRR require an assessment of whether the Retained Group's subsidiaries are "exclusively or mainly" institutions (i.e. credit institutions or investment firms) or financial institutions. The FCA has indicated that, based on an assessment of the information and legal advice provided to the FCA by ICAP in relation to the projected balance of financial and non-financial business in the Retained Group, following the Transaction the Retained Group is not expected to meet the test related to a financial holding company and is not therefore expected to be subject to CRD prudential consolidation requirements. This conclusion is based in part on the financial projections for the Retained Group and ICAP's and the FCA's analysis and interpretation of the relevant regulations. If those projections are materially inaccurate or if the FCA's interpretation changes for any reason, including potentially in response to guidance from the European Banking Authority or other relevant body, then the Retained Group may remain subject to prudential consolidation requirements, absent it obtaining a waiver.

There is a risk that the Retained Group could contain a financial holding company at some point in the future if its business mix changes such that its subsidiaries become "exclusively or mainly" institutions (i.e. credit institutions or investment firms) or financial institutions. This will depend in part on the growth and expansion of the business of the subsidiaries in the Retained Group that are credit institutions, investment firms or financial institutions relative to those that are not. If the Retained Group contains a financial holding company at any stage it would result in significantly increased regulatory capital requirements for the Retained Group (and potentially the application of other regulatory requirements at group level, such as those arising from the directive on the recovery and resolution of credit institutions and investment firms). Alternatively, other regulatory changes could be introduced that broaden the scope of consolidated capital requirements and impose additional capital requirements at a consolidated level. Such increased capital requirements could require the Retained Group to raise additional equity or to retain profits, diluting or reducing the returns available to Shareholders. Alternatively they may require the Retained Group to change its business operations which could cause disruption to operations and/or reduction in profits.

3.10 There may be a potentially disruptive effect on the Group if the Transaction does not complete

The ICAP Board and the Directors believe that the Transaction is in the best interests of Shareholders taken as a whole. If the Transaction does not complete, the realisable value of the IGBB Group to the Group may be lower than can be realised by way of the Transaction.

To maintain shareholder value, the Group may be required to allocate additional time and resources to the ongoing supervision and development of IGBB. This may limit the management and financial resources available to the rest of the Group. There may also be uncertainty for customers of IGBB as to the Group's future intentions for the IGBB Group.

If the Transaction does not proceed, the Group's key management and employees may be demotivated and may subsequently choose to leave the Group. In addition, the prospect of the Transaction could cause current and prospective employees of the Group to experience uncertainty about their future roles in the Retained Group or the Enlarged Tullett Prebon Group (as the case may be), which may adversely affect the Group's ability to retain or recruit key managers and other employees if the Transaction does not proceed.

If the Transaction does not complete, particularly where any of the conditions set out in the risk factor in paragraph 3.1 "*Completion is subject to a number of conditions which may not be satisfied or waived*" above is not satisfied or, if capable of waiver, waived by the date (if any) on which the Sale and Purchase Agreement lapses or is terminated in accordance with its terms (as modified, varied, revised, waived, extended, added to or amended from time to time), the Group may be required to pay 50 per cent. of certain costs incurred by Tullett Prebon in relation to the Transaction as further set out in paragraph 18.1 of Part 7: *Additional Information*. ICAP has also incurred other costs in relation to the Transaction and

preparation for the separation of the IGBB Group from the Group and some of these will be incurred, irrespective of whether or not the Transaction proceeds.

The above risks may adversely affect the Group's future prospects and its overall operation and financial performance.

4. RISKS RELATED TO THE NEWCO ORDINARY SHARES

4.1 The Group is currently operating in challenging market conditions, characterised by relatively short periods of volatility and extended periods of subdued market activity. The sentiments of the stock market regarding the Transaction may cause additional volatility in the share price

The value of an investment in the Group may go down as well as up and can be highly volatile. The price at which the ICAP Ordinary Shares or, following the Scheme becoming effective, the Newco Ordinary Shares, may be quoted and the price at which investors may realise their ICAP Ordinary Shares or Newco Ordinary Shares (as the case may be) will be influenced by a large number of factors, some specific to the Group and its operations and some which may affect the financial services industry as a whole, other comparable companies or publicly traded companies as a whole.

The sentiments of the stock market regarding the Transaction will be one such factor and this, together with other factors including the actual or anticipated fluctuations in the financial performance of the Group and its competitors, market fluctuations, and legislative or regulatory changes in the financial services industry, could lead to the market price of ICAP Ordinary Shares or Newco Ordinary Shares going up or down.

Any or all of these factors could result in material fluctuations in the price of the Newco Ordinary Shares, which could lead to investors getting back less than they invested or a total loss of their investment.

4.2 Shareholders in the United States and other jurisdictions may not be able to participate in future equity offerings

The Articles provide for pre-emption rights to be granted to Shareholders, unless such rights are disapplied by a shareholder resolution. However, securities laws of certain jurisdictions may restrict Newco's ability to allow participation by Shareholders in future offerings. In particular, Shareholders in the United States may not be entitled to exercise these rights, unless either the Newco Ordinary Shares and any other securities that are offered and sold are registered under the US Securities Act, or the Newco Ordinary Shares and such other securities are offered pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. Newco cannot assure prospective investors that any exemption from such overseas securities law requirements would be available to enable US or other Shareholders to exercise their pre-emption rights or, if available, that Newco will utilise any such exemption.

4.3 The market price of the Newco Ordinary Shares could be negatively affected by sales of substantial amounts of such shares in the public markets or the perception that these sales could occur

The issue or sale of a substantial number of Newco Ordinary Shares by Newco, the Directors or substantial shareholders in the public market, or the perception that these sales may occur, may depress the market price of the Newco Ordinary Shares and could impair Newco's ability to raise capital through the sale of additional equity securities.

4.4 If securities analysts do not publish research or reports about Newco, or issue unfavourable commentary about Newco or downgrade the Newco Ordinary Shares, the price of the Newco Ordinary Shares could decline

The trading market for the Newco Ordinary Shares will depend in part on the research and reports that third-party securities analysts publish about Newco. If one or more analysts cease coverage of Newco, Newco could lose visibility in the market. In addition, one or more of these analysts could use estimation or valuation methods that Newco does not agree with, downgrade the Newco Ordinary Shares or issue other negative commentary about Newco or the industry. As a result of one or more of these factors, the trading price of the Newco Ordinary Shares could decline.

4.5 Newco's ability to pay dividends in the future depends, among other things, on the Group's financial performance and capital requirements

There can be no guarantee that the Group's historic performance will be repeated in the future, particularly given the competitive nature of the industry in which it operates, and its sales, profit and cash flow may significantly underperform market expectations. If the Group's cash flow underperforms market expectations, then Newco's capacity to pay a dividend will suffer. Any decision to declare and pay dividends will be made at the discretion of the Directors and will depend on, among other things, applicable law, regulation, restrictions, the Group's financial position, regulatory capital requirements, working capital requirements, finance costs, general economic conditions and other factors the Directors deem significant from time to time. See also the risk factor in paragraph 3.2 "*The Newco Reduction of Capital may not be implemented on a timely basis or at all*" above.

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

The Group may seek to raise financing to fund future acquisitions and other growth opportunities and may also issue equity under an incentive or share option plan. The Group may, for these and other purposes, issue additional equity or convertible equity securities. As a result, Shareholders may suffer dilution in their percentage ownership or the market price of the Newco Ordinary Shares may be adversely affected.

4.7 Overseas Shareholders may be subject to exchange rate risk

The Newco Ordinary Shares are, and any dividends to be paid in respect of them will be, denominated in pounds sterling. An investment in Newco Ordinary Shares by an investor whose principal currency is not pounds sterling exposes the investor to foreign currency exchange rate risk. Any depreciation of pounds sterling in relation to such foreign currency will reduce the value of the investment in the Newco Ordinary Shares or any dividends in foreign currency terms.

IMPORTANT INFORMATION

General

Investors should only rely on the information in this Prospectus. No person has been authorised to give any information or to make any representations other than those contained in this Prospectus and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of Newco, the Directors or any of the Joint Sponsors. No representation or warranty, express or implied, is made by any of the Joint Sponsors as to the accuracy or completeness of such information, and nothing contained in this Prospectus is, or will be relied upon as, a promise or representation by any of the Joint Sponsors as to the past, present or future.

Without prejudice to any obligation of Newco to publish a supplementary prospectus pursuant to section 87G of the FSMA and paragraph 3.4 of the Prospectus Rules, the delivery of this Prospectus will not, under any circumstances, create any implication that there has been no change in the business or affairs of Newco or the Group since the date of this Prospectus or that the information contained herein is correct as of any time subsequent to its date.

Newco will update information provided in this Prospectus by means of a supplement hereto if a significant new factor occurs prior to Admission or if this Prospectus contains a material mistake or inaccuracy. This Prospectus and any supplement thereto will be subject to approval by the FCA and will be made public in accordance with the Prospectus Rules.

The contents of this Prospectus are not to be construed as legal, business or tax advice. Each prospective investor should consult its, his or her own lawyer, financial adviser, tax adviser or other advisers for legal, financial, business, tax or other related advice. This Prospectus is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of Newco, the Directors or the Joint Sponsors or any of their representatives that any recipient of this Prospectus should subscribe for or purchase any Newco Ordinary Shares. Prior to making any decision as to whether to subscribe for or purchase any Newco Ordinary Shares, prospective investors should read the whole of this Prospectus carefully (including the documents, or parts thereof, which are incorporated by reference herein) and 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 Group, including the merits and risks involved.

Investors will be deemed to have acknowledged that: (i) they have not relied on any of the Joint Sponsors or any person affiliated with any of them in connection with any investigation of the accuracy of any information contained in this Prospectus or their investment decision; and (ii) they have relied on the information contained in this Prospectus (including the documents, or parts thereof, which are incorporated by reference herein), and no person has been authorised to give any information or to make any representation concerning the Group or the Newco Ordinary Shares (other than as contained in this Prospectus (including the documents, or parts thereof, which are incorporated by reference herein)) and, if given or made, any such other information or representation should not be relied upon as having been authorised by Newco, the Directors or any of the Joint Sponsors.

No Incorporation of Website Information

The contents of the Group's websites do not form part of this Prospectus.

Presentation of Financial Information

Historical financial information

The audited consolidated financial statements for the Group as at and for the three years ended 31 March 2016, 31 March 2015 and 31 March 2014 and the unaudited consolidated financial statements for the Group as at and for the six months ended 30 September 2016 and 30 September 2015 referred to in Part 4: *Historical Financial Information* and which is incorporated by reference into this Prospectus as set out therein has been prepared in accordance with IFRS.

The significant accounting policies applied in the financial information of the Group are applied consistently in the financial information in this Prospectus. In making an investment decision, prospective investors must rely on their own examination of the information regarding the Group and the financial and other information in this Prospectus.

Pro forma financial information

In this Prospectus, any reference to “pro forma” financial information is to information which has been extracted without material adjustment from the unaudited pro forma financial information contained in Part 6: *Unaudited Pro Forma Financial Information*. The unaudited pro forma information contained in Part 6: *Unaudited Pro Forma Financial Information* is based on the audited consolidated financial information of the Group as at 31 March 2016 extracted without material adjustment from ICAP’s Annual Report 2016 which is incorporated by reference into, and forms part of, this Prospectus as set out in Part 4: *Historical Financial Information*.

The unaudited pro forma information illustrates, amongst other things, the disposal of IGBB by the Group to Tullett Prebon, including the Scheme and the Demerger, and the issue of New Tullett Prebon Shares to Newco in consideration as if these events had occurred on 31 March 2016. The unaudited pro forma financial information is prepared for illustrative purposes only in accordance with Annex II of Prospectus Directive and should be read in conjunction with the notes to the unaudited pro forma financial information. Because of its nature, the pro forma financial information addresses a hypothetical situation and, therefore, does not represent the Group’s actual financial position as at and for the year ended 31 March 2016, nor is it indicative of the results that may, or may not, be expected to be achieved in future.

The Prospectus Rules regarding the preparation and presentation of pro forma financial information vary in certain respects from Article 11 of Regulation S-X promulgated under the US Securities Act and, accordingly, the unaudited pro forma financial information included herein should not be relied upon as if it had been prepared in accordance with such requirements. Shareholders and potential investors should refer to the basis of preparation of the unaudited pro forma financial information in Part B of Part 6: *Unaudited Pro Forma Financial Information*.

Auditing standards

Potential investors should consult their own professional advisers to gain an understanding of the information in Part 4: *Historical Financial Information* and the implications of differences between the auditing standards noted herein.

Rounding

Certain figures in this Prospectus, including financial information, have been subject to rounding adjustments. Accordingly, in certain instances (i) the sum or percentage change of such numbers may not conform exactly with the total figure given; and (ii) the sum of the numbers in a column or row in certain tables may not conform exactly with the total figure given for that column or row.

Market, Economic and Industry Data

Certain information contained in this Prospectus and the industry in which the Group operates as well as certain economic and industry data and forecasts used in, and statements regarding the Group’s market position made in, this Prospectus were extracted or derived from third party reports, market research, government and other publicly available information and independent industry publications.

While Newco believes the third party information included herein to be reliable, it has not independently verified such third party information, and none of Newco, the Directors or the Joint Sponsors make any representation or warranty as to the accuracy or completeness of such information as set forth in this Prospectus.

Newco confirms that such third party information has been accurately reproduced, and so far as Newco is aware and is able to ascertain from information available from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

However, the accuracy of such third party information is subject to availability and reliability of the data supporting such information and neither the information nor the underlying data has been independently verified. Additionally, the industry publications and other reports referred to above 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 and, in some instances, these reports and publications state expressly that they do not assume liability for such

information. Newco cannot therefore assure you of the accuracy and completeness of such information as it has not independently verified such information.

Currency Presentation

Unless otherwise indicated, all references in this Prospectus to “pounds sterling”, “£”, “pence” or “p” are to the lawful currency of the UK, all references to “US\$”, “USD” or “US dollars” are to the lawful currency of the US and all references to “€”, “EUR” or “Euros” are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

Credit Ratings

This Prospectus refers to certain credit ratings from the credit rating agencies Moody’s and Fitch. Each of Moody’s and Fitch is established in the European Union and is registered under Regulation (EC) No. 1060/2009, as amended.

References to Defined Terms

Certain terms used in this Prospectus, including certain capitalised terms and certain technical and other terms, are defined, and certain selected industry and technical terms used in this Prospectus are defined and explained, in Part 8: *Definitions and Glossary*, respectively.

Forward-Looking Statements

Some of the statements under the sections headed “Summary” and “Risk Factors” and in Part 1: *Details of the Proposed Transaction*, Part 2: *Business*, Part 5: *Operating and Financial Review* and elsewhere in this Prospectus include forward-looking statements that reflect Newco’s or, as appropriate, the Directors’ or third parties’ current views with respect to, among other things the intentions, beliefs and current expectations of the Directors or Newco concerning, amongst other things, the results of operations, the financial condition, prospects, growth, strategies and dividend policy of Newco, the Group and the industry in which it operates.

Statements that include the words “expects”, “intends”, “plans”, “believes”, “projects”, “forecasts”, “predicts”, “assumes”, “anticipates”, “will”, “targets”, “aims”, “may”, “should”, “shall”, “would”, “could”, “continue”, “risk” and similar statements of a future or forward-looking nature can be used to identify forward-looking statements.

All forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Undue reliance should not be placed on such forward-looking statements because they involve known and unknown risks, uncertainties and other factors that are in many cases beyond the Group’s control. Forward-looking statements are not guarantees of future performance or actual results of operations or financial condition, and the development of the sectors and industries in which the Group operates may differ materially from those indicated in or suggested by the forward-looking statements contained in this Prospectus. Accordingly, there are or will be important factors that could cause the Group’s actual results to differ materially from those indicated in or suggested by these statements. These factors include, among others, the factors listed in the section headed “Risk Factors”.

Such factors, which could affect the Group’s ability to achieve its objectives and which could cause actual results of operations or financial condition to differ materially from those in the forward-looking statements, should be read in conjunction with the other cautionary statements that are included in this Prospectus. Any forward-looking statements in this Prospectus reflect current views with respect to future events and are subject to these and other risks, uncertainties and assumptions.

None of Newco, the Directors or the Joint Sponsors can give any assurances regarding the actual occurrence of the predicted developments upon which the forward-looking statements are based. Newco, the Directors and the Joint Sponsors expressly disclaim any obligation or undertaking to update these forward-looking statements contained in the document to reflect any change in their expectations or any change in events, conditions, or circumstances on which such statements are based unless required to do so by applicable law, the Prospectus Rules, the Listing Rules or the Transparency Rules of the FCA or the Market Abuse Regulation.

Subject to any obligations under the Prospectus Rules, the Listing Rules, the Transparency Rules or the Market Abuse Regulation, Newco undertakes no obligation to publicly update or review any forward looking statement, whether as a result of new information, future developments or otherwise. All subsequent written and oral forward-looking statements attributable to any member of the Group or individuals acting on behalf of any member of the Group are expressly qualified in their entirety by this section.

Forward-looking statements contained in this Prospectus (including the explanatory paragraphs above) do not in any way seek to qualify the working capital statement contained in paragraph 15 (*Working Capital*) of Part 7: *Additional Information* of this Prospectus.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Each of the times and dates is subject to change without further notice. References to a time of day are to London time (unless stated otherwise).

| Event | Date |
|--|--|
| Scheme Court Hearing (of the claim form to sanction the Scheme and confirm the ICAP Reduction of Capital) | Wednesday 14 December 2016 |
| Last day of dealings in ICAP Ordinary Shares . . | Wednesday 14 December 2016 ⁽¹⁾ |
| Scheme Record Time | 6.00 p.m. on Wednesday 14 December 2016 ⁽¹⁾ |
| Scheme Effective Date (Newco becomes the holding company of ICAP) | Thursday 15 December 2016 ⁽¹⁾ |
| Delisting of ICAP Ordinary Shares, Admission of Newco Ordinary Shares, crediting of Newco Ordinary Shares to CREST accounts and the commencement of dealings in Newco Ordinary Shares on the London Stock Exchange | 8.00 a.m. on Thursday 15 December 2016 ⁽¹⁾ |
| Reduction Court Hearing (of the claim form to confirm the Newco Reduction of Capital) | Tuesday 20 December 2016 ⁽¹⁾ |
| Latest date for announcement of number of New Tullett Prebon Shares and Share Consolidation ratio | Wednesday 28 December 2016 ⁽¹⁾⁽²⁾⁽³⁾ |
| Demerger Effective Date (Newco Reduction of Capital becomes effective) | Thursday 29 December 2016 ⁽¹⁾⁽²⁾ |
| Newco Reduction of Capital Record Time | 6.00 p.m. on Thursday 29 December 2016 ⁽¹⁾⁽²⁾ |
| Share Consolidation Effective Time (Share Consolidation becomes effective) | 8.00 a.m. on Friday 30 December 2016 ⁽¹⁾⁽²⁾ |
| Admission and commencement of dealings in New Tullett Prebon Shares and consolidated Newco Ordinary Shares on the London Stock Exchange, crediting of consolidated Newco Ordinary Shares to CREST accounts | 8.00 a.m. on Friday 30 December 2016 ⁽¹⁾⁽²⁾ |
| Despatch of cheques, or settlement through CREST, in respect of any cash due in respect of the sale of fractional entitlements to New Tullett Prebon Shares and/or consolidated Newco Ordinary Shares, and share certificates in respect of New Tullett Prebon Shares and consolidated Newco Ordinary Shares | By Monday 16 January 2016 ⁽¹⁾⁽²⁾ |

Notes:

- (1) These dates depend, among other things, on the date upon which the Court sanctions the Scheme and confirms the ICAP Reduction of Capital and the date on which the Scheme Court Order sanctioning the Scheme and confirming the ICAP Reduction of Capital and the associated statement of capital are delivered to and, if ordered by the Court, registered by, the Registrar of Companies.
- (2) These dates depend, among other things, on the date upon which the Court confirms the Newco Reduction of Capital and the date on which the Reduction Court Order confirming the Newco Reduction of Capital and the associated statement of capital are delivered to and, if ordered by the Court, registered by, the Registrar of Companies.
- (3) ICAP, Newco and Tullett Prebon have agreed to work towards a 30 December 2016 Completion date to coincide with the end of a month (or the last working day of a month) in order to facilitate a more efficient financial separation of IGGB from the Group and integration into the Tullett Prebon group and to accommodate the Court vacation period. In order to achieve this, the Reduction Court Hearing will be held on 20 December 2016, just prior to the Court vacation period, with the Reduction Court Order being held by the Group until 29 December 2016 when it will be delivered to the Registrar of Companies for registration.

DIRECTORS, COMPANY SECRETARY, REGISTERED OFFICE AND ADVISERS

| | |
|--|--|
| Current Directors | Charles Gregson (Chairman) Michael Spencer (Group Chief Executive Officer) Stuart Bridges (Group Finance Director) |
| Proposed Directors | John Sievwright (Senior Independent Director) Ivan Ritossa (Independent Non-Executive Director) Robert Standing (Independent Non-Executive Director) |
| Group Company Secretary | Deborah Abrehart |
| Registered Office | 2 Broadgate London EC2M 7UR |
| Joint Sponsors and Joint Financial Advisers | Evercore Partners International LLP 15 Stanhope Gate London W1K 1LN J.P. Morgan Limited 25 Bank Street London E14 5JP |
| Legal Advisers to ICAP and Newco | Clifford Chance LLP 10 Upper Bank Street London E14 5JJ |
| Legal Advisers to the Joint Sponsors . . . | Simmons & Simmons LLP CityPoint One Ropemaker Street London EC2Y 9SS |
| Reporting Accountants | PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH |
| Auditors | PricewaterhouseCoopers LLP 7 More London Riverside London SE1 2RT |
| Registrars | Capita Asset Services Corporate Actions The Registry 34 Beckenham Road Beckenham Kent BR3 4TU |

PART 1: DETAILS OF THE PROPOSED TRANSACTION

1. Introduction

On 11 November 2015, ICAP announced that it had reached an agreement with Tullett Prebon to dispose of its global hybrid voice-broking and information business, including ICAP's associated technology and broking platforms (including iSwap and Fusion) and certain of ICAP's joint ventures and associates (together "**IGBB**"), together with certain intellectual property rights including the "ICAP" name, in exchange for shares in Tullett Prebon. The disposal of IGBB to Tullett Prebon will be undertaken by means of a demerger, which is being effected, in part, by means of a scheme of arrangement.

The Transaction, as originally structured, involved an acquisition by Tullett Prebon of all of IGBB in return for the issue of New Tullett Prebon Shares to Shareholders and to Newco, representing in aggregate approximately 56 per cent. of the issued share capital of Enlarged Tullett Prebon. Existing Tullett Prebon Shareholders would own 44 per cent. of the issued share capital of Enlarged Tullett Prebon following Completion.

A circular in relation to the Transaction (as originally structured) was published on 1 March 2016 (the "**March Circular**") containing an explanatory statement of the Transaction (as originally structured), as well as notices convening a court meeting (the "**First Court Meeting**") and a general meeting (the "**First General Meeting**") to consider and approve, respectively, the Scheme and the resolutions required to implement the Transaction (as originally structured) and other related matters (the "**Resolutions**"). The First Court Meeting and the First General Meeting were held on 24 March 2016 whereby the Scheme and the Resolutions were approved.

As disclosed in the March Circular, the Transaction requires relevant approvals and clearances from appropriate competition authorities. In connection with the process to obtain approval from the competition authority in the UK, the Competition and Markets Authority (the "**CMA**"), ICAP and Tullett Prebon announced on 21 June 2016 that they had agreed to offer an undertaking to the CMA to divest ICAP's voice/hybrid EMEA oil broking business (the "**ICAP EMEA Oil Business**"). The undertaking has been accepted by the CMA on 8 September 2016 and the disposal of the ICAP EMEA Oil Business is expected to complete by 29 December 2016.

At the same time as announcing the undertaking to sell the ICAP EMEA Oil Business, ICAP, in agreement with Tullett Prebon, also announced that it (or Newco, as the case may be) would no longer retain an interest in Enlarged Tullett Prebon following Completion. Instead, it is now intended that all of New Tullett Prebon Shares to be issued as consideration for the Transaction will be issued to Shareholders. As a result Shareholders will directly hold approximately 56 per cent. of Enlarged Tullett Prebon's issued share capital following Completion (the "**Structure Revision**").

The ICAP Directors concluded that neither the disposal of the ICAP EMEA Oil Business, nor the Structure Revision, represented material amendments to the Transaction (as originally structured). However, the ICAP Directors considered it appropriate to ask Shareholders to vote to confirm their approval of the Scheme to ensure that the Court is satisfied that Shareholders have had sufficient opportunity to consider the proposed revisions. The ICAP Directors also considered it appropriate to explain the Structure Revision and the impact of such revision to certain non-material terms of the Transaction as well as the Demerger, the Newco Reduction of Capital and the Share Consolidation, and to obtain approval of a resolution from Shareholders to facilitate the Structure Revision. A supplementary circular was published on 17 August 2016 for these purposes (the "**Supplementary Circular**").

The Supplementary Circular also contained notices convening a second court meeting (the "**Second Court Meeting**") at which Shareholders would be asked to vote to confirm their approval of the Scheme (the "**Confirmation Vote**") and a general meeting (the "**Second General Meeting**") at which Shareholders would be asked to pass a resolution to facilitate the Structure Revision, including approving the Newco Reduction of Capital, the Demerger and the Share Consolidation, in each case, as described in the Supplementary Circular (the "**Revision Resolution**"). The Second Court Meeting and the Second General Meeting were held on 9 September 2016 and the Confirmation Vote and the Revision Resolution, respectively, were passed by the requisite majorities.

If the Transaction is implemented in full, Shareholders will hold shares in a new listed company, Newco, which will be the new holding company of the Group. Shareholders will also hold shares in the existing listed company, Tullett Prebon, which will be enlarged following Completion by combining ICAP's global voice-broking business, IGBB, with its own existing business.

The Newco Ordinary Shares and the New Tullett Prebon Shares are expected to be admitted to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities.

As a preliminary step, the Group will undergo the Reorganisation. The Reorganisation will involve, amongst other things, the transfer of the various Group subsidiaries which hold IGBB to a single holding company, ICAP Global Broking Holdings Limited ("**IGBHL**"), and the transfer of any parts of the Group's business that are unrelated to IGBB from the ownership of IGBHL to other members of the Group.

It is expected that the Transaction will be implemented in full pursuant to three further key connected stages:

- the Scheme;
- the Demerger; and
- the Share Consolidation.

The Scheme

As a necessary step to effect the Transaction it is proposed that Newco will be interposed as the new group holding company of ICAP pursuant to a court sanctioned scheme of arrangement under Part 26 of the Companies Act involving a reduction of capital under sections 645 to 651 of the Companies Act (the "**ICAP Reduction of Capital**").

Pursuant to the Scheme, Shareholders will receive Newco Ordinary Shares in exchange for their existing shares in ICAP. Shareholders' existing ICAP Ordinary Shares will be cancelled.

As at 2 December 2016 (the latest practicable date prior to publication of this Prospectus), there were 664,537,006 ICAP Ordinary Shares in issue, with 11,858,650 of those ICAP Ordinary Shares in treasury. To facilitate the ongoing satisfaction of awards under certain of the Newco Employee Share Plans, ICAP intends to transfer the treasury shares to the ICAP Employee Share Trust prior to the Scheme Effective Time. Whilst this will not affect the issued share capital of ICAP, this will alter the total number of voting rights in ICAP.

The Scheme is subject to various conditions, a majority of which have been satisfied as at the date of this Prospectus. Further details in relation to these conditions are set out in paragraph 3 of this Part 1 under "*Conditions to and implementation of the Scheme*".

It is intended that IGBHL will be transferred to the ownership of Newco following the Scheme Effective Date and prior to the Demerger Effective Time. It is intended that the transfer will be by means of a dividend in specie made out of available distributable profits of the relevant Group company, unless the ICAP Directors determine an alternative means of transfer. Newco will capitalise an amount of the reserves created as a consequence of that proposed dividend by issuing one Newco Reserve Share to the Newco Subscriber Shareholder following the Scheme Effective Date and prior to the Reduction Court Hearing.

The Demerger

Shortly after the Scheme becomes effective, it is proposed to seek a further sanction of the Court to reduce the capital of Newco (the "**Newco Reduction of Capital**") for two main purposes:

- to repay capital to the holders of the Newco Ordinary Shares at the Newco Reduction of Capital Record Time. The repayment of capital will be satisfied by the transfer to Tullett Prebon of the entire issued share capital of IGBHL. In consideration for the transfer, Tullett Prebon will issue all of the New Tullett Prebon Shares representing, in aggregate, approximately 56 per cent. of the issued share capital of Tullett Prebon (calculated on a fully diluted basis and immediately following such issuance) directly to the holders of Newco Ordinary Shares; and
- to create distributable reserves in Newco. The reserves created by this reduction are intended to be available at the discretion of Newco for any lawful purpose to which such reserves may be applied (including future dividends and share repurchases).

Share Consolidation

Under the proposed Share Consolidation, the Newco Ordinary Shares will be consolidated to ensure, to the extent possible, that, subject to market fluctuations, the market price of one Newco Ordinary Share immediately after the Demerger Effective Date should be approximately equal to the market price of one Newco Ordinary Share immediately beforehand. The ratio for the Share Consolidation will be determined prior to the Demerger Effective Date.

Further details of the Scheme, the Demerger and the Share Consolidation are set out below.

2. Details of the Scheme and the issue of the Newco Ordinary Shares

Under the Scheme, all of the Scheme Shares will be cancelled on the Scheme Effective Date. In consideration for the cancellation of the Scheme Shares, Scheme Shareholders will receive one Newco Ordinary Share for every Scheme Share that they hold at the Scheme Record Time. The Scheme Record Time is expected to be at 6.00 p.m. on 14 December 2016.

The rights attaching to the Newco Ordinary Shares will be substantially the same as those attaching to the ICAP Ordinary Shares. A summary of the rights attaching to the Newco Ordinary Shares is set out in paragraph 4.1(c) of Part 7: *Additional Information*.

The nominal value of the Newco Ordinary Shares immediately following the Scheme becoming effective will be £2.75 per share.

Following the cancellation of the Scheme Shares, the share capital of ICAP will be restored to its former amount and the credit arising in the books of ICAP as a result of the cancellation will be applied in paying up in full at par new shares in ICAP (the “**New ICAP Ordinary Shares**”) such that the aggregate nominal value of those shares equals the aggregate nominal value of the ICAP Ordinary Shares cancelled. The New ICAP Ordinary Shares will be issued to Newco which will, as a result, become the holding company of ICAP and the Group.

At the General Meeting held on 24 March 2016, Shareholders approved the amendment of the ICAP Articles to authorise the issue and allotment to Newco of the ICAP R Share, a redeemable preference share in ICAP of 10 pence. The ICAP R Share has been subscribed for by Newco for a subscription price of 10 pence payable in cash. By acquiring the ICAP R Share prior to the Scheme Effective Date, there will be no requirement under section 593 of the Companies Act for an independent valuation of the New ICAP Ordinary Shares to be allotted to Newco under the Scheme.

Further ICAP Ordinary Shares may have to be allotted before the Scheme comes into effect as well as after the Scheme Effective Date (for example, because of the exercise of rights granted by ICAP under the ICAP Employee Share Plans). In some cases, the precise timing of their allotment could leave them outside the scope of the Scheme. In order to ensure that this does not occur, the ICAP Articles have been amended in such a way as to ensure that: (i) any ICAP Ordinary Shares which are allotted and issued prior to the Scheme Court Hearing will be allotted and issued subject to the terms of the Scheme and the holders of such shares will be bound by the terms of the Scheme accordingly; and (ii) any ICAP Ordinary Shares which are allotted and issued otherwise than to Newco (or to a nominee of Newco) after such time will, subject to the Scheme becoming effective, be compulsorily acquired by Newco.

Save for the issue of the New ICAP Ordinary Shares to Newco pursuant to the Scheme, ICAP will not issue any shares on or after the Scheme Court Hearing until after the Scheme Effective Date.

3. Conditions to and implementation of the Scheme

Conditions to the Scheme

The implementation of the Scheme is conditional upon the following having been satisfied or, if capable of waiver, waived:

- (a) the Scheme having been approved by the requisite majorities of Shareholders;
- (b) the passing by the requisite majorities of Shareholders of the resolutions required to be passed to approve and implement the Transaction;
- (c) the passing by the requisite majorities at a general meeting of Newco of the resolutions required to be passed to approve and implement the Transaction;

- (d) the passing by the requisite majorities at a general meeting of Tullett Prebon of the resolutions required to be passed to approve and implement the Transaction;
- (e) the Scheme having been sanctioned (with or without modification) by the Court and the ICAP Reduction of Capital having been confirmed by the Court and an office copy of the Scheme Court Order and associated statement of capital having been delivered to the Registrar of Companies for registration and, if the Court so orders it to become effective, such order and statement of capital having been registered by the Registrar of Companies;
- (f) the FCA having confirmed to Newco or the Joint Sponsors (and such confirmation not having been withdrawn) that the application for the admission of all of the Newco Ordinary Shares to the premium listing segment of the Official List has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject) will become effective as soon as the FCA's decision to admit the Newco Ordinary Shares is announced in accordance with LR3.2.7G of the Listing Rules;
- (g) the London Stock Exchange having confirmed to Newco or the Joint Sponsors (and such confirmation not having been withdrawn) that all of the Newco Ordinary Shares will be admitted to trading on the main market for listed securities of the London Stock Exchange;
- (h) the FCA having confirmed to Tullett Prebon or the Tullett Prebon Sponsor (and such confirmation not having been withdrawn) that the application(s) for the re-admission of all of the Tullett Prebon Ordinary Shares and admission of all of the New Tullett Prebon Shares to the premium listing segment of the Official List has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject) will become effective as soon as the FCA's decision to re-admit the Tullett Prebon Ordinary Shares and to admit the New Tullett Prebon Shares is announced in accordance with LR3.2.7G of the Listing Rules;
- (i) the London Stock Exchange having confirmed to Tullett Prebon or the Tullett Prebon Sponsor (and such confirmation not having been withdrawn) that all of the Tullett Prebon Ordinary Shares will be re-admitted and all of the New Tullett Prebon Shares will be admitted, in each case to trading on the main market for listed securities of the London Stock Exchange;
- (j) ICAP having allotted and issued the ICAP R Share to Newco prior to the Scheme Effective Date;
- (k) the merger control clearances (approvals, expiries of relevant waiting periods and non-referrals as appropriate) being obtained in each of the relevant jurisdictions in which ICAP and Tullett Prebon operate (namely, the United Kingdom, the United States, Australia and Singapore), and any other merger control notifications and filings in other jurisdictions that are considered necessary by Tullett Prebon and ICAP, or otherwise required by any competition authority in any jurisdiction, having been made, and the obtaining of all necessary regulatory consents, approvals or clearances from the competent authorities of any such jurisdiction have been granted in respect of the Transaction or any matter arising from or relating to the Transaction;
- (l) all necessary consents and approvals from, or notifications to, or filings and applications with, the regulatory authority in a jurisdiction (or such other regulatory authority in that jurisdiction, as may be required) where a member or an affiliate of the IGBB Group is established or undertaking business operating by way of a branch or otherwise on a provision of services basis that, pursuant to applicable law and regulation in that jurisdiction, are necessary to be obtained or made (as applicable) before Completion in respect of any direct or indirect change in the shareholding and/or voting rights and/or other control of such member or affiliate of the IGBB Group resulting from the Transaction, have been obtained or made (as applicable);
- (m) the irrevocable and unconditional approval and/or consent to the disposal by ICAP of the Sale Shares from the holders of bonds issued by ICAP and IGH;
- (n) the relevant approvals, consents or waivers from certain joint venture partners of the Group which are required to implement the Transaction or to avoid an adverse effect on the business of IGBB, the Group or the Tullett Prebon Group following Completion;
- (o) the Tullett Prebon Consolidation Waiver being obtained;
- (p) the Reorganisation having been completed in the form agreed with Tullett Prebon;
- (q) this Prospectus having been approved by the FCA in a form approved by Tullett Prebon;

- (r) the Sale and Purchase Agreement not having terminated or lapsed in accordance with its terms on or immediately before the Scheme Effective Date; and
- (s) the passing of any other resolutions required to be passed by shareholders of ICAP, Newco and/or Tullett Prebon in order to effect the Transaction.

Save for conditions (e) and (r), all the above conditions have been satisfied or waived (as the case may be) as at the date of this Prospectus.

The ICAP Directors will not take the necessary steps to implement the Scheme unless all the above conditions have been satisfied or, if capable of waiver, waived.

Sanction of the Scheme by the Court

In order for the Scheme to become effective, there will be a Court hearing to sanction the Scheme and confirm the ICAP Reduction of Capital. The Scheme Court Hearing is expected to be held on 14 December 2016. Newco will agree to appear by counsel at the Scheme Court Hearing and to undertake to be bound by the Scheme. Shareholders have the right to attend the Scheme Court Hearing and to appear in person or be represented by counsel or other suitably qualified persons to support or oppose the sanction of the Scheme and the confirmation of the ICAP Reduction of Capital.

If the Scheme is sanctioned and the ICAP Reduction of Capital is confirmed at the Scheme Court Hearing and the other conditions to the Scheme have been satisfied or, if capable of waiver, waived, the Scheme is expected to be implemented, and dealings in Newco Ordinary Shares are expected to commence, by 8.00 a.m. on the Business Day following the Scheme Court Hearing.

The Scheme shall not become effective unless the Scheme Court Order has been made and an office copy of the Scheme Court Order shall have been duly delivered to the Registrar of Companies for registration and, if ordered by the Court, registered.

On the Scheme Effective Date, share certificates in respect of the Scheme Shares will cease to be valid and should be destroyed. In addition, on the Scheme Effective Date, entitlements to Scheme Shares held within the CREST system (“**CREST**”) will be cancelled and the Newco Ordinary Shares will be admitted to listing on the Official List.

If the Scheme has not become effective by the Long-stop Date (or such later date, if any, as ICAP and Newco may agree and the Court allows), it will lapse, in which event there will not be a new holding company of ICAP, no Newco Ordinary Shares will be issued and the Newco Reduction of Capital, Demerger and Share Consolidation will not take place. This will mean that IGBB will not be transferred to Tullett Prebon and Shareholders will not receive New Tullett Prebon Shares. If the Scheme does not become effective, Shareholders will remain shareholders of ICAP and ICAP Ordinary Shares will continue to be listed on the Official List.

If the Scheme becomes effective, it will be binding on all Shareholders who hold Scheme Shares, irrespective of whether or not, being entitled to do so, they attended or voted in favour of the Scheme at the First Court Meeting or attended or voted in favour of the Confirmation Vote at the Second Court Meeting, or whether or not, being entitled to do so, they attended or voted in favour of the Resolutions at the First General Meeting or attended or voted in favour of the Revision Resolution at the Second General Meeting.

Modifications to the Scheme

The Scheme contains a provision for ICAP and Newco jointly to consent, on behalf of all persons concerned, to any modification of or addition to the Scheme, or to any condition that the Court may think fit to approve or impose. The Court would be unlikely to approve or impose any modification of, or addition or condition to, the Scheme which might be material to the interests of Scheme Shareholders unless Scheme Shareholders were informed of any such modification, addition or condition. It will be a matter for the Court to decide, in its discretion, whether or not the consent of Scheme Shareholders should be sought at a further meeting. Similarly, if a modification, addition or condition is put forward which, in the opinion of the ICAP Directors, is of such a nature or importance as to require the approval of Scheme Shareholders at a further meeting, the ICAP Directors will not take the necessary steps to enable the Scheme to become effective unless and until such approval is obtained.

4. Issue of Newco Reserve Share

The introduction of Newco as the holding company of ICAP will be followed by a further intra-group reorganisation pursuant to which all of the shares in IGBHL will be transferred to the ownership of Newco. It is intended that the transfer will be by means of a dividend in specie made out of available distributable profits of the relevant Group company, unless the ICAP Directors determine an alternative means of transfer.

The receipt of the proposed dividend of the shares in IGBHL will give rise to a reserve on the balance sheet of Newco and it is intended that Newco will capitalise an amount of those reserves by issuing one Newco Reserve Share to the Newco Subscriber Shareholder by way of bonus issue. It is intended that the Newco Reserve Share will be issued at a nominal value equal to the amount of the reserve to be capitalised. The necessary resolution for Newco to issue the Newco Reserve Share has been approved by the Newco Subscriber Shareholder in a general meeting. That approval is conditional upon the Scheme becoming effective. Please see paragraph 7(f) of this Part 1 below for further details of the authorities granted to the Directors at the general meeting.

The Newco Reserve Share will be a non-voting preference share entitling the holder to a preferential return on a winding up of Newco and the ability to share in any dividend declared on the Newco Ordinary Shares on the same basis (but disregarding the amount paid-up on the Newco Reserve Share for this purpose). The Newco Reserve Share will not be listed and will be cancelled as part of the Newco Reduction of Capital. The purpose of the issue of the Newco Reserve Share is solely to facilitate the creation of distributable reserves, which are intended to be available at the discretion of Newco for any lawful purpose to which such reserves may be applied (including future dividends and share repurchases). A summary of the rights attaching to the Newco Reserve Share is set out in paragraph 4.1(c) of Part 7: *Additional Information*.

5. Newco Reduction of Capital and issuance of New Tullett Prebon Shares

The issue of the Newco Reserve Share will be followed by a reduction of the share capital of Newco. The necessary resolution for Newco to implement the Newco Reduction of Capital has been approved by the Newco Subscriber Shareholder in a general meeting. That approval is conditional upon the Scheme becoming effective. Please see paragraph 7(f) of this Part 1 below for further details of the authorities granted to the Directors at the general meeting. Approval from Shareholders has also been obtained in the form of a special resolution passed at the First General Meeting as part of the Resolutions and again at the Second General Meeting as part of the Revision Resolution. The Newco Reduction of Capital will also require the confirmation of the Court and, if so confirmed, it is intended to become effective on the same day as the confirmation of the Court is obtained.

The Newco Reduction of Capital will be undertaken for the following purposes:

- (a) to repay capital to the holders of the Newco Ordinary Shares at the Newco Reduction of Capital Record Time, to be satisfied by the transfer to Tullett Prebon of the entire issued share capital of IGBHL, in consideration for which Tullett Prebon will issue all of the New Tullett Prebon Shares representing, in aggregate, approximately 56 per cent. of the issued share capital of Tullett Prebon (calculated on a fully diluted basis and immediately following such issuance) directly to the holders of Newco Ordinary Shares;
- (b) to create distributable reserves in Newco, which are intended to be available at the discretion of Newco for any lawful purpose to which such reserves may be applied (including future dividends and share repurchases); and
- (c) to cancel all of the Newco Subscriber Shares and the Newco Reserve Share.

As part of the Newco Reduction of Capital, the nominal value of the Newco Ordinary Shares will be reduced from £2.75 to £0.10 per share (or such other amount determined by the Directors prior to the Demerger Effective Date). Part of the capital resulting from that reduction in nominal value will be repaid to the holders of the Newco Ordinary Shares and the balance of the resulting capital will create distributable reserves in Newco.

The repayment of capital will be satisfied by the transfer to Tullett Prebon of the entire issued share capital of IGBHL. In consideration for that transfer, Tullett Prebon will issue all of the New Tullett Prebon Shares representing, in aggregate, approximately 56 per cent. of the issued share capital of Tullett

Prebon (calculated on a fully diluted basis and immediately following such issuance) directly to the holders of Newco Ordinary Shares.

The Newco Reduction of Capital will also cancel the Newco Reserve Share in its entirety and the nominal value of the Newco Reserve Share (equal to the reserves capitalised by Newco when the Newco Reserve Share was issued) will be credited to the distributable reserves of Newco. Such reserves, along with those created as a consequence of the reduction in nominal value of the Newco Ordinary Shares, are intended to be available at the discretion of Newco for any lawful purpose to which such reserves may be applied (including future dividends and share repurchases).

On 18 February 2016, one subscriber ordinary share of £0.10 (the “**Newco Subscriber Ordinary Share**”) and 499,999 redeemable preference shares of £0.10 each (the “**Newco Redeemable Preference Shares**”) were issued to Charles Gregson, the Chairman of ICAP (as the Newco Subscriber Shareholder) at par value credited as fully paid to incorporate Newco and to enable Newco to obtain a trading certificate pursuant to sections 761 and 762 of the Companies Act. The one Newco Subscriber Ordinary Share will be reclassified as a Newco Preference Share pursuant to the resolutions of the Newco Subscriber Shareholder, with effect from the Scheme Effective Time. The resulting Newco Preference Share and the 499,999 Newco Redeemable Preference Shares will also be cancelled pursuant to the Newco Reduction of Capital.

Share Consolidation

Under the proposed Share Consolidation, the Newco Ordinary Shares will be consolidated to ensure, to the extent possible, that, subject to market fluctuations, the market price of one Newco Ordinary Share immediately after the Demerger Effective Date should be approximately equal to the market price of one Newco Ordinary Share immediately beforehand. The ratio for the Share Consolidation will be determined prior to the Demerger Effective Date, as set out below.

Immediately following the Share Consolidation, holders of Newco Ordinary Shares will own the same proportion of ordinary share capital in Newco as they did immediately prior to the Share Consolidation taking effect, subject to the sale of fractional entitlements on their behalf.

The Share Consolidation ratio cannot be fixed at this time as it will depend on a number of factors including fluctuations in the price of ICAP Ordinary Shares or Newco Ordinary Share (as the case may be) and Tullett Prebon Ordinary Shares. Accordingly, the number of Newco Ordinary Shares resulting from the Share Consolidation will be announced by the Directors prior to the Demerger Effective Date with the consolidation ratio obtained by dividing (i) the implied value of Newco (calculated by deducting the value attributed to IGGB by the transaction terms from ICAP’s market capitalisation (based on the Closing Prices of ICAP Ordinary Shares and Tullett Prebon Ordinary Shares)) by (ii) ICAP’s market capitalisation (based on the Closing Price of ICAP Ordinary Shares on the same day), subject to such amendments as the Directors may agree to deal with fractions, rounding or other practical problems or matters which may result from such division and/or to achieve a ratio which in their judgment is the most appropriate to seek to maintain comparability of the share price of a Newco Ordinary Share before and after the Demerger.

In order to ensure that a whole number of Newco Ordinary Shares results from the Share Consolidation, it is proposed that Newco may issue new Newco Ordinary Shares to one of Newco’s employee benefit trusts, or that ICAP or Newco may repurchase ICAP Ordinary Shares or Newco Ordinary Shares (as the case may be) under then existing shareholder authorities, in advance of the Newco Reduction of Capital Record Time. The number of ICAP Ordinary Shares or Newco Ordinary Shares to be issued or repurchased would be such as will result in the total number of Newco Ordinary Shares (including any held in treasury) being exactly divisible in accordance with the consolidation ratio.

Application will be made to the FCA for the Official List to be amended to reflect the Newco Ordinary Shares resulting from the Share Consolidation and trading in such number of Newco Ordinary Shares is expected to commence at 8.00 a.m. on the Business Day after the Demerger Effective Date. General market transactions will continue to be settled within CREST.

Confirmation of the Newco Reduction of Capital by the Court

There is one Court hearing to confirm the Newco Reduction of Capital and this is expected to be held on 20 December 2016. Holders of Newco Ordinary Shares will have the right to attend the Reduction Court

Hearing and to appear in person or be represented by counsel or other suitably qualified persons to support or oppose the sanction of the Newco Reduction of Capital.

Prior to confirming the Newco Reduction of Capital, the Court will need to be satisfied that the creditors (if any) of Newco are not thereby prejudiced. Newco intends to put in place such form of creditor protection (if any) as it may be advised is appropriate to satisfy the Court in this regard.

Conditions to the implementation of the Newco Reduction of Capital and the Demerger

The implementation of the Newco Reduction of Capital and the Demerger are conditional upon the following having been satisfied or, if capable of waiver, waived:

- (a) the Scheme becoming effective and being fully implemented;
- (b) the completion of the internal reorganisation of the Group which will result in IGBHL being a direct subsidiary of Newco;
- (c) the approval of the Newco Reduction of Capital by Shareholders;
- (d) the Newco Reduction of Capital having been confirmed by the Court;
- (e) an office copy of the Reduction Court Order confirming the Newco Reduction of Capital having been delivered to the Registrar of Companies for registration and, if the Court so orders it to become effective, such order having been registered by him; and
- (f) the passing of any other resolutions required to be passed by shareholders of ICAP, Newco and/or Tullett Prebon in order to effect the Transaction.

Condition (c) was satisfied by the passing of the Resolutions at the First General Meeting and the passing of the Revision Resolution at the Second General Meeting, in each case by the requisite majorities.

The Scheme is not conditional on the Demerger taking place. Consequently, if once the Scheme has become effective, the conditions to the Demerger cease to be capable of being satisfied (or, where permitted, are not waived), Newco will nevertheless have been inserted as the new holding company of the Group. In such circumstances, Shareholders would still have received Newco Ordinary Shares but, as the Demerger would not complete, Shareholders would not receive New Tullett Prebon Shares. Similarly, the Share Consolidation (as described above) would not be implemented but Newco would still expect to reduce its capital so as to create distributable reserves in Newco.

Demerger Effective Time

Provided the conditions to the Newco Reduction of Capital have been satisfied or, if capable of waiver, waived and the Court has issued the Reduction Court Order, the Newco Reduction of Capital will become effective once an office copy of the Reduction Court Order confirming the Newco Reduction of Capital has been delivered to the Registrar of Companies for registration and, if ordered by the Court, registered. Once the Newco Reduction of Capital becomes effective, it is expected that New Tullett Prebon Shares will be admitted to trading and that the commencement of trading in New Tullett Prebon Shares on the London Stock Exchange will commence at 8.00 a.m. on the following Business Day.

6. Timetable

The Scheme Court Hearing

The Scheme Court Hearing, at which the Court will be asked to sanction the Scheme pursuant to Part 26 of the Companies Act and to confirm the ICAP Reduction of Capital pursuant to sections 645 to 648 of the Companies Act, is expected to be held on 14 December 2016. Shareholders have the right to attend the Scheme Court Hearing and to appear in person or be represented by counsel to support or oppose the sanctioning of the Scheme and the confirmation of the ICAP Reduction of Capital.

If the Scheme is sanctioned and the ICAP Reduction of Capital is confirmed at the Scheme Court Hearing, and the other conditions to the Scheme (as outlined in paragraph 3 of this Part 1) have been satisfied or, if capable of waiver, waived, the Scheme is intended to become effective and dealings in Newco Ordinary Shares are expected to commence on the following Business Day.

At the Scheme Effective Time, share certificates in respect of the ICAP Ordinary Shares will cease to be valid and should be destroyed once new certificates for Newco Ordinary Shares have been received. In addition, at or as soon as reasonably practicable after the Scheme Effective Time, entitlements to ICAP Ordinary Shares held within CREST will be cancelled.

If the Scheme has not become effective by the Long-stop Date, it will lapse, in which event there will not be a new holding company of ICAP, no Newco Ordinary Shares will be issued and the Demerger and Share Consolidation will not take place. This will mean that Shareholders will not receive Newco Ordinary Shares or New Tullett Prebon Shares. If the Scheme does not become effective, Shareholders will remain shareholders of ICAP and ICAP Ordinary Shares will continue to be admitted to the premium listing segment of the Official List.

The Reduction Court Hearing, the Demerger and the Share Consolidation

The Reduction Court Hearing, at which the Court will be asked to confirm the Newco Reduction of Capital, is expected to be held on 20 December 2016. If the Newco Reduction of Capital is confirmed at the Reduction Court Hearing, and the other conditions to the Demerger (as outlined in paragraph 5 of this Part 1) have been satisfied or, if capable of waiver, waived, the Demerger is intended to become effective on 29 December 2016. The period between the Reduction Court Hearing and the Demerger Effective Time is in order to ensure that Completion occurs as close as possible to Newco's month-end and is also to accommodate the Court vacation period.

The intra-group reorganisation that will result in IGBHL becoming a direct subsidiary of Newco and the issue of the Newco Reserve Share is each expected to take place in the period between the Scheme Effective Date and the Reduction Court Hearing.

The Share Consolidation is expected to take place immediately following the Newco Reduction of Capital, such that dealings in the Newco Ordinary Shares resulting from the Share Consolidation are expected to commence at 8.00 a.m. on the Business Day after the Demerger Effective Date.

7. Additional Information

(a) ADR Facility

In connection with the cancellation of the ICAP Ordinary Shares, the ADR facility that is currently in place in the United States in respect of the ICAP Ordinary Shares will be terminated. Newco intends to establish a new ADR facility in respect of the Newco Ordinary Shares issued pursuant to the Scheme.

Upon the Scheme becoming effective, the existing ICAP Ordinary Shares underlying each ICAP ADS will be cancelled and the Depositary (or its nominee) will be issued one Newco Ordinary Share for every ICAP Ordinary Share it holds at the Scheme Record Time. It is expected that Newco ADSs will be issued by the Depositary in respect of the Newco Ordinary Shares that have been issued to the Depositary (or its nominee).

Each Newco ADS will represent two Newco Ordinary Shares. Persons registered as holding ICAP ADSs at an ADS effective date to be established by the Depositary will be entitled to receive Newco ADSs when they have surrendered their ICAP ADSs to the Depositary for cancellation in accordance with the terms of the existing ICAP ADS deposit agreement. Holders of ICAP ADSs may have to pay fees to the Depositary under the terms of the ICAP ADS deposit agreement.

Holders of ICAP ADSs at the ADS effective date set by the Depositary will, assuming the surrender of their ICAP ADSs to the Depositary as noted above, own the same proportion of ordinary share capital of Newco, in the form of Newco ADSs, immediately after the Scheme Effective Date, as they held in the ordinary share capital of ICAP by virtue of their ICAP ADSs immediately prior to the Scheme Effective Date.

The Depositary will send a notice to the registered holders of ICAP ADSs in due course regarding the mechanics of surrendering ICAP ADSs for cancellation against issuance of Newco ADSs.

The Share Consolidation shall apply to each Newco Ordinary Share underlying a Newco ADS in the same manner as it will apply to any other Newco Ordinary Share. As a result, the Newco ADSs will be consolidated in the same ratio as the Newco Ordinary Shares, and each holder of Newco ADSs will hold a proportionally smaller number of Newco ADSs than before. The Depositary will send a notice to the registered holders of ICAP ADSs or Newco ADSs in due course regarding the mechanics of how the

Share Consolidation will affect their holding of Newco ADSs. In connection with the Share Consolidation, holders of the Newco ADSs may have to pay fees to the Depositary under the terms of the Newco ADS deposit agreement.

(b) Overseas Shareholders

General

The implications of the Scheme for, and the distribution of this Prospectus to, Overseas Shareholders may be affected by the laws of the relevant jurisdictions. Overseas Shareholders should inform themselves about and observe all applicable legal requirements.

It is the responsibility of any person into whose possession this Prospectus comes to satisfy himself as to the full observance of the laws of the relevant jurisdiction in connection with the Scheme and the distribution of this Prospectus and/or the accompanying documents, including the obtaining of any governmental, exchange control or other consents which may be required and/or compliance with other necessary formalities which are required to be observed and the payment of any issue, transfer or other taxes or levies due in such jurisdiction.

If, in respect of any Overseas Shareholder, Newco is advised that the allotment and issue of Newco Ordinary Shares pursuant to the Scheme would or might infringe the laws of any jurisdiction outside the United Kingdom, or would or might require Newco to obtain any governmental or other consent or effect any registration, filing or other formality with which, in the opinion of Newco, it would be unable to comply or which it regards as unduly onerous, the Scheme provides that Newco may determine that the Newco Ordinary Shares shall be issued to such Overseas Shareholder and then sold on their behalf as soon as practicable at the best price which can reasonably be obtained at the time of sale, with the net proceeds of sale being remitted to the Overseas Shareholder at the risk of such Shareholder. Alternatively, Newco may determine that no Newco Ordinary Shares shall be allotted and issued to such Overseas Shareholder but instead those Newco Ordinary Shares shall be allotted and issued to a nominee appointed by Newco as trustee for such Shareholder, on terms that they shall be sold on behalf of such Shareholder as soon as practicable after the Scheme becomes effective, with the net proceeds of sale being remitted to the Overseas Shareholder concerned at the risk of such Shareholder.

Overseas Shareholders should consult their own legal, financial and tax advisers with respect to the legal, financial and tax consequences of the Scheme in their particular circumstances.

United States

THIS PROSPECTUS DOES NOT CONSTITUTE AN INVITATION OR OFFER TO SELL OR THE SOLICITATION OF AN INVITATION OR OFFER TO BUY ANY SECURITY. NONE OF THE SECURITIES REFERRED TO IN THIS PROSPECTUS SHALL BE SOLD, ISSUED, SUBSCRIBED FOR, PURCHASED, EXCHANGED OR TRANSFERRED IN ANY JURISDICTION IN CONTRAVENTION OF APPLICABLE LAW.

The Newco Ordinary Shares to be issued in connection with the Scheme have not been, and will not be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. The Newco Ordinary Shares are expected to be issued in reliance upon the exemption from the registration requirements of the US Securities Act provided by Section 3(a)(10), and only to the extent that corresponding exemptions from the registration or qualification requirements of state “blue sky” securities laws are available.

Under the US securities laws, persons who are “affiliates” (as such term is defined in Rule 144 under the US Securities Act) of Newco as at the Scheme Effective Time will be subject to certain United States transfer restrictions related to the Newco Ordinary Shares received pursuant to the Scheme. Under United States securities laws, a Shareholder who is an affiliate of Newco after completion of the Scheme may not resell the Newco Ordinary Shares received pursuant to the Scheme without registration under the US Securities Act, except (i) pursuant to Rule 144 under the US Securities Act, if available, (ii) outside the United States pursuant to Regulation S under the US Securities Act, (iii) pursuant to another available exemption from the registration requirements of the US Securities Act, or (iv) in a transaction not subject to such requirements. Whether a person is an affiliate of Newco for such purposes depends upon the circumstances, but can include certain officers and directors and significant shareholders. Shareholders who believe they may be affiliates for the purposes of the US

Securities Act should consult their own legal advisers prior to any resale of Newco Ordinary Shares received pursuant to the Scheme.

For the purposes of qualifying for the exemption from the registration requirements of the US Securities Act afforded by Section 3(a)(10), ICAP will advise the Court through counsel that its sanctioning of the Scheme and Newco will advise the Court through counsel that its confirmation of the Newco Reduction of Capital will be relied upon as an approval of the Scheme and the Newco Reduction of Capital (as applicable) following a hearing on its fairness to Shareholders, at which hearing all Shareholders are entitled to attend in person or through counsel to support or oppose the sanctioning of the Scheme and with respect to which notification has been given to all Shareholders.

(c) Delisting of ICAP Ordinary Shares

Application will be made to the FCA for the listing of the ICAP Ordinary Shares to be cancelled and to the London Stock Exchange for the ICAP Ordinary Shares to cease to be admitted to trading on the London Stock Exchange's main market for listed securities. This is expected to take place by 8.00 a.m. on the Scheme Effective Date. The last day of dealings in ICAP Ordinary Shares on the London Stock Exchange's main market for listed securities is expected to be the Business Day immediately prior to the Scheme Effective Date and no transfers of ICAP Ordinary Shares will be registered after 6.00 p.m. on that date. On the Scheme Effective Date, share certificates in respect of the Scheme Shares will cease to be valid.

(d) Certificates and settlement

Subject to the Scheme becoming effective (and except as provided in sub-paragraph (b) above in relation to Overseas Shareholders), settlement of the consideration to which any Scheme Shareholder is entitled under the Scheme will be effected in the following manner:

Scheme Shares in uncertificated form (CREST)

ICAP Ordinary Shares held in uncertificated form will be disabled in CREST by the Scheme Record Time. For Shareholders who held their ICAP Ordinary Shares in a CREST account, Newco Ordinary Shares which are allotted and issued pursuant to the Scheme are expected to be credited to the relevant CREST member account on the Scheme Effective Date. CREST is a paperless settlement system enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Newco Ordinary Shares under the CREST system. Application will be made for the Newco Ordinary Shares to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in Newco Ordinary Shares following Admission may take place within the CREST system. CREST is a voluntary system and holders of Newco Ordinary Shares who wish to receive and retain share certificates will be able to remove their Newco Ordinary Shares from the CREST system following the Scheme becoming effective.

Newco reserves the right to issue Newco Ordinary Shares to any or all Scheme Shareholders who hold Scheme Shares at the Scheme Record Time in certificated form in the manner referred to below if, for any reason, it wishes to do so.

Scheme Shares in certificated form

For the Scheme Shareholders holding their Scheme Shares in certificated form at the Scheme Record Time, Newco Ordinary Shares to which the Scheme Shareholder is entitled will be issued in certificated form. Definitive share certificates for the Newco Ordinary Shares are expected to be despatched within fifteen Business Days of the Scheme Effective Date to reflect the Share Consolidation.

Pending the despatch of share certificates for Newco Ordinary Shares, transfers of Newco Ordinary Shares will be certified against the Newco Register. Temporary documents of title will not be issued in respect of the Newco Ordinary Shares.

With effect from and including the Scheme Effective Date, all certificates representing ICAP Ordinary Shares will cease to be of value and should be destroyed.

Payments

All cheques and warrants shall be in pounds sterling and shall be made payable to the holder (or joint holders, whose name(s) appear on the ICAP Register at the Scheme Record Time or Newco Reduction of Capital Record Time (as applicable) in respect of that joint holding) or to such other persons (if any) as such persons may direct in writing and the encashment of any such cheque or warrant shall be a complete discharge for monies represented thereby.

General

All documents, certificates, cheques or other communications sent by or to Scheme Shareholders, or holders of Newco Ordinary Shares, or as such persons shall direct, will be sent at their own risk and will be sent by prepaid first class post to the holder's address as set out on the ICAP Register at the Scheme Record Time or Newco Register at the Newco Reduction of Capital Record Time (as applicable) (or, in the case of joint holders, to the holder whose name stands first in such register in respect of the joint holding concerned) or in accordance with any reasonable special instructions regarding communications received by ICAP or Newco (as applicable) in writing.

(e) Existing ICAP mandates

All instructions, mandates, elections and communication preferences in force on the Scheme Effective Date relating to notices and other communications will, unless and until varied or revoked, be deemed from the Scheme Effective Date to be valid and effective mandates or instructions to Newco in relation to the corresponding holding of Newco Ordinary Shares.

(f) Authorities relating to Newco's share capital

A general meeting of Newco was held on 24 November 2016 at which, amongst other matters, the Directors were granted authority to allot the Newco Ordinary Shares as required by the Scheme, to allot the Newco Reserve Share, to reclassify and convert the Newco Subscriber Ordinary Share into a Newco Preference Share and to implement the Newco Reduction of Capital, the Demerger and the Share Consolidation.

The Directors have been authorised to allot the Newco Reserve Share, convert the Newco Subscriber Ordinary Share, implement the Newco Reduction of Capital and implement the Share Consolidation, in each case if the Scheme becomes effective. Shareholders have also approved the Newco Reduction of Capital, the Demerger and the Share Consolidation at the First General Meeting (in respect of the Transaction as originally structured) and at the Second General Meeting (in respect of the Structure Revision). Accordingly, Shareholders will not be asked separately to approve the Newco Reduction of Capital, the Demerger and the Share Consolidation once they become shareholders of Newco pursuant to the Scheme.

At the annual general meeting of Newco held on 14 September 2016, the Directors were also granted authorities to allot Newco Ordinary Shares, to make allotments otherwise than in accordance with pre-emption rights and to make purchases of Newco Ordinary Shares, in each case if the Scheme becomes effective. These authorities are equivalent to the authorities granted by Shareholders to the ICAP Directors at the most recent annual general meeting of ICAP.

For more details of the authorities granted to the Directors at the annual general meeting and the general meeting of Newco, please see paragraph 3.3 of Part 7: *Additional Information*.

PART 2: BUSINESS

The following information should be read in conjunction with the more detailed information appearing elsewhere in this Prospectus, including Part 4: Historical Financial Information and Part 5: Operating and Financial Review. The financial information included in this Part 2: Business has been extracted without material adjustment from Part 4: Historical Financial Information which has been incorporated into this Prospectus by reference, or has been extracted without material adjustment from the Group's accounting records, which formed the underlying basis of the financial information in Part 4: Historical Financial Information which has been incorporated into this Prospectus by reference.

1. INTRODUCTION

The Group is a markets, technology and risk solutions business, which operates in all the world's financial centres, with offices in 32 countries and more than 60 locations. The Group facilitates the efficient flow of capital, investment and risk safely through the financial system, and supports government and corporate borrowing. As a leading markets operator, the Group provides a wide variety of electronic execution, risk mitigation, messaging, broking and information services for wholesale market participants throughout the trade life cycle.

As at the date of this Prospectus, the Group comprises three divisions: Electronic Markets, Post Trade Risk and Information and Global Broking.

In November 2015, ICAP agreed terms for the disposal of IGBB to Tullett Prebon and the Transaction is expected to complete on 30 December 2016. As at the date of this Prospectus, IGBB remains part of the Group. IGBB is comprised of:

- three regionally managed hybrid voice broking businesses in EMEA, the Americas and Asia Pacific, including all e-trading products and services developed by the Group's e-Commerce team (including Fusion). The results of this business are currently included within the Global Broking division;
- a 40.23 per cent. economic interest in iSwap Limited, a global electronic trading platform for euro, US dollar, and pound sterling interest rate swaps. The results of iSwap are currently included within the Electronic Markets division;
- revenues and operating profits from sales of information services products directly attributable to Global Broking and iSwap. The results of information sales are currently included within the Post Trade Risk & Information division; and
- certain joint ventures, associates and investments.

The results of IGBB are disclosed as discontinued operations in ICAP's Annual Report 2016.

Electronic Markets

The Electronic Markets division includes BrokerTec and EBS, which are electronic trading platforms in fixed income and FX. These platforms offer efficient and effective trading solutions to customers in more than 50 countries, across a range of instruments including spot FX, US Treasuries, European government bonds and European Union and US repo. These electronic platforms are built on the Group's bespoke networks connecting participants in financial markets.

In December 2014, the Group announced plans to combine its electronic businesses to create EBS-BrokerTec. The combined business allows the Group to leverage BrokerTec's market leading platform, client relationships and strong team, as well as EBS's technology and innovation pipeline, to deliver unique products and services to the industry and expand the addressable market of both platforms. The Group also owns a small cap equities exchange in the UK known as ISDX.

BrokerTec is the leading electronic trading platform for US Treasuries, European Union and US repo. It also has a trading platform in other government fixed income securities such as European government bonds. BrokerTec facilitates trading for institutions, banks and non-bank professional trading firms.

EBS, the Group's electronic FX business, is a reliable and trusted source of orderly, executable and genuine liquidity across major and emerging market currencies. It has responded to changing market dynamics by transitioning from a business with a single offering to one that can support multiple execution methods and multiple ways of trading through a common distribution network. The core of

this strategy has been the launch of EBS Direct in November 2013. This is a fully disclosed and relationship-based platform that allows liquidity providers to stream tailored prices directly to liquidity consumers.

Also included within the Electronic Markets division is iSwap, ICAP's global electronic trading platform for IRS and ISDX, a London-based RIE providing companies with access to capital through its markets. iSwap is part of the IGBB group which will transfer to Tullett Prebon on Completion.

Post Trade Risk and Information

The Post Trade Risk and Information division operates market infrastructure for post trade processing and risk management across asset classes and enables users of financial products to reduce operational, second order financial and system-wide risks. The services offered by the Post Trade Risk and Information division enable customers to increase the efficiency of trading, clearing and settlement and facilitate the effective management of capital and risk weighted assets and the associated cost. The portfolio risk services businesses comprise: TriOptima and Reset, which identify, neutralise, remove and reconcile risk within portfolios of derivative transactions; Traiana, which provides pre-trade risk and post-trade processing solutions; and the information and data sales business. The information and data sales business includes IGBB Information Services, which generates subscription-based fees from a suite of products and services directly attributable to IGBB Global Broking and iSwap and which will transfer to Tullett Prebon on Completion.

More than 1,000 institutions use the Group's post trade risk services.

The Post Trade Risk and Information division invests in new companies developing innovative technology-led offerings via Euclid Opportunities. Euclid identifies and provides investment to emerging financial technology firms providing new platforms, business models and technologies that have the potential to drive efficiency, transparency and scale across the post transaction lifecycle. Examples of investments include: Duco, a rapidly growing reconciliation on-demand provider; OpenGamma, an award winning risk analytics provider; and ENSO Financial Analytics, a portfolio analytics provider to asset managers and hedge funds. In April 2016, through Euclid Opportunities, ENSO was acquired by ICAP.

Global Broking

Global Broking provides hybrid voice interdealer broking services products and complementary information services products across a wide range of asset classes including rates, emerging markets, commodities, equities, FX and money markets and credit. For each of these asset classes, the Group has electronic capability which gives customers the choice to enter prices and execute trades electronically, directly via one of the Group's electronic trading systems, and/or to engage with a broker to identify and help negotiate trades.

Global Broking offers its customers a choice of trading venues and services, allowing them to select the execution method (matched principal, agency/name give-up or execution on-exchange) appropriate for the liquidity of the product and their specific needs. Market participants use Global Broking's hybrid voice-broking services to assess trading availability and successfully execute trades. Customers range from investment banks for fixed income products to end-user corporates and industrials for commodities.

Global Broking's 1,352 voice brokers (as at 20 September 2016) draw on their deep customer relationships, market expertise and Global Broking's suite of pre-trade price discovery screens to identify potential trading interest, and in doing so create transparency, liquidity and facilitate the price discovery process. This is particularly important in markets where there is a wide range of potential transaction types and the number of parties willing to enter into certain transactions at any moment may be limited.

2. HISTORY AND DEVELOPMENT

The Group resulted from the merger of Garban Group and Intercapital Group in August 1999.

Intercapital plc was founded by Michael Spencer in 1986 as Intercapital Private Group Limited ("IPGL"). Exco plc acquired the wholesale broking operations of IPGL by means of a reverse takeover in October 1998 and changed its name to Intercapital plc. At the time of the merger Intercapital Group was one of

the world's leading OTC derivatives brokers. Intercapital Group had approximately 1,100 employees operating in eight countries across three main geographic regions: Europe, North America and Asia Pacific. Intercapital Group provided a comprehensive service in European, Australian and Swiss Interest Rate Derivatives across the yield curve, foreign exchange options, Australian government bonds and in the inter dealer broker market for UK government gilts, Sterling deposits, US mortgage-backed securities and other securities products traded in the United States.

Garban plc was originally established in the 1970s as the financial services division of MAI plc. In 1977, MAI plc acquired Harlow, Meyer and Co, following which MAI plc acquired Mallon & Dorney and Garvin GuyButler in 1982. In 1983, MAI plc acquired Garban LLC, giving MAI plc significant broking interests in the UK and overseas. In 1996, MAI plc merged with United News & Media plc. Its financial services division was then de-merged and listed on the London Stock Exchange in 1998 as Garban plc. Garban was one of the leading integrated money and securities brokers in the world, with approximately 2,000 employees in 26 offices. Garban operated in 23 countries across three main geographic regions: Europe, the Americas and Asia Pacific. Its principal operations were located in London, New York and Tokyo. Garban's broking operations included US, Japanese and UK government bonds, Eurobonds/corporate bonds and repos.

The company changed its name from Garban-Intercapital plc to ICAP plc in 2001.

Since the merger between Garban Group and Intercapital Group to form the Group in August 1999, each of Electronic Markets, Post Trade and Risk Information and IGBB have made investments to extend their geographic reach and widen their product coverage.

Notable acquisitions by Electronic Markets include:

- March 2003—BrokerTec, a provider of services that reduce the basis risk within portfolios from fixings in the interest rate markets;
- June 2006—EBS, a major trading platform for foreign exchange; and
- June 2012—Plus Stock Exchange plc, which was subsequently relaunched as the ICAP Securities and Derivatives Exchange (“ISDX”), one of only eight Regulated Investment Exchanges in the United Kingdom.

Notable acquisitions by Post Trade Risk and Information include:

- March 2007—Reset, a provider of services that reduce the basis risk within portfolios from fixings in the interest rate markets;
- December 2007—Traiana Inc., a provider of post-trade processing, client servicing and trading partner integration solutions for financial institutions;
- March 2010—TriOptima, a leader in risk mitigation solutions for OTC derivatives;
- April 2016—ENSO Financial Analytics, a leading provider of a data analytics platform for hedge funds and prime brokers; and
- October 2016—Abide Financial, a market-leading global regulatory reporting specialist.

Notable acquisitions by IGBB include:

- October 2002—ICAP Energy (formerly APB), a leading energy broker in the US and European markets;
- November 2002—Nittan Capital's voice broking interests in Asia;
- June 2004—Intercontinental energy brokers, a London based energy business;
- January 2005—GovPX Inc, a provider of fixed income and derivatives information in the United States;
- August 2005—United Fuels International, Inc, a leading US energy broker;
- November 2008—Arkhe, an established domestic business in Brazil; and
- 2009—Link equity derivatives business and launch of global cash equities business in Europe, North America and Asia.

In November 2015, the Group agreed terms for the disposal of IGBB to Tullett Prebon.

3. STRATEGY

3.1 Expanding Addressable Market

Large investment banks and universal banks remain the Group's core customer base in most asset classes but it is evolving its product offerings in line with the business models of these major customers. Moreover in areas such as Asia Pacific the Group continues to build on its strong relationships with large regional banks.

As the Group's major bank customers are increasingly focused on trading with their customers (including both buy side and regional banks) rather than with each other the Group is building out its infrastructure to connect with these customers.

Examples of progress towards the Group's strategy include:

- Spot FX average daily volume on EBS Direct reached an average of US\$20 billion during the final quarter of the financial year ended 31 March 2016, up 37 per cent. year-on-year and from an increasingly diverse range of currencies.
- The launch of forwards on EBS Direct in December 2015 achieved a major strategic milestone by providing access to the huge FX forwards market. Offering both spot and forwards is a common requirement in the corporate treasury market, where EBS Direct should benefit from the deep relationships established through the MyTreasury money market funds platform.
- The completed acquisition of ENSO will further strengthen relationships with the prime broker market and their hedge fund customers, where ENSO provides inventory management and data analytics tools.
- Global Broking continued to invest in its Fusion distribution platform and mid-market matching.

3.2 Seizing Opportunities Created By Regulatory Change

The pace of regulatory change has been unprecedented in recent years. This includes the direct impact of regulatory changes with the Dodd-Frank Act driven requirements for SEF trading in the US and EMIR driven requirements for regular portfolio reconciliation in Europe. Even more profound has been the indirect impact of new capital/leverage ratio requirements for its bank customers. The Group believes its post trade services play well into the trend of banks looking to reduce balance sheet and operational risk as well as to improve efficiency and returns.

Examples of progress towards the Group's strategy include:

- TriOptima announced the launch of triResolve Margin, a web-based, automated end-to-end margin processing solution which will help customers comply with the new regulatory requirements for margining uncleared OTC derivatives that came into effect from September 2016.
- TriOptima's new centralised risk analytics service, triCalculate, uses state-of-the-art computing to provide counterparty credit risk analytics, meeting the increasing demand for independent OTC valuations.
- Post Trade Risk and Information has made a series of enhancements that significantly expand its existing suite of regulatory services to offer customers an end-to-end menu of products which meet MiFIR/MiFID II cross-asset reporting and processing obligations.
- Post Trade Risk and Information recently announced the creation of its own Approved Publication Arrangement service to satisfy pre and post trade transparency requirements for venues.
- EBS BrokerTec's eFix Matching solution meets the FX market's requirement of a central utility for benchmark execution. Customers can access a central pool of liquidity to execute against daily benchmark rates (or fixes) by netting off buys versus sells prior to the fix calculation window. Volume has increased by 260 per cent. year-on-year.

3.3 Leveraging Into Growth Markets

Emerging markets and Asian capital markets continue to grow at a faster pace than the more developed European and US capital markets, especially in the FICC space. Moreover emerging markets and local Asian banks have not been impacted as much by bank de-leveraging as some global players.

Examples of progress towards the Group's strategy include:

- The average daily volume on EBS NDF reached US\$5.6 billion during the final quarter, up 54 per cent. year-on-year. Volumes are becoming more diversified across an increased number of Asian currencies. The migration of one-month Asian NDFs from voice broking to electronic platforms continues. The launch of Latin American NDFs on EBS creates another large opportunity.
- Average daily CNH volume reached US\$7.0 billion during the final quarter of the year, up 48 per cent. year-on-year. The positive trends in market share growth and voice to electronic migration have continued.
- In March 2016, Chinese government-backed broking business CFETS selected EBS to build its next generation electronic trading platform for FX and fixed income.
- In March 2016, we successfully completed a proof of technology test case for a distributed ledger using blockchain technology.

3.4 Reinforcing Our Culture

The Group's culture has been key to its success and must continue to evolve as its business changes. Culture is a differentiating factor between success and failure when it comes to commercial performance, employee engagement and good conduct. The Group has defined culture in a broad sense as 'what we value as an organisation', 'how we get things done' and 'how we behave'.

The Group's ability to adapt to change in our markets and our business is a direct result of our culture. Principles of professional conduct are the foundation of our culture and underpin what makes us unique as a business. These principles are reinforced through regular training, monitoring and reporting to the Board. The Board and senior management set the 'tone from the top', which is supported by strong messages about expected standards of behaviour.

Examples of progress towards the Group's strategy include:

- The Group conducted a survey of the quality and effectiveness of our internal communications. A key finding was the high level of trust and confidence employees have in the Group and its leadership. This played an important part in enabling us to grasp the opportunity created by the Transaction.
- The Group's leadership programme has been extended to include all those with responsibility for managing people and for senior technical specialists, ensuring that our strong culture is understood and reinforced.
- A programme is underway to ensure that everyone joining the Group understands and is aligned to our culture through customised pre-employment screening. All our training and development will emphasise our approach to conduct and how we interact with our colleagues and customers, including online training focused on real conduct risk situations.

4. ORGANISATIONAL STRUCTURE

ICAP plc is currently the ultimate holding company of the Group. If the Scheme becomes effective, Newco will become the ultimate holding company of the Group. The principal subsidiaries joint ventures and associates of ICAP are set out in Notes 20, 21 and 22 (respectively) to ICAP's audited financial statements for the year ended 31 March 2016 which are included in ICAP's Annual Report 2016 and which are incorporated by reference into, and form part of, this Prospectus.

5. CAPITAL STRUCTURE

The Group is currently financed through shareholders' equity and debt, which is provided by affiliates in the wider Group. The Group holds capital and cash in individual legal entities to meet regulatory and operating requirements in conjunction with liquidity support from a US\$200 million swingline facility provided to IGH and settlement facilities provided by settlement agents and clearing banks. For more details, please see paragraph 18.5 of Part 7: *Additional Information*.

6. ELECTRONIC MARKETS

6.1 Principal Strengths

Quality of services

Electronic Markets provides e-trading technology services and real time data to bank and non-bank participants in wholesale markets across a range of geographies and asset classes. The Electronic Markets' sales team have years of sales, trading and broking experience and have established meaningful customer relationships stimulating a healthy market ecology drawing customers to Electronic Markets' range of trade execution offerings, making Electronic Markets' award winning platforms the venue to transact. The result is a deep liquidity pool enabling reliable price discovery and execution across a broad spectrum of products.

The quality of the sales service that Electronic Markets provides to clients has been recognised by industry bodies, being voted number one in multiple product categories across regions in various awards.

Breadth of product geographic coverage

In the twenty plus years since inception Electronic Markets has grown to connect buy side and sell side participants across 50 countries spanning 6 continents, providing electronic broking services and market data across a range of products within the fixed income, FX and precious metals asset classes. Electronic Markets offers its customers the best of both worlds through our trusted execution venues and access to high speed connections that dovetails perfectly with their diverse trading strategies. Market participants use Electronic Markets as a reliable and trusted source of orderly, executable and genuine liquidity to successfully execute trades. Electronic Markets is trusted by thousands of buyers and sellers ranging from central banks, primary dealers, global banks and hedge funds to algorithmic trading firms for anonymous, transparent, reliable price discovery.

Variety of execution methods

Electronic Markets offers both API and manual trading solutions for products in the fixed income, foreign exchange and precious metals asset classes including G10 spot, US Treasuries, US & EU Repo, NDF and spot gold. For each of these asset classes, Electronic Markets has electronic capability offering customers the choice to enter prices and execute trades electronically, directly via one of Electronic Markets' award winning electronic platforms. Twenty-four hour access and support via a dedicated multilingual sales and support team spanning the globe provides our client base with all the transaction support required across all trading and time zones to ensure each transactions from beginning to end is executed effortlessly.

Electronic Markets is constantly evolving creating new ground breaking solutions by continuously investing in innovation and the growth of Electronic Markets product offerings is unparalleled. The Group purchased MyTreasury (now EBS Treasury) in 2008, providing cash and liquidity management for treasurers. EBS Direct, launched in 2013, offers clients an alternative relationship based disclosed liquidity pool for FX spot and forward products. This technology was expanded to US treasuries in early 2016. Within the spot market central limit order book ("CLOB"), EBS customers have access to Chinese Yuan ("CNH"), a service which the Group has have provided since CNH was made available to trade. The introduction of bulk order manager within US Repo has made BrokerTec US Repo a marquee product offering. A market making programme facility for the European government bonds space was launched in 2014 which quickly had visible impact and grew to cover three markets by 2015.

Limited exposure to market and credit risk

Electronic Markets holds or deals in assets that do not stay on its balance sheet for any longer than the normal settlement cycle on the occasions when it is involved in "matched principal" settlement structure. Electronic Markets does not intentionally take proprietary positions during the provision of its services. From time to time, small positions result from errors. Its revenues are predominantly attributable to the fees and commissions based on levels of customer activity and usage of its services.

Electronic Markets enters into transactions only when executing on behalf of customers, providing customer access to clearing or providing additional fee-based services. However, there is a short-term credit exposure prior to clearing and settlement, and outstanding receivable risk that Electronic Markets

manages. The matched principal business model involves Electronic Markets acting as counterparty on trades which are undertaken on a delivery-versus-payment basis. Electronic Markets manages its credit risk on these transactions through appropriate policies and procedures including stringent on-boarding requirements, setting appropriate cash limits for all counterparties which are closely monitored to restrict any potential loss through counterparty default. Collateral is also held for a number of customers. Electronic Markets only engages in activities which it believes will not result in loss due to credit risk.

Electronic Markets defines market risk as the risk of losses in on- and off-balance sheet positions arising from adverse movements in market prices. Electronic Markets does not actively take market risk. Where market risk does arise this is due to failures in Electronic Markets' expected business processes, systems or human error. Electronic Markets does not engage in proprietary trading or actively seek market exposure and actively reduces any incidental market exposure resulting from its activities as soon as reasonably practicable.

6.2 Principal Activities

The below table shows revenue for the Electronic Markets division for the years ended 31 March 2016, 31 March 2015 and 31 March 2014 and the six month periods ended 30 September 2016 and 30 September 2015 broken down in relation to each of the product groups:

| Product Group | Year ended 31 March | | | Six months ended 30 September | |
|--|------------------------|------------|------------|-------------------------------------|------------|
| | 2016 | 2015 | 2014 | 2016 | 2015 |
| | (£ in millions) | | | | |
| BrokerTec | 130 | 128 | 133 | 70 | 64 |
| EBS | 126 | 124 | 122 | 64 | 64 |
| CFETS | — | — | — | 4 | — |
| Other electronic platforms | 6 | 7 | 10 | 3 | 3 |
| Total | 262 | 259 | 265 | 141 | 131 |
| IGBB revenue presented as discontinued | (4) | (5) | (2) | (2) | (2) |
| Total Continuing Revenue | 258 | 254 | 263 | 139 | 129 |

BrokerTec

BrokerTec is the global electronic platform for the trading of US Treasuries, European government bonds and EU and US repo. BrokerTec facilitates trading for banks and non-bank professional trading firms.

For the year ended 31 March 2016, revenue increased by 2 per cent. to £130 million (year ended 31 March 2015: £128 million). For the six months ended 30 September 2016, revenue was flat on a constant currency basis and increased by 9 per cent. on a reported basis to £70 million (six months ended 30 September 2015: £64 million) as a result of the platform's US dollar exposure. This performance reflects a 10 per cent. decrease in US Treasury average daily volume to US\$154 billion, a 1 per cent. increase in US repo to US\$213 billion and a 3 per cent. decrease in European repo to €173 billion.

During the year ended 31 March 2016, despite a buoyant comparable period, trading activity in on-the-run US Treasuries increased as a number of macroeconomic events in global financial markets drove activity in the US Treasury market. These included the Chinese government's intervention in its local stock market, a large drop in the oil price and the speculation of a Federal Reserve rate rise. Nevertheless, the revenue benefit was partly offset by the BrokerTec tariff structure which provides for volume-based tiered pricing.

During the six months ended 30 September 2016, BrokerTec increased its market share in the interdealer US Treasury on-the-run segment as its customers prioritised price and trade transparency. Whilst trading activity during the period benefitted from a combination of central bank actions and the uncertainty created by the UK referendum to leave the European Union, it did not have the same level of trading activity as the speculation around the timing of an increase in US interest rates and central bank action in China in the comparable period.

During the year ended 31 March 2016, trading activity in the secondary market for European government bonds improved from the lows experienced at the end of the previous calendar year. Increasingly, activity focused around new bond issuance as banks continued to hold less inventory and as the ECB quantitative easing programme has reduced bond availability.

Activity in European government bonds was episodic during the six months ended 30 September 2016 and benefited from a move in UK interest rates following the EU referendum and the ongoing uncertainty over the monetary policy outlook. In general, European markets were hampered by subdued risk appetite and inventory reductions over the summer months.

Structural change in the form of new regulations continues to impact the US repo market and therefore further adjustments to bank balance sheet funding will be necessary. In the last quarter of the year ended 31 March 2016, trading activity in the European repo market benefited from increased volatility, demand for good quality collateral and a lack of supply from the buy side. During the six months ended 30 September 2016, both the US and European markets continued to face regulatory headwinds as reduced balance sheet allocation remains an inhibitor of activity. Despite a tough competitive environment BrokerTec has built on its market share in repo and has recently launched several enhancements to the functionality of the platform.

BrokerTec continues to innovate and recently beta launched a new service, BrokerTec Direct, which provides relationship-based, disclosed liquidity to the fixed income market. BrokerTec Direct delivers increased trading opportunities by enabling liquidity providers to stream tailored prices directly to liquidity consumers in a disclosed environment. The service initially offers US Treasury actives and will extend to other fixed income products as well as other countries in the near future. BrokerTec Direct initially on-boarded four leading liquidity providers and more than 40 liquidity consumers to the platform. Additional market makers are in the process of being integrated.

EBS

EBS, the Group's electronic FX business, is a reliable and trusted source of orderly, executable and genuine liquidity across major and emerging market currencies. It has responded to changing market dynamics by transitioning from a business with a single offering to one that can support multiple execution methods and multiple ways of trading through a common distribution network.

For the year ended 31 March 2016, revenue increased by 2 per cent. to £126 million (year ended 31 March 2015: £124 million). For the six months ended 30 September 2016, revenue decreased by 10 per cent. on a constant currency basis and was flat on a reported basis at £64 million (six months ended 30 September 2015: £64 million) reflecting a 14 per cent. decrease in average daily volume to US\$81 billion. Whilst trading activity in Asian currencies remained buoyant, activity levels in G7 currencies were subdued as volatility generated by central bank actions in the comparable period were not repeated.

EBS Market, the exchange-like central limit order book, remains the benchmark for the professional FX trading community, connecting buyers and sellers of currencies in more than 50 countries. EBS Market's strategic efforts to gain early traction and create liquidity in both CNH and NDFs has proved successful with average daily volume growing by more than 55 per cent. in both instruments during the year ended 31 March 2016 compared with the previous year and growing by more than 10 per cent. and 20 per cent. during the six months ended 30 September 2016 respectively compared with the comparable period. As a result dollar/CNH is now the third most actively traded currency pair on the platform after euro/dollar and dollar/yen.

EBS eFix, the matching service that enables customers to execute fix interest electronically on the EBS Market platform, has continued to demonstrate significant growth. Average daily volume (ADV) has increased by more than 80 per cent. over the six months ended 30 September 2016 to more than US\$1.5 billion matched per day.

EBS Direct, which launched in November 2013, is a platform that allows liquidity providers to stream tailored prices directly to liquidity consumers. Interest in the platform continues to grow and, as at 30 September 2016, the platform has more than 44 liquidity providers and 470 liquidity consumers using the service, compared with 17 and 268 respectively as at 31 March 2015. Average Daily Volume on the platform increased to US\$20 billion in the six months ended 30 September 2016, up 22 per cent. on the six months ended 30 September 2015. In December 2015, FX forwards and swaps were launched in beta, a significant part of the FX market in which EBS has never previously participated, which delivers

the ability to attract corporates and asset managers onto the platform and have continued to grow month on month.

In September 2016, as a direct response to EBS customers' desire for improved and faster data provision, EBS launched EBS Live Ultra. The new service will significantly improve price discovery, enhance the light pool (also known as lit) FX market and increase market transparency, efficiency and liquidity.

iSwap

iSwap, the Group's global electronic trading platform for IRS, has continued to build on its market position and has brought increased transparency, greater efficiency and lower transaction costs to the world's largest OTC derivative market. iSwap is the trading platform utilised for required and permitted interest rate derivative transactions. Electronic momentum in dollar interest rate swaps is building on the iSwap platform as banks transition liquidity from voice to electronic venues to take advantage of lower execution costs, enhanced trade opportunities and post trade efficiencies. The iSwap central order book has been well established in Europe for several years and has also started to see traction in the US dollar medium-term interest rate swap market contributing 17 per cent. to the Group's SEF US dollar IRS volumes in the year ended 31 March 2016 compared to 15 per cent. in the year ended 31 March 2015.

For the year ended 31 March 2016, revenue decreased by 20 per cent. to £4 million (year ended 31 March 2015: £5 million).

iSwap is part of the IGBB Group which will transfer to Tullett Prebon on Completion.

ISDX

ISDX is a London-based RIE providing companies with access to capital through its markets.

For the year ended 31 March 2016, revenue remained flat at £2 million (year ended 31 March 2015: £2 million).

CFETS

In June 2016, ICAP announced that CFETS, China's official inter-bank market trading platform and infrastructure provider, has chosen EBS BrokerTec to deliver the underlying technology for fixed income and FX electronic execution services in mainland China. The deal, valued at US\$65 million over a three year period, will see the Group expand into China, a key growth market for the business, with EBS BrokerTec establishing a local office and development centre in Shanghai.

6.3 Principal Markets

Electronic Markets manages its operations on a global basis.

The below table shows a breakdown of revenue for the Electronic Markets division for the years ended 31 March 2016, 31 March 2015 and 31 March 2014:

| | Year ended 31 March | | |
|--|------------------------|------------|------------|
| | 2016 | 2015 | 2014 |
| | (£ in millions) | | |
| Revenue by region | | | |
| EMEA | 121 | 129 | 135 |
| Americas | 133 | 122 | 122 |
| Asia Pacific | 8 | 8 | 8 |
| Total | 262 | 259 | 265 |
| IGBB revenue presented as discontinued | (4) | (5) | (2) |
| Total Continuing Revenue | 258 | 254 | 263 |

EMEA

Electronic Markets' key offices in EMEA are in London and Tel Aviv. Electronic Markets revenue in EMEA for the year ended 31 March 2016 was £121 million (year ended 31 March 2015: £129 million, year ended

31 March 2014: £135 million), representing 46 per cent. of total Electronic Markets revenue (year ended 31 March 2015: 50 per cent., year ended 31 March 2014: 51 per cent.).

Americas

Electronic Markets' key offices in the Americas are in New York and Jersey City. Electronic Markets revenue in the Americas for the year ended 31 March 2016 was £133 million (year ended 31 March 2015: £122 million, year ended 31 March 2014: £122 million), representing 51 per cent. of total Electronic Markets revenue (year ended 31 March 2015: 47 per cent., year ended 31 March 2014: 46 per cent.).

Asia Pacific

Electronic Markets key offices in Asia Pacific are in Singapore, Hong Kong and Tokyo. Electronic Markets revenue in the Asia Pacific for the year ended 31 March 2016 was £8 million (year ended 31 March 2015: £8 million, year ended 31 March 2014: £8 million), representing 3 per cent. of total Electronic Markets revenue (year ended 31 March 2015: 3 per cent., year ended 31 March 2014: 3 per cent.).

6.4 Information Technology

Electronic Markets deploys a number of computer and communications systems and networks to operate its business, including front office trading platforms available to customers and sales personnel to disseminate information, provide analytics and to collect and manage orders; and middle office systems to record, confirm, enrich, report, monitor, and settle trades and to calculate brokerage commission.

In the Electronic Markets Information Services business, Electronic Markets deploys computer and communications systems and networks to capture, cleanse and package data, and to disseminate it both in real-time and at the end of each day to customers and information vendors.

Electronic Markets deploys back office systems for sending confirmations, invoicing customers, for financial management, for reporting trades to clearing and settlement facilities, and to support other administrative functions.

Electronic Markets' systems form an integral part of the services offered to customers who rely upon them to facilitate their activities.

Over the last few years Electronic Markets has made investments in the development and launch of new electronic broking platforms, straight-through-processing functionality and associated technology infrastructure.

Regulatory reforms to the fixed income, FX & precious metals markets that have been and are being introduced in locations which Electronic Markets operates, require in some cases, the deployment of modifications to our platforms spanning from the front end user interface through to settlement information and post trade internal/external reporting.

Electronic Markets has deployed multiple systems to satisfy its regulatory compliance and business oversight requirements in the locations in which it operates. These systems provide for record keeping, compliance monitoring, trade and order surveillance and regulatory reporting.

Electronic Markets deploys technical infrastructure to run the various platforms and systems and has established primary and secondary data centres in each of the three geographic regions in which Electronic Markets operates. These data centres are connected through a wide area network that carries data communications at the high speed necessary for low-latency trading systems, together with sufficient bandwidth to accommodate telephone communications over the global network.

7. POST TRADE RISK AND INFORMATION

7.1 Principal Strengths

Quality of services

The Post Trade Risk and Information business operates leading market infrastructure for post trade processing and risk management across asset classes and enables users of financial products to reduce operational and system-wide risks.

The quality of the services Post Trade Risk and Information provides to customers has been recognised through various awards. Traiana was voted 'Best Post-Trade Provider' in May 2015 by the readers of Profit & Loss magazine. In addition TriOptima was awarded the 2015 Risk Magazine's OTC Infrastructure Service of the Year Award for its triReduce compression service.

Breadth of product and geographic coverage

Post Trade Risk and Information has business operations in all of the major financial centres and serves customers across multiple geographies, providing leading market infrastructures for post trade processing and risk management across a number of asset classes. Post Trade Risk and Information's main customer base includes banks, hedge funds, asset managers and corporates.

Post Trade Risk and Information offers a complementary suite of products and services including: portfolio compression and reconciliation, risk mitigation, pre-credit checking, trade confirmation and aggregation, regulatory reporting, order and trade data. These services enable customers to increase the efficiency of trading, clearing and settlement and facilitate the effective management of capital and associated cost.

Variety of post trade solutions

Market participants can utilise a variety of post trade services via the portfolio of services that are provided by the division. Post Trade Risk and Information comprises the following businesses and services:

- Traiana: Simplifies and automates cross-asset transaction workflow and distribution for messaging, matching, credit, risk and reporting.
- TriOptima: Minimises credit and operational risk, reduces costs and improves counterparty exposure management through a suite of portfolio compression, reconciliation, margining and valuation tools.
- Reset: Reduces basis risk within portfolios from fixings or exposure imbalances in numerous markets including interest rate, foreign exchange and inflation products.
- Information services: Provider of transaction, market and customer focused data and analytics.
- Euclid Opportunities: identifies and provides investment to emerging financial technology firms that drive efficiency, transparency and scale across the post trade life cycle.

For more information on these businesses and services, please see paragraph 7.2 below.

Investment in new products and markets

During the year ended 31 March 2016, Post Trade Risk and Information continued to invest in the development of new products and services and the enhancement of existing functionality to customers. Below is a selection of the Post Trade Risk and Information's successes:

- In July 2015, TriOptima announced the launch of triResolve Margin, a margin processing solution delivered in collaboration with AcadiaSoft, which will enable customers to easily access an automated, streamlined tool to reduce fragmented and manual processing. triResolve Margin assists customers in meeting the challenges posed by the new regulatory requirements for margining uncleared OTC derivatives by automating the margin process in a comprehensive, scalable and cost-effective solution.
- In October 2015, TriOptima announced the launch of triReduce's CLS Forward FX Compression Service. The new service combines CLS's infrastructure and market connectivity with TriOptima's triReduce compression product to enable counterparties to reduce the gross notionals of their outstanding portfolios without fundamentally changing their market positions.
- In March 2016, the Post Trade Risk and Information division announced that it had successfully completed a proof of technology test case for a distributed ledger using blockchain technology which has the potential to significantly transform post trade operations, while complying with new market practices within the post-financial crisis regulatory environment. Going forward, the Post Trade Risk and Information business will assess how to realise technology savings using the

blockchain technology while ensuring compliance with regulations intended to make markets safer and more efficient.

In addition, Euclid Opportunities identifies and provides investment to emerging financial technology firms providing new platforms, business models and technologies that have the potential to drive efficiency, transparency and scale across the post-transaction lifecycle.

- In September 2015, Post Trade Risk and Information announced a further investment in Duco, a London-based fintech provider of hosted reconciliation services. Duco is a technology company focused on simplifying complexity by employing advances in computer science research. Its award-winning hosted reconciliation service, Duco Cube, enables firms to control complex data using light-touch, self-service technology.
- In January 2016, Post Trade Risk and Information announced that it had invested in Digital Asset Holdings LLC, a developer of Distributed Ledger Technology for the financial services industry. The investment was made through Euclid Opportunities, and forms part of a funding round that exceeds US\$50 million from a broad range of leading financial and market infrastructure participants.
- In April 2016, Post Trade Risk and Information announced the acquisition of ENSO Financial Analytics, a leading provider of a data analytics platform for hedge funds and prime brokers. ENSO provides powerful portfolio analytics to the hedge fund and asset management industry. ENSO's team of prime brokerage, asset management, technology and data specialists deliver identifiable and measurable operational insight on counterparty credit risk, collateral management, and portfolio financing and treasury functions. With more than US\$1 trillion in total assets under advisory, ENSO provides operational insights and key analytics to many of the world's most successful fund managers.

7.2 Principal Activities

The below table shows revenue for the Post Trade Risk and Information division for the years ended 31 March 2016, 31 March 2015 and 31 March 2014 and the six month periods ended 30 September 2016 and 30 September 2015 broken down in relation to each of the product groups:

| Product Group | Year ended 31 March | | | Six months ended 30 September | |
|--|------------------------|------------|------------|-------------------------------------|------------|
| | 2016 | 2015 | 2014 | 2016 | 2015 |
| | (£ in millions) | | | | |
| TriOptima | 72 | 67 | 54 | 42 | 35 |
| Traiana | 53 | 53 | 47 | 27 | 26 |
| Reset | 37 | 39 | 41 | 19 | 18 |
| ENSO | — | — | — | 4 | — |
| Information Services | 83 | 69 | 70 | 47 | 40 |
| Total | 245 | 228 | 212 | 139 | 119 |
| IGBB revenue presented as discontinued | (51) | (41) | (38) | (26) | (24) |
| Total Continuing Revenue | 194 | 187 | 174 | 113 | 95 |

TriOptima

TriOptima, through triReduce and triResolve, is a leader in risk mitigation solutions for OTC derivatives, primarily through the elimination and reconciliation of outstanding transactions. It continues to benefit from the strategic alignment of its offerings with the G20 policy objectives of transparency and risk reduction in the financial system.

For the year ended 31 March 2016, revenue increased by 7 per cent. to £72 million (year ended 31 March 2015: £67 million). For the six months ended 30 September 2016, revenue increased 2 per cent. on a constant currency basis and increased by 20 per cent. on a reported basis to £42 million (six months ended 30 September 2015: £35 million) driven by increased demand for triReduce portfolio compression and uptake of the portfolio reconciliation service, triResolve.

During the year ended 31 March 2016, triReduce terminated US\$168 trillion of gross notional outstanding (year end 31 March 2015: US\$150 trillion) and a further US\$94 trillion during six months ended 30 September 2016 (six months ended 30 September 2015: US\$87 trillion), taking the total eliminated since launch to US\$862 trillion. The more stringent leverage ratio included within the Basel III rules continues to drive demand from banks for the triReduce compression service. Since launch, more than 210 financial institutions worldwide have participated in eliminating US\$768 trillion in total notional outstanding from the OTC derivatives market. This significant achievement includes compression across a broad spectrum of products: cleared and uncleared interest rate products in 27 currencies, credit default swaps, commodity swaps, inflation swaps, cross-currency swaps and FX forwards. Currently TriOptima delivers triReduce compression for cleared trades in collaboration with leading clearing houses including LCH, SGX, Nasdaq and CME. TriOptima also offers triReduce to CLS members for FX forwards.

In March 2016, triReduce announced that 18 SwapClear members had compressed 40 per cent. of outstanding notional and 49 per cent. of outstanding trades in Polish zloty (“**PLN**”) interest rate swaps and forward rate agreements in the largest PLN triReduce compression cycle that SwapClear has run to date. The local and international participants eliminated 2.6 trillion PLN/US\$654 billion in the multilateral triReduce cycle. In January 2016, triReduce announced the first inflation swap compression cycle terminating US\$98 billion notional in inflation index swaps for the EU.

Strong demand for triResolve, the reconciliation service, continues to be driven by both standard portfolio reconciliation, as required by regulation, and the new repository reconciliation service to validate reported data. For repository reconciliation triResolve supports interfaces to trade repositories globally. The number of institutions using the triResolve service has increased from 1,686 during six months ended 30 September 2015, who participated in 384,000 party-to-party reconciliations each month, to more than 1,800 in the six months ended 30 September 2016, who participated in 398,000 party-to-party reconciliations each month.

triResolve Margin, which TriOptima launched in April 2016, supports its customers following the introduction of the new uncleared margin rules. It connects triResolve’s existing award-winning portfolio reconciliation tool, case management workflow and dispute analytics to AcadiaSoft’s MarginSphere®. By linking the margin call and portfolio reconciliation process together triResolve Margin drives efficiency through straight through processing.

triCalculate continues to grow and sign new customers. It is a centralised risk analytics service which provides a web-based service to price, report and validate risk calculations using transparent and consistent models across a wide range of asset classes, data sources, and business units.

Traiana

Traiana operates the leading market infrastructure for pre and post trade risk management and post trade processing across multiple asset classes. Its robust and proven product suite automates trade processing across the life cycle for FX, cash equities, equity swaps, futures, OTC derivatives and fixed income. Traiana’s Harmony network connects more than 750 global banks, broker/dealers, buy side firms and trading platforms.

For the year ended 31 March 2016, revenue remained flat at £53 million (year ended 31 March 2015: £53 million). For the six month ended 30 September 2016, revenue decreased by 7 per cent. on a constant currency basis and increased by 4 per cent. on a reported basis at £27 million (six months ended 30 September 2015: £26 million) as the reduction in FX-related volume-based services was only partly offset by the increase in other cross assets subscription based services mainly the Client Link service to the Buy Side and Tier 2/3 banks.

Traiana continues to innovate, grow and diversify its business into other asset classes, delivering network-based solutions for all financial market participants, while also continuing to innovate in FX. In August 2015, Traiana reached a key milestone in the development of its CreditLink service which was used to check credit limits for an FX NDF trade on a SEF. In September 2015, in partnership with Bloomberg, Traiana announced plans to develop straight-through processing infrastructure to further streamline the workflow of FX options. The solution integrates Traiana’s Harmony messaging network with Bloomberg’s trade processing tools.

In March 2016, ICAP announced that the PTRI division had made a series of enhancements that will significantly expand its existing suite of regulatory services to offer customers an end-to-end menu of

products which meet MiFIR/MiFID II cross-asset reporting and processing obligations. The enhanced solutions leverage connectivity and build on functionality delivered by Traiana, for similar requirements under the Dodd-Frank Act, EMIR and other global regulatory regimes. The new service suite includes the provision of trade certainty for venue executed trades, trade and transaction report submission to Approved Publication Arrangements and Approved Reporting Mechanisms respectively, and global CCP connectivity for OTC executed trades.

In June 2016, both Barclays and UBS went live on Traiana's Harmony CCP Connect for Equities platform. These new banks will further enhance the netting benefits already seen by the market through automated central clearing of OTC equity trades. Some of the largest equity broker dealers, including Credit Suisse, Deutsche Bank, Instinet and J.P. Morgan, are already using Harmony CCP Connect to automate the matching and central clearing of their OTC equity contract for difference trades at their preferred clearing houses.

During the six month ended 30 September 2016, Traiana's equity swaps solution saw a threefold growth in allocation as clients embrace the post-trade efficiencies. Growth has been particularly strong in the Asia Pacific region reflecting the strong adoption of electronic trading in these markets, increased access by global buy-side firms and increased focus on straight-through-processing services by global equity prime brokers.

Reset

Reset is a provider of services that reduce the basis risk within portfolios from fixings in the interest rate, FX and inflation derivatives and bonds markets. Basis risk results from the structure of the instruments traded and unintended mismatches of exposure over time.

For the year ended 31 March 2016, revenue decreased by 5 per cent. to £37 million (year ended 31 March 2015: £39 million). For the six months ended 30 September 2016, revenue decreased by 5 per cent. on a constant currency basis and increased by 6 per cent. on a reported basis to £19 million (six month ended 30 September 2015: £18 million). The core business continues to be affected by low short dated interest rate volatility and further dampened volatility as a result of the quantitative easing programme of the European Central Bank.

ICAP Information Services

ICAP Information Services ("IIS") delivers independent data solutions to financial market participants. ICAP Indices, the index arm of IIS, develops and publishes a range of transaction broked indices. IIS generates subscription-based fees from a diversified global suite of products and services, while ICAP Indices' fee structure is based on assets under management of the products which are linked to the proprietary indices as well as licensing other index administrators for the use of ICAP data in their indices.

For the year ended 31 March 2016, revenue increased by 20 per cent. on a reported basis to £83 million (year ended 31 March 2015: £69 million). Excluding IGBB revenue presented as discontinued, for the six months ended 30 September 2016, revenue increased by 31 per cent. on a reported basis to £21 million (six month ended 30 September 2015: £16 million) partly driven by a change to bill some customers directly, increasing both revenue, and the related operating expenses. The IIS product and service range includes real-time and historical data from the Group's electronic trading venues, EBS BrokerTec, as well as from partners.

In July 2016, in collaboration with EBS BrokerTec, IIS launched the EBS CNH Benchmark, the first fully electronic, trade-backed reference rate for the offshore CNH market. The benchmark has been launched following considerable interest from a number of major Chinese banks and senior onshore authorities.

In September 2016, it was announced that IIS together with Wind Information Co., Ltd, a leading provider of financial data in China, had extended their market data portfolio to include real-time US Treasury pricing and global FX spot rates. This follows the partnership signed in early 2015 between the two parties to provide CNH and end-of-day US Treasury data in China.

Included within ICAP Information Services is IGBB Information Services, which delivers independent data solutions to financial market participants, generating subscription-based fees from a suite of products and services directly attributable to IGBB Global Broking and iSwap and which will transfer to Tullett Prebon on Completion.

Euclid Opportunities

The Post Trade Risk and Information division is building a portfolio of early-stage technology investments within Euclid Opportunities. It identifies and provides investment to emerging financial technology (“**fintech**”) firms providing new platforms, business models and technologies that have the potential to drive efficiency, transparency and scale across the transaction life cycle for the financial services industry and are complementary to the Group’s products.

In October 2016, ICAP announced that it had acquired Abide, following a previous investment by Euclid in July 2015. Abide will become a subsidiary of the Post Trade Risk and Information division. Following the acquisition, Abide will integrate its regulatory reporting hub and venues with Traiana’s connectivity and the Group’s Approved Publication Arrangement reporting service providing Post Trade Risk and Information’s client base with a full spectrum of integrated reporting solutions.

During the six months ended 30 September 2016, Euclid co-led the funding round of Cloud9 Technologies, a cloud-based trading communication provider and OpenGamma, a provider of open source financial software and derivatives risk analytics tools. In addition Euclid joined the Utility Settlement Coin, a collaboration between UBS, BNY Mellon, Deutsche Bank, Santander and Clearmatics, which is exploring future implementation of an asset-backed digital cash instrument.

ENSO

ENSO is changing the way that hedge funds and prime brokers communicate and enhance relationships by offering a suite of analytics and tools that provide its hedge fund clients with a macro view of all their relationships across multiple prime brokers and counterparties. Their services deliver data and insight on counterparty credit risk, collateral management, portfolio financing and treasury. At the same time, all of these counterparties can connect and directly engage through ENSO’s network.

7.3 Principal Markets

Post Trade Risk and Information manages its operations on a global basis.

The below table shows a breakdown of revenue for the Post Trade and Information division for the years ended 31 March 2016, 31 March 2015 and 31 March 2014:

| | Year ended 31 March | | |
|--|------------------------|------------|------------|
| | 2016 | 2015 | 2014 |
| | (£ in millions) | | |
| Revenue by region | | | |
| EMEA | 124 | 110 | 99 |
| Americas | 80 | 77 | 71 |
| Asia Pacific | 41 | 41 | 42 |
| Total | 245 | 228 | 212 |
| IGBB revenue presented as discontinued | (51) | (41) | (38) |
| Total Continuing Revenue | 194 | 187 | 174 |

EMEA

Post Trade Risk and Information’ key offices in EMEA are in London, Stockholm and Tel Aviv. Post Trade Risk and Information revenue in EMEA for the year ended 31 March 2016 was £124 million (year ended 31 March 2015: £110 million, year ended 31 March 2014: £99 million), representing 51 per cent. of total Post Trade Risk and Information revenue (year ended 31 March 2015: 48 per cent., year ended 31 March 2014: 47 per cent.).

Americas

Post Trade Risk and Information’ key offices in the Americas are in New York and Jersey City. Post Trade Risk and Information revenue in the Americas for the year ended 31 March 2016 was £80 million (year ended 31 March 2015: £77 million, year ended 31 March 2014: £71 million), representing 33 per cent. of total Post Trade Risk and Information revenue (year ended 31 March 2015: 34 per cent., year ended 31 March 2014: 33 per cent.).

Asia Pacific

Post Trade Risk and Information key offices in Asia Pacific are in Singapore, Philippines, Hong Kong and Tokyo. Post Trade Risk and Information revenue in the Asia Pacific for the year ended 31 March 2016 was £41 million (year ended 31 March 2015: £41 million, year ended 31 March 2014: £42 million), representing 17 per cent. of total Post Trade Risk and Information revenue (year ended 31 March 2015: 18 per cent., year ended 31 March 2014: 20 per cent.).

7.4 Information Technology

Post Trade Risk and Information through its five divisions deploys a number of computer and communications systems and networks to operate its business, including front office platforms available to customers; and middle office systems to record, confirm, enrich, eliminate, report and reconcile trades.

TriOptima

TriOptima's services are supported by a suite of systems where client interaction is facilitated by a number of sophisticated web-based applications. TriOptima's services receive data on the majority of the world's non-cleared OTC derivative trades on a daily basis. The data is cleaned and normalized and stored in the applications using high-availability cluster-based database management systems.

The entire TriOptima production infrastructure is owned and fully controlled by TriOptima. The production sites are geographically separated with very strong physical and environmental controls, interconnected through duplicated private fibre connections. The production environment is designed to have no single point of failure, with redundancy in all physical components as well as in all software, hardware and network connectivity. This provides assurance that the services will remain available even in the unlikely event of one of the production sites becoming completely unavailable. In ordinary circumstances, services are delivered from all production sites in parallel.

TriOptima has in recent years invested in the development of triCalculate, a high performance counterparty credit risk analytics service. triCalculate utilizes massively parallel computing devices, executing calculations on thousands of cores to achieve highly reliable, high performance XVA computing. triCalculate as well as other TriOptima services are developed using an API-first approach with Microservices and deployed using modern cloud computing technologies resulting in a highly resilient, flexible and scalable platform.

Since 2009, TriOptima and all its subsidiaries are ISO 27001 certified. ISO 27001 is the international ISO standard for information security management. TriOptima employs high industry standards that meet or exceed ISO 27001 requirements within all areas covered by the standard, including software development, operations, communications, physical security and business continuity planning.

Traiana

Traiana's IT system is based on two identical hosting facilities acting as Production and as Disaster Recovery running in passive mode. The facilities host the application environment containing application, database and storage devices, all with redundancy clusters. This enables Traiana to guarantee a high availability of service with no single point of failure. Traiana uses a combination of physical and virtual environments, based on the specific service needs, and cost optimisation. The hosting facilities are provided by premium grade providers with the highest level of service quality and uptime together with highest level of IT governance and security certifications.

Traiana has undertaken a number of enhancements to its IT systems and infrastructure to handle increased volumes including the upgrade to high speed Ethernet and to flash arrays based storage devices. Measures to improve application level capacity and the ability to handle high volumes and data flow spikes with a lower than 1 millisecond latency have also been taken to improve client service.

Traiana also has a number of measures in place to safeguard data and to combat cybersecurity. These measures include segregation of duties and least privileges approach for all engineers. Traiana also applies a number of technical control levels as prevention measures, including DDOS protection mechanisms, firewalls, and vulnerability scanning. Aligned to the measures and safeguards Traiana has an established compliance and audit process covering security audits, penetration tests and secure code scanning and remediation processes.

IIS

IIS manages a number of messaging and data storage systems to operate its business, comprising a centralised global market data system and historical database. This enables IIS to process raw data from electronic and voice broking divisions, which can be delivered globally via multiple feed formats.

IIS deploys computer and communications systems and networks to capture, cleanse and package data, and to disseminate it both in real-time and at the end of each day to customers and information vendors. In recent years, IIS has invested in the development and launch of a new, high availability database. This has allowed us to extract and store increasing amounts of data generated from hybrid and electronic execution platforms.

IIS has simultaneously invested in a global QA monitoring system that allows real-time surveillance of data, error management and trend analysis.

IIS benefits from a shared technical infrastructure, including primary and secondary data centres, to run its various systems and storage facilities. These data centres, located in each of the three geographic regions in which IIS operates, are connected via a wide area network.

RESET

RESET utilises a number of IT systems to operate its risk mitigation business including bespoke applications which allow for the management and matching of client submissions to achieve complex risk reduction solutions within client tolerances. Other software handles static data and functions such as trade delivery; amendments and reporting as well as supporting other administrative functions.

RESET wherever possible utilises the existing ICAP infrastructure managed by IGBB (which will continue to be provided following Completion pursuant to the RTSA), allowing the business to concentrate IT resources on improving business software and meet any specific client requirements such as extra trade reports. RESET is currently developing a web-based application which uses OpenFin browser technology to deliver a richer user experience. This will result in a significant shift on how the clients interact with the service and allow us to deliver more value to them.

In order to meet with the requirements brought about by the ongoing regulatory reforms of the OTC derivatives markets, RESET has continuously upgraded its trade execution and delivery interfaces; allowing for SEF execution (we use the ISUL SEF); reporting and clearing with clear focus on making sure that trade handling happens as fast as technologically possible but also making sure we monitor and log each change in deal state.

Euclid Opportunities

Euclid Opportunities uses minimal IT systems and benefits from shared IT infrastructure within the Group. The shared infrastructure includes email, networks and data storage.

8. GLOBAL BROKING

8.1 Principal Strengths

Quality of broking services

Global Broking provides services to participants in wholesale financial and commodities markets across a wide range of geographies and asset classes. Global Broking's brokers have deep customer relationships which they use to help identify potential trading interest, access liquidity and facilitate price discovery in a vast array of financial instruments.

The quality of the broking service which Global Broking provides to clients has been recognised by Global Broking being voted number one in multiple product categories across regions in Risk Magazine's annual interdealer ranking in each of the last five years.

Breadth of product and geographic coverage

Global Broking provides hybrid voice inter-dealer broking services and complementary information services products across a wide range of asset classes including rates, emerging markets, commodities, equities, FX and money markets and credit. Global Broking offers its customers a choice of trading venues and services, allowing them to select the execution method (matched principal,

agency/name give-up or execution on-exchange) appropriate for the liquidity of the product and their specific needs. Market participants use Global Broking's hybrid voice broking services to assess trading availability and successfully execute trades. Customers range from investment banks for fixed income products to end-user corporates and industrials for commodities.

Variety of execution methods

Market participants can use Global Broking's voice and hybrid broking services to assess trading availability and successfully execute trades. Global Broking's 1,368 voice brokers (as at 31 March 2016) can draw on their deep customer relationships and market expertise and on Global Broking's suite of pre-trade price discovery screens to identify potential trading interest, and in doing so create transparency, liquidity and facilitate the price discovery process. This is particularly important in markets where there is a wide range of potential transaction types and the number of parties willing to enter into certain transactions at any moment may be limited.

Global Broking offers broking services for a wide range of asset classes including rates, FX, commodities, emerging markets, credit and equities. For each of these asset classes, Global Broking has electronic capability which gives customers the choice to enter prices and execute trades electronically, directly via one of ICAP's electronic trading systems and/or to engage with a broker to identify and help negotiate trades.

There has also been significant growth in revenue generated by Global Broking's electronic matching platforms and further expansion of the trading facilitated by these platforms is expected as customers become increasingly comfortable with such offerings.

Limited exposure to market and credit risk

Global Broking holds or deals in assets that do not stay on its balance sheet for any longer than the normal settlement cycle on the occasions when it is involved in "matched principal" or exchange-traded broking. Global Broking does not intentionally take proprietary positions during the provision of its services. From time to time, small positions result from broker errors or the inability to precisely match both sides of matched principal trades. Its revenues are predominantly attributable to the fees and commissions based on levels of customer activity and usage of its services.

Global Broking enters into transactions only when executing on behalf of customers, providing customer access to clearing or providing additional fee-based services. However, there is a short-term credit exposure prior to clearing and settlements, and outstanding receivable risk that Global Broking manages. The matched principal business involves Global Broking acting as counterparty on trades which are undertaken on a delivery-versus payment basis. Global Broking manages its credit risk on these transactions through appropriate policies and procedures including stringent on-boarding requirements, setting appropriate cash limits for all counterparties which are closely monitored to restrict any potential loss through counterparty default. Global Broking only engages in activities which it believes will not result in loss due to credit risk.

Global Broking defines market risk as the risk of losses in on- and off-balance sheet positions arising from adverse movements in market prices. Global Broking does not actively take market risk. Where market risk does arise this is due to failures in Global Broking's expected business processes, systems or human error. Global Broking does not engage in proprietary trading or actively seek market exposure and actively reduces any incidental market exposure resulting from its activities as soon as reasonably practicable.

8.2 Principal Activities

The below table shows revenue for the Global Broking division for the years ended 31 March 2016, 31 March 2015 and 31 March 2014 and the six month periods ended 30 September 2016 and 30 September 2015 broken down in relation to each of the product groups:

| | Year ended 31 March | | | Six months ended 30 September | |
|--|---------------------|------------|------------|-------------------------------|------------|
| | 2016 | 2015 | 2014 | 2016 | 2015 |
| | (restated) | | | | |
| | (£ in millions) | | | | |
| Product Group | | | | | |
| Rates | 244 | 254 | 282 | 130 | 119 |
| Emerging Markets | 112 | 125 | 142 | 61 | 57 |
| Commodities | 119 | 116 | 125 | 58 | 56 |
| Equities | 109 | 103 | 108 | 58 | 57 |
| FX and Money Markets | 68 | 73 | 73 | 35 | 33 |
| Credit | 35 | 39 | 36 | 16 | 18 |
| Closed desks | 7 | 79 | 135 | 2 | 5 |
| Total | 694 | 789 | 901 | 360 | 345 |
| IGBB revenue presented as discontinued | (686) | (762) | (873) | (358) | (340) |
| Total Continuing Revenue | 8 | 27 | 28 | 2 | 5 |

Rates

Global Broking's Rates business comprises the broking of interest rate derivatives, government bonds and repos and is the largest asset class by revenue for Global Broking. The main revenue contributors are voice/voice-electronic hybrid broking of OTC interest rate derivatives and government bonds in London, Jersey City and, to a smaller extent, Australia.

For the year ended 31 March 2016, the Global Broking Rates product group generated revenue of £244 million (year ended 31 March 2015: £254 million). For the six months ended 30 September 2016, revenue increased by 9 per cent. on a reported basis to £130 million (six months ended 30 September 2015: £119 million).

Trading activity in interest rate derivatives benefitted from the volatility created by the EU referendum, the reduction of interest rates in the UK and the reinstatement of quantitative easing by the Bank of England. In addition, trading activity in dollar interest rate derivatives was fuelled by speculation around US interest rates and increased issuance. In contrast, reduced liquidity following the US Federal Reserve's decision not to change US interest rates dampened US government bonds activity.

The relative value desk continues to grow and expand its footprint and has benefitted from US interest rate speculation and increased market share.

Emerging Markets

Global Broking is active in the emerging markets product group across Asia Pacific, Latin America, Central and Eastern Europe and Africa. Global Broking Emerging Markets product group revenue includes domestic broking in local markets and cross-border broking activity in globally traded emerging markets financial instruments.

Global Broking Emerging Markets product group revenues are generated in both offshore centres and onshore centres. The largest offshore centres are London and Jersey City and the largest onshore presence is in Brazil.

For the year ended 31 March 2016, the Global Broking Emerging Markets product group generated revenue of £112 million (year ended 31 March 2015: £125 million). For the six months ended 30 September 2016, revenue increased by 7 per cent. on a reported basis to £61 million (six months ended 30 September 2015: £57 million).

Increased market confidence, corporate earnings and government commitment resulted in an improvement in the Brazil business performance whilst Latin American products were boosted by local

currency appreciation and speculation around Colombian interest rates. Central and Eastern European markets have seen an increase in activity due to post Brexit volatility. High activity in Turkish products was driven by political instability and the failed military coup in July 2016. Asian products have experienced challenging conditions, with the CNH forwards market lacking volatility due to the tightening of the onshore short term rate. Matching sessions have driven improvement in emerging markets.

Commodities

Global Broking is involved in the broking of transactions in various commodities, in particular energy (including power and electricity, oils, natural gas, coal and alternative fuels), metals and other bulk commodities. It is largely comprised of broking oils, natural gas and power in the United States and Europe. The United States business is spread across numerous locations with Jersey City and Kentucky being the largest offices. The European business is largely based in London and has smaller offices across Continental Europe including in Norway, Spain and Holland.

For the year ended 31 March 2016, the Global Broking Commodities product group generated revenue of £119 million (year ended 31 March 2015: £116 million). For the six months ended 30 September 2016, revenue increased by 4 per cent. on a reported basis to £58 million (six months ended 30 September 2015: £56 million). An increase in trading activity in metals and North American electricity was more than offset by subdued conditions in alternative fuels and softs and agriculture.

In October 2016, initial completion documents were signed to transfer the Group's London-based desks responsible for providing broking services in relation to fuel oil, crude oil, middle distillates, oil futures and options, along with ancillary New York-based and Singapore-based desks to INTL FCStone Ltd. Final completion is expected by the end of the year.

Equities

Global Broking's Equities revenues are generated largely from equity derivatives broking in Global Broking's Jersey City and London offices.

For the year ended 31 March 2016, the Global Broking Equities product group generated revenue of £109 million (year ended 31 March 2015: £103 million). For the six months ended 30 September 2016, revenue increased by 2 per cent. on a reported basis to £58 million (six months ended 30 September 2015: £57 million) due to uncertainty around Brexit and the continued low interest rate environment affecting global equity markets.

FX and Money Markets

Global Broking's FX and Money Markets revenues are generated largely by broking FX forwards with smaller businesses in spot FX and cash deposits. These revenues are primarily generated in Jersey City and London.

For the year ended 31 March 2016, the Global Broking FX and Money Markets product group generated revenue of £68 million (year ended 31 March 2015: £73 million). For the six months ended 30 September 2016, revenue increased by 6 per cent. on a reported basis to £35 million (six months ended 30 September 2015: £33 million).

FX volatility remained at low levels due to compressed volumes and a contracting market. FX volumes benefitted from volatility around the time of the UK's EU referendum however, continue to be impacted by low risk appetite and the low interest rate environment.

Credit

Global Broking's Credit revenues are generated almost entirely from broking corporate bonds with a small presence in credit derivatives, largely from Global Broking's Jersey City and London offices.

For the year ended 31 March 2016, the Global Broking Credit product group generated revenue of £35 million (year ended 31 March 2015: £39 million). For the six months ended 30 September 2016 revenue decreased by 11 per cent. on a reported basis to £16 million (six months ended 30 September 2015: £18 million) as balance sheet constraints, resulting in low bank bond inventory, continue to reduce secondary market activity in all regions.

Scrapbook, an e-solution for the corporate bond market, continues to gain traction. In addition, CrossTrade, the Group's first buy side offering launched in December 2015, has now been launched in the Americas in addition to EMEA.

Closed desks

As part of the restructuring programme implemented in the year ended 31 March 2015, Global Broking exited asset classes and geographies in which they operated that were not core to the Global Broking strategy.

8.3 Principal Markets

Global Broking manages its operations on a regional basis in EMEA, Americas, and Asia Pacific.

The below table shows a breakdown of revenue for the Global Broking division for the years ended 31 March 2016, 31 March 2015 and 31 March 2014:

| | Year ended 31 March | | |
|--|---------------------|------------|------------|
| | 2016 | 2015 | 2014 |
| | (£ in millions) | | |
| Revenue by region | | | |
| EMEA | 335 | 396 | 437 |
| Americas | 263 | 297 | 362 |
| Asia Pacific | 96 | 96 | 102 |
| Total | 694 | 789 | 901 |
| IGBB revenue presented as discontinued | (686) | (762) | (873) |
| Total Continuing Revenue | 8 | 27 | 28 |

EMEA

Global Broking's key offices in EMEA are in London, Frankfurt and Copenhagen. Global Broking revenue in EMEA for the year ended 31 March 2016 was £335 million (year ended 31 March 2015: £396 million), representing 48 per cent. of total Global Broking revenue (year ended 31 March 2015: 50 per cent.).

Americas

Global Broking's key offices in the Americas are in New York, Jersey City, Houston and Sao Paulo. Global Broking revenue in the Americas for the year ended 31 March 2016 was £263 million (year ended 31 March 2015: £297 million), representing 38 per cent. of total Global Broking revenue (year ended 31 March 2015: 38 per cent.).

Asia Pacific

Global Broking's key offices in Asia Pacific are in Singapore, Hong Kong, Tokyo, Sydney, Seoul, Jakarta, and Manila. Global Broking revenue in Asia Pacific for the year ended 31 March 2016 was £96 million (year ended 31 March 2015: £96 million), representing 14 per cent. of total Global Broking revenue (year ended 31 March 2015: 12 per cent.).

8.4 Information Technology

Global Broking deploys a number of computer and communications systems and networks to operate its broking business, including front office broking platforms available to customers and brokers to disseminate information, provide analytics and to collect and manage orders; and middle office systems to record, confirm, enrich, report, monitor, and settle trades and to calculate brokerage commission.

Global Broking deploys back office systems for sending confirmations, invoicing customers, for financial management, for reporting trades to clearing and settlement facilities, and to support other administrative functions.

Global Broking's systems form an integral part of the services offered to customers who rely upon them to facilitate their activities.

Over the last few years Global Broking has made investments in the development and launch of new e-commerce, hybrid and electronic broking platforms, straight-through-processing functionality and associated technology infrastructure. Global Broking's e-commerce, hybrid and electronic broking platforms provide clients with the flexibility to transact either electronically or via the business's comprehensive voice execution broker network.

The regulatory reforms to the OTC derivatives markets that have been and are being introduced in the main territories in which Global Broking operates, require in some cases, the deployment of front office order management systems and middle office deal management systems with particular functionality and connectivity capability. Global Broking operates two SEFs: one based in the United States (ICAP SEF (US) LLC) and one in the United Kingdom (ICAP Global Derivatives Limited) and is required to operate an electronic system to meet the minimum functionality requirements to enable all market participants to enter multiple bids and offers, to observe and receive bids and offers, and to transact on such bids and offers.

Global Broking has deployed multiple systems to satisfy its regulatory compliance and business oversight requirements in the locations in which it operates. These systems provide for record keeping, compliance monitoring, trade and order surveillance and regulatory reporting.

Global Broking deploys technical infrastructure to run the various platforms and systems and has established primary and secondary data centres in each of the three geographic regions in which Global Broking operates.

These data centres are connected through a wide area network that carries data communications at the high speed necessary for low-latency trading systems, together with sufficient bandwidth to accommodate telephone communications over the global network.

9. DIVIDENDS

Newco's dividend policy will be to maintain a progressive dividend in line with its view of the underlying earnings and cash flow of the Group.

PART 3: DIRECTORS AND CORPORATE GOVERNANCE

Directors

The following table lists the names, ages, positions and appointment dates (to the ICAP Board) of each of the Current Directors and Proposed Directors of Newco. The Proposed Directors' appointments to the Board will be effective as at the Scheme Effective Date. Each of the Directors will also be appointed to the same position and roles as they currently hold in ICAP with Newco at the Scheme Effective Date.

| Name | Age | Position | Date appointed to the ICAP Board |
|---------------------------|-----|------------------------------------|----------------------------------|
| Current Directors | | | |
| Charles Gregson | 69 | Chairman | 1999 |
| Michael Spencer | 61 | Group Chief Executive Officer | 1999 |
| Stuart Bridges | 56 | Group Finance Director | 2015 |
| Proposed Directors | | | |
| John Sievwright | 61 | Senior Independent Director | 2009 |
| Robert Standing | 56 | Independent Non-Executive Director | 2010 |
| Ivan Ritossa | 55 | Independent Non-Executive Director | 2013 |

The business address of each of the Directors is 2 Broadgate, London EC2M 7UR.

The management expertise and experience of each of the Directors is set out below:

Charles Gregson, Chairman

Charles was appointed as a director of ICAP in September 1999 and, in addition to being Chairman of the ICAP Board, he is Chairman of ICAP's Governance and Nomination Committees. Charles will be appointed to the same position and roles in Newco. Charles led the development of Garban plc from a small London-based FX and deposit broker to an international business with leading positions in FX, currency deposits, OTC derivatives, government and corporate bonds. Garban plc merged with Intercapital plc in 1999, becoming ICAP plc in 2001. Charles brings considerable senior board level expertise and a thorough understanding of the importance of maintaining strong relationships with the institutional investor community, media and regulatory bodies. He has served on a number of boards in the financial services and media sectors including as non-executive chairman of St James's Place plc and CPP Group plc and as deputy chairman of Provident Financial plc. Charles was also a non-executive director of United Business Media plc and PR Newswire Europe Limited. Charles is also a non-executive director of Caledonia Investments plc and Non-Standard Finance plc. Charles holds a degree in Law from the University of Cambridge and qualified as a solicitor.

Michael Spencer, Group Chief Executive Officer

Michael was appointed as a director of ICAP in September 1999 and, in addition to being Group Chief Executive Officer, he is a member of ICAP's Governance and Nomination Committees. Michael will be appointed to the same position and roles in Newco. Michael has worked in the financial services industry for more than 30 years and is well respected within the industry. He founded Intercapital in 1986 and became its Chairman and Chief Executive in October 1998. Michael chairs the GEMG, the executive committee responsible for strategy and its implementation. Michael brings immense knowledge and experience to the Board. He has a deep understanding of the markets in which the Group operates and substantial entrepreneurial and senior management expertise. Michael, together with IPGL (Holdings) Limited and its subsidiary companies, is a substantial shareholder ICAP. Michael was instrumental in founding ICAP's Charity Day in 1993. To date, it has contributed £127 million across more than 2,000 charities worldwide. Michael is chairman of IPGL (Holdings) Limited and is on the boards of many of its investments. He is the chairman of The Conservative Party Foundation Limited. Michael holds a degree in Physics from the University of Oxford.

Stuart Bridges, Group Finance Director

Stuart was appointed as ICAP's Group Finance Director in September 2015 and he is a member of ICAP's Governance Committee. Stuart will be appointed to the same position and role in Newco. Prior to joining ICAP, Stuart was Chief Financial Officer at Hiscox Limited where he had been since 1999. He has held posts in various financial services companies in the UK and US, including Henderson Global

Investors. Stuart brings wide ranging experience of implementing change and achieving business success and profitability to the Board. Stuart helps lead the strategic direction of the Group and is responsible for the Group's finance, company secretarial, investor relations and regulatory affairs functions. He chairs the Group Finance Committee and is a member of the GEMG and the Global Operating Committee. Stuart is a non-executive director of Caledonia Investments plc, a member of the Audit Committee of the Institute of Chartered Accountants in England and Wales and a member of the Finance Committee of the Royal Institution. Stuart holds an MA degree in Engineering from the University of Cambridge and is a Chartered Accountant.

John Sievwright, Senior Independent Director

John was appointed to the ICAP Board in July 2009 as Senior Independent Director. He is Chairman of ICAP's Audit and Risk Committees and a member of ICAP's Governance, Nomination and Remuneration Committees. John will be appointed to the same position and roles in Newco. John has extensive experience in investment banking including a 20-year career with Bank of America Merrill Lynch (formerly Merrill Lynch) where he held a number of senior management positions including that of Chief Operating Officer, International, based in New York, Tokyo and London. He was previously senior independent director for FirstGroup plc and was chairman of its audit committee. John brings extensive financial and operational experience of the financial services sector to the Board. John holds an MA degree in Accounting and Economics from the University of Aberdeen and is a member of the Institute of Chartered Accountants in Scotland.

Robert Standing, Independent Non-Executive Director

Robert was appointed as an Independent Non-Executive Director of ICAP in July 2010. He is the Chairman of ICAP's Remuneration Committee and a member of ICAP's Audit, Risk and Nomination Committees. Robert will be appointed to the same position and roles in Newco. Robert is a principal of LDF Advisers LLP which was founded within the JPMorgan group in 1995 and spun out in 2002. Robert joined Chemical Bank in 1982, spending two years developing new products before joining the Capital Markets division in 1985. Following acquisitions by JPMorgan, he worked in a range of roles before becoming Head of Fixed Income and Foreign Exchange for EMEA in 1998. Robert is one of the founders of the Hedge Fund Standards Board. He has extensive product knowledge and senior management experience. Robert is a director of London Diversified Fund Management (UK) Ltd. Robert holds a degree in Engineering from the University of Cambridge.

Ivan Ritossa, Independent Non-Executive Director

Ivan Ritossa was appointed as an Independent Non-Executive Director of ICAP in July 2013. He is a member of ICAP's Audit, Risk, Remuneration and Nomination Committees. Ivan will be appointed to the same position and roles in Newco. Ivan has extensive electronic and voice markets experience in foreign exchange, commodities, credit, prime services and equities and brings more than 30 years of global investment banking expertise to the Board. Prior to joining ICAP, he served on the Executive Committee for Barclays Investment Bank, as a non-executive director of ABSA Group and an executive director of Barclays' Saudi Arabia board. Ivan has been a member of numerous industry committees including the New York Federal Reserve Foreign Exchange Committee, the Bank of England Foreign Exchange Joint Standing Committee and the Singapore Foreign Exchange Markets Committee. Ivan is a non-executive director of ICAP Global Derivatives Limited, ICAP SEF (US) LLC and EBS Global Facility Limited. Ivan holds an honours degree in Finance from the University of New South Wales, Australia.

Corporate Governance

The Board is committed to the highest standards of corporate governance. The Board intends to comply in full with the UK Corporate Governance Code (the “**Corporate Governance Code**”) published in April 2016 by the Financial Reporting Council. Newco will report to Shareholders on its compliance with the Corporate Governance Code in accordance with the Listing Rules.

The Corporate Governance Code recommends that at least half of the members of the board of directors (excluding the chairman) of a public limited company incorporated in England and Wales should be independent in character and judgement and free from relationships or circumstances which are likely to affect, or could appear to affect, their judgement. On Admission, the Board will be composed of six members, consisting of the Chairman, two Executive Directors and three Independent Non-Executive

Directors. Accordingly, on Admission, Newco will comply with the provisions of the Corporate Governance Code that at least half of the Board (excluding the Chairman) should comprise independent non-executive directors.

The Corporate Governance Code also recommends that the Board should appoint one of the Independent Non-Executive Directors as Senior Independent Director and John Sievwright has been appointed to fill this role. The Senior Independent Director should be available to Shareholders if they have concerns which contact through the normal channels of the Chairman, the Chief Executive Officer or the Group Finance Director has failed to resolve or for which such contact is inappropriate.

The Chairman's role is to ensure good corporate governance. His responsibilities will include leading the Board, ensuring the effectiveness of the Board in all aspects of its role, ensuring effective communication with shareholders, setting the Board's agenda and ensuring that all Directors are encouraged to participate fully in the activities and decision making process of the Board.

Committees of the Board

The Board has established Governance, Nomination, Remuneration, Audit and Risk Committees, each with formally delegated duties and responsibilities with written terms of references. From time to time, separate committees may be set up by the Board to consider specific issues when the need arises.

Governance Committee

The Governance Committee is responsible for shaping and monitoring the corporate governance structure of the Group, including both regulated and unregulated entities. The committee will, generally, review, offer recommendations and make recommendations in relation to all aspects of corporate governance within the Group and review any departures or non-compliance from the UK Corporate Governance Code, and explanations to Shareholders, advising how the Group's framework is consistent with good governance.

The principal areas of responsibility are (amongst other things): to undertake an annual review of the Group's policies to satisfy itself of the overall adequacy of those policies following regular review by internal audit under the Group's internal audit plan; to approve the appointment of all officers and directors of the Group's principal financing subsidiary, IGH, and all other subsidiaries; instructing internal audit and/or other internal or external experts to undertake scheduled reviews of governance effectiveness; reviewing the operation of the applicable governance arrangements for ICAP Securities & Derivatives Exchange Ltd (ISDX) and ICAP's SEF entities; approving new regulatory applications by Group companies; reviewing regulatory waivers and monitoring compliance of such waivers; and reviewing regulatory enquiries.

The Governance Committee membership is made up of the Chairman of the Board, the Group Chief Executive Officer, the Senior Independent Director, a Non-Executive Director and the Group Finance Director. The Chairman of the Board is Chairman of the committee and the Global Chief Operating Officer and the Group General Counsel are attendees.

Nomination Committee

The Nomination Committee is responsible for reviewing the structure, size, composition and succession planning of the Board. The principal areas of responsibility are: to identify and nominate, for the approval of the Board, candidates to fill Board positions as and when they arise, to balance the skills, knowledge and experience on the Board, to give full consideration to succession planning for Directors and other senior executives and to keep under review the leadership needs of the organisation, both executive and non-executive. The committee reports to the Board.

The committee members are appointed by the Board and comprise a majority of independent non-executive directors. The Chairman of the Board is the Chairman of the committee.

The Group is committed to providing and promoting equality of opportunity in employment and advancement and an environment that ensures tolerance and respect for all employees. The Group's policy is that no employee, applicant, contractor or temporary worker will be treated less favourably, victimised or harassed on the grounds of disability, gender, marital or civil partnership status, race, nationality, colour, ethnicity, religion or similar philosophical belief, sexual orientation, age or any distinction other than merit. Accordingly, all Board appointments are made on merit, acknowledging the

benefits a diverse range of skills, experience, background and gender can bring to the Board and the committee therefore does not support the implementation of quotas.

Remuneration Committee

The Remuneration Committee is authorised by the Board to review and approve proposals to ensure that the Group's global reward and employee benefits approach supports the business strategy of the Group. The committee's responsibility is the oversight of the remuneration strategy for the Group, to ensure that the Group's approach to remuneration is aligned with the interests of employees and shareholders and to comply with current best practice and regulatory requirements.

The committee's principal areas of responsibility are: reviewing and approving the overall remuneration policy of the Group at least every three years, setting remuneration and pension/benefit policies for executive directors, senior staff and other key employees across the business, approving any contracts of employment for employees below the Board with terms that exceed certain agreed levels of duration, notice period or remuneration, ensuring that remuneration proposals are compliant with both the letter and spirit of local legislation or regulatory guidelines and to consider implications for risk management.

The committee members are appointed by the Board and comprise independent non-executive directors. The chairman of the committee is appointed by the Board.

Audit Committee

The Audit Committee is responsible for the effective governance of the Group's financial reporting, including the adequacy of financial disclosures and both the external and internal audit functions

The principal areas of responsibility are: to review and challenge the integrity of external financial reporting, to review the Group's internal financial controls, to monitor and review the effectiveness of the Group's internal and external auditors, to consider the appointment of the external auditor and assess its independence, to review and approve the internal audit plan, to make recommendations to the Board relating to the appointment or dismissal of the outsourced internal audit function, to review the major findings and recommendations of external audit reports and to approve external audit fees. The committee reviews the Group's accounting policies; it monitors the integrity of the Group's financial statements, including the half-year and annual reports and interim management statements, and other announcements relating to the Group's financial performance to ensure that these present a balanced and clear assessment of the Group's financial position and outlook.

The Audit Committee members are all independent non-executive directors and the committee is chaired by John Sievwright. The Board is satisfied that all committee members have recent and relevant financial experience and bring extensive financial expertise to the committee. The Board is also satisfied that the Audit Committee as a whole has competence relevant to the sector in which the Group operates. Under the committee's terms of reference, and to ensure a free flow of information, at least one member of the Audit Committee should be a member of the Risk Committee. Currently, all members of the committee are also members of the Risk Committee. The Audit Committee reports to the Board.

Meetings are regularly attended by the Chairman of the Board, Group Finance Director, Global Chief Operating Officer, Group General Counsel, Chief Finance Officer Group Finance, Group Head of Internal Audit and the external audit partner. The chairman of the Audit Committee maintains contact with attendees throughout the year.

Risk Committee

The Risk Committee is responsible for setting the overall risk strategy, risk appetite and risk tolerance for the Group to ensure that the risk management function within the Group promotes the success of the Group within this framework.

The principal areas of responsibility are: to review the quality and effectiveness of the Group's risk management framework, in particular to ensure that the key risks of the Group (including emerging threats) are properly assessed and mitigated, to monitor the mechanisms of internal control and to review the internal audit programme as part of integrated assurance.

To ensure and reinforce the independence of the risk and compliance functions, the committee is responsible for approving the appointment and dismissal of the Chief Risk and Compliance Officer and

for making recommendations to the Remuneration Committee regarding her compensation. The committee reports to the Board.

Share dealing policy and code

Newco has adopted a share dealing policy and code in relation to the Newco Ordinary Shares which complies with the relevant requirements of the Market Abuse Regulation. The code applies to the Directors and other relevant employees of the Group.

PART 4: HISTORICAL FINANCIAL INFORMATION

Historical financial information

The following documents have been filed with the FCA and are available for inspection in accordance with paragraph 22 of Part 7: *Additional Information*:

- ICAP's annual report 2016 (which includes ICAP's audited financial statements for the year ended 31 March 2016) ("**ICAP's Annual Report 2016**");
- ICAP's annual report 2015 (which includes ICAP's audited financial statements for the year ended 31 March 2015) ("**ICAP's Annual Report 2015**");
- ICAP's annual report 2014 (which includes ICAP's audited financial statements for the year ended 31 March 2014) ("**ICAP's Annual Report 2014**");
- ICAP's press release relating to its half year results for the six months 30 September 2016 ("**ICAP's Half Year Results 2016**"); and
- ICAP's press release relating to its half year results for the six months 30 September 2015 ("**ICAP's Half Year Results 2015**").

Information incorporated by reference

The table below sets out the various sections of the documents referred to above which are incorporated by reference into, and form part of, this Prospectus so as to provide certain information required pursuant to the Prospectus Rules, and only the parts of the documents identified in the tables below are incorporated into, and form part of, this Prospectus. The parts of these documents which are not incorporated by reference are either not relevant for investors or are covered elsewhere in this Prospectus. To the extent that any part of any information referred to below itself contains information which is incorporated by reference, such information shall not form part of this Prospectus.

| Reference Document | Information incorporated by reference into this Prospectus | Page number in reference document |
|---|--|-----------------------------------|
| For the year ended 31 March 2016 | | |
| ICAP's Annual Report 2016 | Independent auditors' report | 71–76 |
| | Consolidated income statement | 78–79 |
| | Consolidated statement of comprehensive income | 80 |
| | Consolidated and Company balance sheet | 81 |
| | Consolidated statement of changes in equity | 82 |
| | Company statement of changes in equity | 83 |
| | Consolidated and Company statement of cash flow | 84 |
| | Basis of preparation | 85 |
| | Notes to the financial statements | 89–137 |
| For the year ended 31 March 2015 | | |
| ICAP's Annual Report 2015 | Independent auditors' report | 91–95 |
| | Consolidated income statement | 96–97 |
| | Consolidated statement of comprehensive income | 98 |
| | Consolidated and Company balance sheet | 99 |
| | Consolidated statement of changes in equity | 100 |
| | Company statement of changes in equity | 101 |
| | Consolidated and Company statement of cash flow | 102 |
| | Basis of preparation | 103–105 |
| | Notes to the financial statements | 107–150 |

| <u>Reference Document</u> | <u>Information incorporated by reference into this Prospectus</u> | <u>Page number in reference document</u> |
|---|---|--|
| For the year ended 31 March 2014 | | |
| ICAP's Annual Report 2014 | Independent auditors' report | 89–93 |
| | Consolidated income statement | 96–97 |
| | Consolidated statement of comprehensive income | 98 |
| | Consolidated and Company balance sheet | 99 |
| | Consolidated statement of changes in equity | 100 |
| | Company statement of changes in equity | 101 |
| | Consolidated and Company statement of cash flow | 102 |
| | Basis of preparation | 103–105 |
| | Notes to the financial statements | 107–149 |
| For the six months 30 September 2016 | | |
| ICAP's Half Year Results 2016 . . | Consolidated income statement | 17–18 |
| | Consolidated statement of comprehensive income | 19 |
| | Consolidated balance sheet | 20 |
| | Consolidated statement of changes in equity | 21–22 |
| | Consolidated statement of cash flow | 23 |
| | Notes to the financial statements | 24–37 |
| | Independent review report | 38–39 |
| For the six months 30 September 2015 | | |
| ICAP's Half Year Results 2015 . . | Consolidated income statement | 21 |
| | Consolidated statement of comprehensive income | 22 |
| | Consolidated balance sheet | 23 |
| | Consolidated statement of changes in equity | 24 |
| | Consolidated statement of cash flow | 25 |
| | Notes to the financial statements | 26–24 |
| | Independent review report | 35–36 |

PART 5: OPERATING AND FINANCIAL REVIEW

This Part 5: Operating and Financial Review should be read in conjunction with Important Information—Presentation of Financial Information, Part 2: Business and Part 4: Historical Financial Information. Prospective investors should read the entire Prospectus (including the information incorporated into this Prospectus by reference) and not just rely on the summary information set out below. The financial information included or incorporated by reference in this Part 5: Operating and Financial Review is extracted from the financial information referred to in Part 4: Historical Financial Information (which has been incorporated into this Prospectus by reference) or has been extracted without material adjustment from ICAP's accounting records, which formed the underlying basis of the financial information referred to in Part 4: Historical Financial Information (which has been incorporated into this Prospectus by reference).

Some of the information in this Part 5: Operating and Financial Review, including information in respect of the Group's plans and strategies for its business and expected sources of financing, contains forward-looking statements that may involve risks and uncertainties. The Group's actual results could differ materially from those that it discusses in these forward-looking statements. Factors that could cause or contribute to such differences include those discussed below and elsewhere in this Prospectus, particularly under Risk Factors and Important Information—Forward-Looking Statements.

1. RESULTS OF OPERATIONS

The table below sets out the sections of ICAP's Annual Report 2016, ICAP's Annual Report 2015, ICAP's Annual Report 2014, ICAP's Half Year Results 2016 and ICAP's Half Year Results 2015 which contain information in respect of ICAP's operating and financial review and which are incorporated by reference into, and form part of, this Prospectus. The parts of these documents which are not incorporated by reference are either not relevant for investors or are covered elsewhere in this Prospectus. To the extent that any part of any information referred to below itself contains information which is incorporated by reference, such information shall not form part of this Prospectus.

Restatements

The proposed disposal of IGBB by the Group to Tullett Prebon pursuant to the Transaction meets the criteria of IFRS5 for held for sale classification. The criteria for held for sale are met as the IGBB business is available for sale in its present condition and the sale is highly probable. Balance sheet line items for the year ended 31 March 2015 were therefore restated in ICAP's Annual Report 2016 and the historical financial information for the year ended 31 March 2015 is therefore comparable to the historical financial information for the year ended 31 March 2016 contained in ICAP's Annual Report 2016.

During the year ended 31 March 2015, the Group adopted the following new accounting standards:

- IFRS10 "Consolidated Financial Statements" (replaced IAS27 "Consolidated and Separate Financial Statements");
- IFRS11 "Joint Arrangements" (replaced IAS31 "Interests in Joint Ventures");
- IFRS12 "Disclosure of Interests in Other Entities";
- IAS27 "Separate Financial Statements" (replaced IAS27 "Consolidated and Separate Financial Statements"); and
- IAS28 "Investments in Associates and Joint Ventures" (replaced IAS28 "Investments in Associates").

The adoption of IFRS11 "Joint Arrangements" and IAS28 "Investments in Associates and Joint Ventures" had a material effect on the consolidated income statement as the Group's joint ventures are now accounted for using the equity accounting method under IAS28. Income statement and balance sheet line items for the year ended 31 March 2014 were therefore restated in ICAP's Annual Report 2015 and the historical financial information for the year ended 31 March 2014 is therefore comparable to the historical financial information for the year ended 31 March 2015 contained in ICAP's Annual Report 2015. The adoption of other standards had no material impact on the financial statements for the year ended 31 March 2015.

| Reference Document | Information incorporated by reference into this Prospectus | Page number in reference document |
|---|--|-----------------------------------|
| For the year ended 31 March 2016 | | |
| ICAP's Annual Report 2016 | Group CEO's review | 4–6 |
| | Key performance indicators | 10–11 |
| | Risk management | 16–21 |
| | Results for 2015/16 | 22–30 |
| | Financial review | 31–35 |
| | Independent auditors' report | 71–76 |
| | Consolidated income statement | 78–79 |
| | Consolidated statement of comprehensive income | 80 |
| | Consolidated and Company balance sheet | 81 |
| | Consolidated statement of changes in equity | 82 |
| | Company statement of changes in equity | 83 |
| | Consolidated and Company statement of cash flow | 84 |
| | Basis of preparation | 85 |
| | Notes to the financial statements | 89–137 |
| For the year ended 31 March 2015 | | |
| ICAP's Annual Report 2015 | Group CEO's review | 8–12 |
| | Strategy and performance | 14 |
| | Key performance indicators | 22–23 |
| | Risk management | 24–30 |
| | Results for 2014/15 | 35–47 |
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| | Consolidated income statement | 96–97 |
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| | Consolidated and Company balance sheet | 99 |
| | Consolidated statement of changes in equity | 100 |
| | Company statement of changes in equity | 101 |
| | Consolidated and Company statement of cash flow | 102 |
| | Basis of preparation | 103–105 |
| | Notes to the financial statements | 107–150 |
| For the year ended 31 March 2014 | | |
| ICAP's Annual Report 2014 | Group CEO's review | 4–7 |
| | Key performance indicators | 20–21 |
| | Results for 2013/14 | 22–24 |
| | Financial review | 32–35 |
| | Risk management | 42–49 |
| | Independent auditors' report | 89–93 |
| | Consolidated income statement | 96–97 |
| | Consolidated statement of comprehensive income | 98 |
| | Consolidated and Company balance sheet | 99 |
| | Consolidated statement of changes in equity | 100 |
| | Company statement of changes in equity | 101 |
| | Consolidated and Company statement of cash flow | 102 |
| | Basis of preparation | 103–105 |
| | Notes to the financial statements | 107–149 |
| For the six months 30 September 2016 | | |
| ICAP's Half Year Results 2016 | Interim management report | 4–16 |
| | Consolidated income statement | 17–18 |
| | Consolidated statement of comprehensive income | 19 |
| | Consolidated balance sheet | 20 |
| | Consolidated statement of changes in equity | 21–22 |
| | Consolidated statement of cash flow | 23 |
| | Notes to the financial statements | 24–37 |
| | Independent review report | 38–39 |

| Reference Document | Information incorporated by reference into this Prospectus | Page number in reference document |
|---|--|-----------------------------------|
| For the six months 30 September 2015 | | |
| ICAP's Half Year Results 2015 | Interim management report | 3–19 |
| | Consolidated income statement | 21 |
| | Consolidated statement of comprehensive income | 22 |
| | Consolidated balance sheet | 23 |
| | Consolidated statement of changes in equity | 24 |
| | Consolidated statement of cash flow | 25 |
| | Notes to the financial statements | 26–24 |
| | Independent review report | 35–36 |

2. LIQUIDITY AND CAPITAL RESOURCES

Capital Management and Liquidity

The Group's capital strategy is to maintain an efficient and strong capital base which maximises the return to its Shareholders, while also maintaining flexibility and ensuring compliance with supervisory regulatory requirements. The Group, in totality and by subsidiary, maintains sufficient liquidity in order to provide constant access, even in periods of market stress, to an appropriate level of cash, other forms of marketable securities and committed funding lines to enable it to finance its ongoing operations, proposed acquisitions and other reasonable unanticipated events on cost-effective and attractive terms. As at 30 September 2016, the Group had undrawn but committed borrowing facilities of £277 million at its disposal.

Capitalisation and Indebtedness

Gross indebtedness

The following table sets out the Group's gross indebtedness as at 30 September 2016. The figures have been extracted without material adjustment from the unaudited management accounts:

| | As at 30 September 2016 (£ in millions) |
|---|---|
| Total current debt | |
| Guaranteed | — |
| Secured | — |
| Unguaranteed / unsecured | (137) |
| | (137) |
| Total non-current debt (excluding current portion of long-term debt) | |
| Guaranteed | — |
| Secured | — |
| Unguaranteed / unsecured | (585) |
| Total gross indebtedness | (722) |

Net indebtedness

The following table sets out the Group's net indebtedness as at 30 September 2016. The figures have been extracted without material adjustment from the unaudited management accounts:

| | As at 30 September 2016 (£ in millions) |
|---|---|
| Cash ⁽¹⁾ | 174 |
| Cash equivalent | — |
| Trading securities | — |
| Liquidity | <u>174</u> |
| Current financial receivable | <u>—</u> |
| Current bank debt | — |
| Current position of non-current debt | — |
| Other current financial debt | (137) |
| Current financial debt | <u>(137)</u> |
| Net current financial receivable | <u>37</u> |
| Non-current banks loans | (146) |
| Bonds issued | (439) |
| Other non-current loans | — |
| Non-current financial indebtedness | <u>(585)</u> |
| Net financial indebtedness | <u>(548)</u> |

(1) Cash excludes restricted funds of £45 million.

(2) Non-current bank loans consist of the draw down on the revolving credit facility, which is stated net of unamortised fees of £2 million.

The disclosures above exclude £16 million of overdrafts, £319 million of cash and cash equivalents and £55 million of restricted funds. These amounts are presented within held for sale assets and held for sale liabilities as at 30 September 2016 since they relate to IGGB.

Capitalisation

The following table sets out the Group's capitalisation as at 31 March 2016. The figures have been extracted without material adjustment from the Group's audited financial statements for the year ended 31 March 2016 which are included in ICAP's Annual Report 2016 and which are incorporated by reference into, and form part of, this Prospectus:

| | As at 31 March 2016 (£ in millions) |
|---|---|
| Shareholder's equity (excluding retained earnings) | |
| Share capital | 66 |
| Share premium | 454 |
| Legal reserve ⁽¹⁾ | 29 |
| Total | <u>549</u> |

Notes:

(1) Legal reserves comprise capital redemption reserve (£1 million) and merger reserve (£28 million)

There has been no material change in the Group's gross capitalisation since 31 March 2016.

3. CURRENT TRADING AND PROSPECTS

For the six months ended 30 September 2016, the Group reported continuing revenue of £254 million, 11 per cent. ahead of the prior period on a reported basis and flat on a constant currency basis. A 6 per cent. increase in Post Trade Risk and Information revenue to £113 million, on a constant currency basis,

was partly offset by a 2 per cent. decrease in Electronic Markets revenue to £139 million, on a constant currency basis.

The Group's continuing trading performance was impacted by the ongoing combination of structural and cyclical factors including historically low and negative interest rates, low levels of volatility and bank deleveraging resulting in reduced risk appetite from bank customers. This was partly offset by the increase in trading activity in emerging market currency pairs on EBS Market, and a greater demand for post trade products such as triReduce and triResolve. The recent US election has prompted an increase in trading activity since 30 September 2016.

Consistent with the Group's growth strategy, ICAP's ongoing investment in new products and services continues to impact the Group's continuing trading operating profit margin which fell to 26 per cent. (compared to 29 per cent. for the six months ended 30 September 2015). In addition, this was also impacted by changes in the product mix within the Post Trade Risk and Information business, the consolidation of ENSO for the first time and a change to direct billing within Information Services. The Group's continuing trading profit before tax of £51 million was 7 per cent. down on the prior year mainly due to an increase in net finance costs.

The Group's deep insights into the needs of its customers, along with its investments in technology, strong relationships with its partners and its ability to embrace change means that it continues to grow its addressable market and deliver returns for its shareholders. The US election on 8 November 2016 has prompted an increase in trading activity. It is, however, too early to assume that the prolonged period in which we have experienced subdued market conditions has come to an end. Nevertheless, management remains confident that the fundamental strengths of the business will provide an excellent platform for the Group's long term growth.

PART 6: UNAUDITED PRO FORMA FINANCIAL INFORMATION
PART A: ACCOUNTANT'S REPORT ON THE UNAUDITED PRO FORMA FINANCIAL INFORMATION



The Directors
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25 Bank Street
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E14 5JP

Evercore Partners International LLP
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6 December 2016

Dear Sirs

NEX Group plc (“Newco”)

We report on the pro forma financial information (the “**Pro Forma Financial Information**”) set out in section B of Part 6 of Newco’s prospectus dated 6 December 2016 (the “**Prospectus**”) which has been prepared on the basis described in the notes to the Pro Forma Financial Information, for illustrative purposes only, to provide information about how the proposed introduction of Newco as the new listed holding company of ICAP plc by way of a scheme of arrangement and the disposal of the ICAP Global Broking Business (“**IGBB**”) might have affected the financial information presented on the basis of the accounting policies to be adopted by Newco in preparing the financial statements for the period ending 31 March 2017. This report is required by item 20.2 of Annex I to the PD Regulation and is given for the purpose of complying with that PD Regulation and for no other purpose.

Responsibilities

It is the responsibility of the Directors of Newco to prepare the Pro Forma Financial Information in accordance with item 20.2 of Annex I to the PD Regulation.

It is our responsibility to form an opinion, as required by item 20.2 of Annex I to the PD Regulation as to the proper compilation of the Pro Forma Financial Information and to report our 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.

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PricewaterhouseCoopers LLP is a limited liability partnership registered in England with registered number OC303525. The registered office of PricewaterhouseCoopers LLP is 1 Embankment Place, London WC2N 6RH. PricewaterhouseCoopers LLP is authorised and regulated by the Financial Conduct Authority for designated investment business.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and for any responsibility arising under item 5.5.3R(2)(f) of the Prospectus Rules 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 23.1 of Annex I to the PD 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 Newco.

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 of Newco.

Opinion

In our opinion:

- a) the Pro Forma Financial Information has been properly compiled on the basis stated; and
- b) such basis is consistent with the accounting policies of Newco.

Declaration

For the purposes of Prospectus Rule 5.5.3 R(2)(f), we are responsible for this report as part of the Prospectus and we declare that we have taken all reasonable care to ensure that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with item 1.2 of Annex I to the PD Regulation.

Yours faithfully

PricewaterhouseCoopers LLP
Chartered Accountants

PART B: UNAUDITED PRO FORMA FINANCIAL INFORMATION

The unaudited pro forma statement of net assets at 31 March 2016 and the unaudited pro forma income statement for the year ended 31 March 2016 and the related notes thereto set out in Part B of this Part 6: *Unaudited Pro Forma Financial Information* have been prepared on the basis of the notes set out below to illustrate the effect of the Transaction on the statement of net assets and results of operations of the Group.

PwC's report on the Unaudited Pro Forma Financial Information is set out in Part A of this Part 6: *Unaudited Pro Forma Financial Information*.

Introduction

The unaudited pro forma financial information set out below has been prepared on the basis set out in the notes below to illustrate the effect of the Transaction on the consolidated net assets and income statement of the Group had the Transaction occurred on the dates stated below. It has been prepared for illustrative purposes only. Because of its nature, the pro forma financial information addresses a hypothetical situation and, therefore, does not represent the Group's actual financial position or results. It is based on the audited consolidated financial statements of the Group for the year ended 31 March 2016 and presented in accordance with the accounting policies to be adopted by Newco in preparing the financial statements for the period ending 31 March 2017.

The unaudited pro forma financial information has been prepared in accordance with items 1 to 6 of Annex II of the Prospectus Directive. The unaudited pro forma financial information does not constitute financial statements within the meaning of Section 434 of the Companies Act. Shareholders should read the whole of this document and not rely solely on the summarised financial information contained in this Part 6: *Unaudited Pro Forma Financial Information*.

The unaudited pro forma statement of net assets at 31 March 2016 gives effect to the Transaction as if it had occurred on 31 March 2016. The unaudited pro forma income statement for the year ended 31 March 2016 is presented as if the Transaction had taken place on 1 April 2015. As pro forma information is prepared to illustrate retrospectively the effects of subsequent transactions using generally accepted approaches and reasonable assumptions, there are limitations that are inherent to the nature of pro forma information. As such, had the Transaction taken place on the dates assumed above, the actual effects would not necessarily have been the same as those presented in the unaudited pro forma financial information. Furthermore, in consideration of the different purpose of the unaudited pro forma financial information as compared with historical financial statements and the different methods of calculation of the effects of the Transaction on the pro forma statement of net assets and the pro forma income statement, these statements should be read and interpreted without comparisons between them.

All pro forma financial adjustments are directly attributable to the Transaction. No pro forma adjustments have been made to reflect any matters not directly attributable to the Transaction.

The unaudited pro forma financial information does not attempt to predict or estimate the future results of the Group and should not be used for this purpose.

Unaudited Pro Forma Financial Information

This section presents the unaudited consolidated pro forma statement of net assets at 31 March 2016, the unaudited consolidated pro forma income statement for the year ended 31 March 2016, and related explanatory notes.

Unaudited pro forma consolidated statement of net assets as at 31 March 2016

| | Adjustments | | | | | Retained Group pro forma as at 31 March 2016 |
|--|---|---|--|---|---|--|
| | the Group as at 31 March 2016 Note 1 | IGBB net asset adjustment as at 31 March 2016 Note 2 | IGBB assets/liabilities to be retained by ICAP Note 3 | Transaction consideration and repayment of borrowings Note 4 | Other Transaction adjustments Note 5 | |
| | (£ in millions) | | | | | |
| <i>Non-current assets</i> | | | | | | |
| Intangible assets arising on consolidation | 826 | — | — | — | — | 826 |
| Intangible assets arising from development expenditure | 88 | — | — | — | — | 88 |
| Property and equipment | 30 | — | — | — | 5 | 35 |
| Investment in joint ventures | 6 | — | — | — | — | 6 |
| Investment in associates | 52 | — | — | — | — | 52 |
| Deferred tax assets | 13 | — | — | — | — | 13 |
| Trade and other receivables | 9 | — | — | — | — | 9 |
| Available-for-sale investments | 9 | — | — | — | — | 9 |
| | 1,033 | — | — | — | 5 | 1,038 |
| <i>Current assets</i> | | | | | | |
| Held for sale assets | 21,393 | (21,390) | — | — | — | 3 |
| Trade and other receivables | 59,461 | — | — | — | — | 59,461 |
| Amount receivable by the Retained Group from IGBHL | — | — | 330 | (330) | — | — |
| Restricted funds | 26 | — | — | — | — | 26 |
| Cash and cash equivalents | 157 | — | 37 | 222 | (50) | 366 |
| | 81,037 | (21,390) | 367 | (108) | (50) | 59,856 |
| Total assets | 82,070 | (21,390) | 367 | (108) | (45) | 60,894 |
| Liabilities | | | | | | |
| <i>Current liabilities</i> | | | | | | |
| Trade and other payables | (59,464) | — | — | — | 2 | (59,462) |
| Short-term borrowings and overdrafts | (64) | — | — | — | — | (64) |
| Tax payable | (41) | — | — | — | 3 | (38) |
| Held for sale liabilities | (20,861) | 20,860 | — | — | — | (1) |
| Short-term provisions | (8) | — | — | — | 6 | (2) |
| | (80,438) | 20,860 | — | — | 11 | (59,567) |
| <i>Non-current liabilities</i> | | | | | | |
| Trade and other payables | (12) | — | — | — | — | (12) |
| Deferred tax liabilities | (67) | — | — | — | — | (67) |
| Long-term borrowings | (519) | — | — | 108 | — | (411) |
| Retirement benefit obligations | (3) | — | — | — | — | (3) |
| Long-term provisions | (13) | — | — | — | — | (13) |
| | (614) | — | — | 108 | — | (506) |
| Total liabilities | (81,052) | 20,860 | — | 108 | 11 | (60,073) |
| Net assets | 1,018 | (530) | 367 | — | (34) | 821 |

Notes to the unaudited pro forma consolidated statement of net assets:

1. The consolidated statement of net assets of the Group has been directly extracted from the audited consolidated financial statements of the Group as at and for the year ended 31 March 2016.

2. Represents the Transaction. The financial information used in this adjustment has been extracted from the audited consolidated financial statements of the Group as at and for the year ended 31 March 2016. The assets and liabilities attributable to IGBB, which reflect certain provisions in the Sale and Purchase Agreement with Tullett Prebon, are presented as held for sale assets and liabilities on the Group's balance sheet as at 31 March 2016. The assets and liabilities were transferred to held for sale at their carrying value on 11 November 2015, when ICAP signed the Original Sale and Purchase Agreement with Tullett Prebon.

| | <u>Adjustment</u> (£ in millions) | <u>Explanation of adjustment</u> |
|---------------------------------------|--------------------------------------|--|
| Held for sale assets | (21,390) | Assets attributable to IGBB, which reflect certain provisions in the Sale and Purchase Agreement where certain assets will reside with the Retained Group on Completion. |
| Held for sale liabilities | 20,860 | Liabilities attributable to IGBB, which reflect certain provisions in the Sale and Purchase Agreement where certain liabilities will reside with the Retained Group on Completion. |
| Held for sale net assets . . . | <u>(530)</u> | |

3. Represents adjustments in relation to assets and liabilities that will not be sold with IGBB under the terms of the Sale and Purchase Agreement.

| | <u>Adjustment</u> (£ in millions) | <u>Explanation of adjustment</u> |
|-----------------------------|--------------------------------------|--|
| IGBHL debt | 330 | As set out in Part IV of the March Circular there will be a loan of £330 million due from IGBHL to the Retained Group on Completion. |
| Cash and cash equivalents . | 37 | IGBB had cash and cash equivalents and restricted funds of £392 million as at 31 March 2016, compared to an expected cash level of £355 million at Completion under the Sale and Purchase Agreement. |
| Net assets | <u>367</u> | |

The terms of the Sale and Purchase Agreement set a minimum cash balance for IGBB on Completion and require the Completion balance sheet of IGBB to include a single amount payable to the Retained Group of £330 million. An internal reorganisation of the Group will be performed prior to Completion such that the required minimum level of cash remains in IGBB together with a single amount payable of £330 million due to the Retained Group. For the purposes of the unaudited pro forma financial information, it is assumed that the minimum level of cash, which will be determined by reference to, in particular, foreign exchange rates, will be £355 million and the £330 million loan payable to the Retained Group by IGBB is settled on 31 March 2016.

4. Management intends to use the cash received on repayment by Tullett Prebon of the £330 million loan from the Retained Group to IGBB to repay any remaining borrowings on the Retained Group revolving credit facility. At 31 March 2016, the Group had £108 million of drawings on its revolving

credit facility. This adjustment to long term borrowings reflects the repayment of these borrowings, with the remaining £222 million of the £330 million proceeds reflected as an increase in cash.

| | <u>Adjustment</u> (£ in millions) | <u>Explanation of adjustment</u> |
|---|--------------------------------------|---|
| Cash received from loan repayment . | 330 | As set out in Part IV of the March Circular there will be a loan of £330 million due from IGBHL to the Retained Group which will be repaid on Completion. |
| Repayment of the Retained Group's revolving credit facility | (108) | Repayment of borrowings on the Retained Group's revolving credit facility. |
| Adjustment to cash and cash equivalents | <u><u>222</u></u> | |

5. The £50 million adjustment to cash comprises £22 million of estimated separation and related costs including technology, facilities and related staff costs to separate the IGBB business which will be incurred by the Group before Completion. Of the £22 million, an estimated £5 million represents capital expenditure on assets that will be capitalised by the Group. In addition, an adjustment of £28 million has been made in respect of costs directly attributable to executing the Transaction including professional fees, bankers' fees and other related costs. Of the £50 million adjustment, £6 million was provided and £2 million was accrued by the Group as at 31 March 2016.
6. No account has been taken of any trading activity or other transactions of the Group or IGBB since 31 March 2016.

Unaudited pro forma consolidated income statement for the year ended 31 March 2016

| | the Group for the year ended 31 March 2016 | Adjustments | | Retained Group pro forma for the year ended 31 March 2016 |
|---|---|--|-------------------------------------|---|
| | | IGBB income statement for the year ended 31 March 2016 | Other Transaction adjustments | |
| | Note 1 | Note 2 | Note 4 | |
| | | (£ in millions) | | |
| Revenue | 460 | — | — | 460 |
| Trading | (321) | — | — | (321) |
| Acquisition and disposal costs | (75) | — | — | (758) |
| Exceptional items | (9) | — | — | (9) |
| Operating expenses | (405) | — | — | (405) |
| Trading | 139 | — | — | 139 |
| Acquisition and disposal costs | (75) | — | — | (75) |
| Exceptional items | (9) | — | — | (9) |
| Operating profit | 55 | — | — | 55 |
| Trading | 1 | — | — | 1 |
| Acquisition and disposal costs | 1 | — | — | 1 |
| Finance income | 2 | — | — | 2 |
| Finance costs | (30) | — | — | (30) |
| Trading | 110 | — | — | 110 |
| Acquisition and disposal costs | (74) | — | — | (74) |
| Exceptional items | (9) | — | — | (9) |
| Profit before tax from continuing operations | 27 | — | — | 27 |
| Trading | (23) | — | — | (23) |
| Acquisition and disposal costs | 16 | — | — | 16 |
| Exceptional items | 2 | — | — | 2 |
| Tax | (5) | — | — | (5) |
| Trading profit for the year | 87 | — | — | 87 |
| Acquisition and disposal costs | (58) | — | — | (58) |
| Exceptional items | (7) | — | — | (7) |
| Profit for the year from continuing operations | 22 | — | — | 22 |
| Trading | 73 | (73) | — | — |
| Gain on distribution and disposal of IGBB—acquisition and disposal costs . . | — | — | 1,120 | 1,120 |
| Exceptional items | (27) | — | (37) | (64) |
| Profit for the year from discontinued operations | 46 | (73) | 1,083 | 1,056 |
| Trading profit for the year | 160 | (73) | — | 87 |
| Acquisition and disposal costs | (58) | — | 1,120 | 1,062 |
| Exceptional items | (34) | — | (37) | (71) |
| Profit for the year | 68 | (73) | 1,083 | 1,078 |
| Attributable to | | | | |
| Owners | 71 | (76) | 1,083 | 1,078 |
| Non controlling interests | (3) | 3 | — | — |
| | 68 | (73) | 1,083 | 1,078 |

Notes to the unaudited pro forma consolidated income statement:

1. The consolidated income statement of the Group has been directly extracted from the audited consolidated financial statements of the Group for the year ended 31 March 2016. The Group's consolidated income statement discloses its trading profit separately from its reported profit. Trading profit is reconciled to profit for the year on the face of the consolidated income statement, which also includes acquisition and disposal costs and exceptional items. Trading operating expenses, trading operating profit and trading profit before tax are non-IFRS measures that may not be comparable to similarly titled financial measures of other companies.

Unaudited pro forma consolidated income statement from continuing operations

| | For the year ended 31 March 2016 (£ in millions) |
|---|--|
| Revenue | 460 |
| Trading operating expenses | (321) |
| Trading operating profit | 139 |
| Finance income | 1 |
| Finance costs | (30) |
| Trading profit before tax from continuing operations | 110 |
| Tax | (23) |
| Trading profit for the year from continuing operations | 87 |

'Acquisition and disposal costs' includes: any gains, losses or other associated costs on the full or partial disposal of investments, associates, joint ventures or subsidiaries and costs associated with a business combination that do not constitute fees relating to the arrangement of financing; amortisation or impairment of intangible assets arising on consolidation; any remeasurement after initial recognition of deferred contingent consideration which has been classified as a liability, and any gains or losses on the revaluation of previous interests. The costs may also include items such as gains or losses on the settlement of pre-existing relationships with acquired businesses and the remeasurement of liabilities that are above the value of indemnification.

Items which are of a non-recurring nature and material, when considering both size and nature, are disclosed separately to give a clearer presentation of the Group's results. These are shown as 'exceptional items' on the face of the consolidated income statement.

2. Represents the Transaction. The financial information used in this adjustment has been extracted from the audited consolidated financial statements of the Group as at and for the year ended 31 March 2016. The results of the IGGB business, which reflect certain provisions in the Sale and Purchase Agreement with Tullett Prebon, are presented as discontinued operations on the face of the Group's consolidated income statement for the year ended 31 March 2016.
3. The unaudited pro forma income statement has been adjusted to reflect:
 - £24 million of costs directly attributable to executing the Transaction including professional fees, bankers' fees and other related costs. These one-off costs, which will be classified as exceptional items, will not have a continuing impact on the results of the Retained Group. The majority of these costs will be treated as non-deductible for tax purposes.
 - £16 million of estimated separation and related costs, technology, facilities and related staff costs to separate the business which will be incurred by the Group pre-Completion. Of the £16 million, an estimated £12 million represents cash expenses and £4 million represents non-cash expenses relating to the impact of the Transaction on equity settled share schemes. These one-off costs, which will be classified as exceptional items, will not have a continuing impact on the results of the Retained Group. The majority of these costs will be deductible for tax purposes and shown net of a tax credit of £3 million.

- £1,120 million gain on the distribution and disposal of IGBB by the Group. For the purposes of this unaudited pro forma financial information, this gain has been calculated as follows:

| | Pro-forma adjustment (£ in millions) |
|---|---|
| Proceeds | |
| Amount receivable by the Retained Group from IGBHL | 330 |
| | 330 |
| IGBB net adjusted net assets as at 1 April 2015 | (558) |
| Unrealised foreign exchange reserves recycled to the income statement | (42) |
| | (270) |
| Distribution received by Shareholders | 1,390 |
| Gain on distribution and disposal of IGBB | 1,120 |

The gain on distribution and disposal of IGBB will be presented as an acquisition and disposal cost in the income statement of the Retained Group and will not have a continuing impact on the results of the Retained Group. The gain on distribution and disposal will not be taxable.

The fair value of approximately 56 per cent. in the Enlarged Tullett Prebon Group received by Shareholders over the carrying value of the 100 per cent. of IGBB will be distributed directly to Shareholders through the reduction and repayment of capital. The distribution received by Shareholders of £1,390 million has been estimated based on the Tullett Prebon share price on 2 December 2016 (the latest practicable date prior to publication of this Prospectus) of 448 pence per share and 310 million shares to be issued by Tullett Prebon to Shareholders.

The unaudited pro forma income statement assumes that the disposal took place on 1 April 2015 and therefore considers IGBB net assets held for sale at that date to calculate the gain on distribution and disposal. For the purposes of calculating the gain on distribution and disposal set out above, adjustments have been made to IGBB net assets as at 1 April 2015 in relation to assets and liabilities that will not be sold with IGBB under the terms of the Sale and Purchase Agreement. Equivalent adjustments were also reflected in the held for sale net assets of IGBB of £530 million in the pro form statement of net assets:

| | Adjustment (£ in millions) | Explanation of adjustment |
|--|---------------------------------------|--|
| IGBB net assets as at 1 April 2015 | 574 | |
| Sale and Purchase Agreement adjustments: | | |
| Intangible assets arising from development expenditure | (16) | Intangible assets arising from development expenditure which will remain with the Retained Group on Completion. |
| Property and equipment | (14) | Property and equipment which will remain with the Retained Group on Completion |
| Trade and other receivables | (25) | The full risks and rewards of certain receivables will reside with the Retained Group on Completion |
| Cash and cash equivalents | 3 | IGBB had cash and cash equivalents and restricted funds net of bank overdrafts of £352m as at 1 April 2015, compared to a minimum of £355m at Completion under the Sale and Purchase Agreement |
| Tax payable | 31 | The obligation relates to certain potential tax liabilities which will reside with the Retained Group on Completion |
| Long-term provisions | 5 | Obligation of interest on certain tax liabilities will remain with the Retained Group on Completion |
| IGBB adjusted net assets as at 1 April 2015 | 558 | |

- No account has been taken of any trading activity or other transactions of the Group or IGBB since 31 March 2016.

PART 7: ADDITIONAL INFORMATION

1. RESPONSIBILITY

Newco and the Directors, whose names appear in the section of this Prospectus headed *Directors, Company Secretary, Registered Office and Advisers*, accept responsibility for the information contained in this Prospectus. To the best of the knowledge of Newco and the Directors (who have taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect its import.

2. NEWCO

- 2.1 Newco was incorporated in England and Wales on 18 February 2016 as ICAP Newco plc with registered number 10013770 under the Companies Act 2006.
- 2.2 Newco changed its name to NEX Group plc on 13 May 2016.
- 2.3 The principal legislation under which Newco operates is the Companies Act and regulations made thereunder. The principal legislation under which the Newco Subscriber Shares have been created and the other Newco Shares will be created is the Companies Act and regulations made thereunder.
- 2.4 Newco is domiciled in the United Kingdom and its registered and head office is at 2 Broadgate, London, EC2M 7UR. The telephone number of Newco's registered office is +44 (0) 20 7818 9000.
- 2.5 Newco has not traded since its incorporation.

3. SHARE CAPITAL

Newco Initial Share Capital

- 3.1 On incorporation, and as at the date of this Prospectus, Newco's share capital consisted of one subscriber ordinary share with a par value of £0.10 (the "**Newco Subscriber Ordinary Share**") and 499,999 redeemable non-voting preference shares (the "**Newco Redeemable Preference Shares**") with a par value of £0.10 each (together with the Newco Subscriber Ordinary Share, the "**Newco Subscriber Shares**"). The Newco Subscriber Shares were issued, fully paid, to the Newco Subscriber Shareholder on incorporation. On 19 February 2016, Newco obtained a trading certificate pursuant to section 761 of the Companies Act.
- 3.2 Accordingly, as at the date of this Prospectus, the issued and fully paid share capital of Newco is as follows:

| Class of share | Number of shares | Total nominal value (£) |
|---|------------------|-------------------------|
| Newco Subscriber Ordinary Share with a par value of £0.10 | 1 | 0.10 |
| Newco Redeemable Preference Shares with a par value of £0.10 each | 499,999 | 49,999.90 |
| | | 50,000.00 |

Authorities

- 3.3 At the annual general meeting of Newco held on 14 September 2016 and the general meeting of Newco held on 24 November 2016, the Newco Subscriber Shareholder has resolved, inter alia, that:
 - (i) Newco be authorised to appear by counsel at all necessary Court hearings and to undertake to the Court to be bound by the Scheme and the Directors be authorised on behalf of Newco to execute and do or procure to be executed and done all such documents, acts and things as may be necessary or desirable to be executed or done by it for the purpose of giving effect to the Scheme;
 - (ii) the Directors be authorised for the purposes of section 551 of the Companies Act to allot and issue shares in Newco as required for the purposes of the Scheme and provided that this authority shall be in addition to, and without prejudice to, any other subsisting authority previously granted to or subsisting under section 551 of the Companies Act;

- (iii) subject to and conditional upon and with effect from the Scheme becoming effective, the Articles (as described in paragraph 4 of this Part 7 below) be approved and adopted;
- (iv) subject to and conditional upon and with effect from the Scheme becoming effective, the Newco Subscriber Ordinary Share be converted into and redesignated as a preference share with a par value of £0.10 (the “**Newco Preference Share**”) having the rights and being subject to the conditions set out in the Articles as adopted pursuant to resolution (iii) above;
- (v) subject to and conditional upon and with effect from the Scheme becoming effective, the Directors be authorised:
 - (A) to capitalise and apply such of the amounts standing to the credit of the reserves of Newco as they shall determine in paying up in full a Newco Reserve Share having the rights and being subject to the conditions set out in the Articles as adopted pursuant to resolution (iii) above; and
 - (B) for the purposes of section 551 of the Companies Act to allot and issue the Newco Reserve Share to the holder of the Newco Preference Share and provided that this authority shall be in addition to, and without prejudice to, any other subsisting authority previously granted or subsisting under section 551 of the Companies Act;
- (vi) subject to and conditional upon the Scheme becoming effective, the share capital of Newco be reduced by:
 - (A) cancelling and extinguishing paid-up capital on each of the Newco Ordinary Shares in issue immediately prior to the confirmation by the Court of the Newco Reduction of Capital to the extent that the amount paid up on each such Newco Ordinary Share immediately following such cancellation shall be £0.10 (or such other amount as the Directors shall determine prior to the Reduction Court Hearing) on terms that, in respect of the paid-up capital so cancelled:
 - (1) part thereof be repaid, which repayment shall be satisfied by the transfer of the entire issued share capital of IGBHL to Tullett Prebon, in consideration of the allotment and issue by Tullett Prebon to the holders of Newco Ordinary Shares at the Newco Reduction of Capital Record Time of New Tullett Prebon Shares, credited as fully paid and representing, in aggregate, approximately 56 per cent. of the issued share capital of Tullett Prebon (calculated on a fully diluted basis and immediately following such issuance); and
 - (2) the balance thereof (if any) be retained by Newco and transferred to the reserves of Newco to be applied by Newco from time to time toward any lawful purpose to which such reserves may be applied;
 - (B) cancelling and extinguishing the Newco Reserve Share on terms that the paid-up capital so cancelled shall be retained by Newco and transferred to the reserves of Newco to be applied by Newco from time to time toward any lawful purpose to which such reserves may be applied;
 - (C) cancelling and extinguishing all of the Newco Subscriber Shares in issue immediately prior to the confirmation by the Court of the Newco Reduction of Capital on terms that the paid-up capital so cancelled shall be repaid to the holders of such shares at the Newco Reduction of Capital Record Time, which repayment shall be satisfied by a payment in cash or by way of set-off of undertakings to pay cash to Newco to the extent of that amount;
- (vii) subject to and conditional upon the reductions of capital as described in resolution (vi) above taking effect and further conditional upon the amendment to the Official List in respect of the Consolidated Shares (as defined below), the Newco Ordinary Shares in the capital of Newco in issue immediately following the Newco Reduction of Capital taking effect:
 - (A) be subdivided into such number of new ordinary shares in the capital of Newco of such nominal value as the Directors may determine (the “**Intermediate Shares**”); and

- (B) immediately thereafter, such Intermediate Shares be consolidated into such number of new ordinary shares in the capital of Newco of such nominal value as the Directors may determine (the “**Consolidated Shares**”) in order to seek to maintain comparability of the share price of a Consolidated Share after the share consolidation with that of a Newco Ordinary Share prior to the Demerger Effective Date, and provided that, where such sub-division and consolidation would result in any member being entitled to a fraction of a Consolidated Share, such fraction shall, so far as possible, be aggregated with the fractions of a Consolidated Share (if any) to which other members of Newco would be similarly so entitled and the Directors be and are authorised to sell (or appoint any other person to sell) to any person all the Consolidated Shares representing such fractions in the open market at the price prevailing at the time of sale to any person(s), and to distribute the proceeds of sale (net of expenses) in due proportion among the relevant members who would otherwise be entitled to the fractions so sold, save that (i) any fraction of a penny (or equivalent) which would otherwise be payable shall be rounded up or down in accordance with the usual practice of the registrar of Newco and (ii) any due proportion of such proceeds of less than £5.00 (net of expenses) shall be donated to charity;
- (viii) with effect from delivery to or, if so ordered by the Court, registration by the Registrar of Companies of the order of the Court confirming the Newco Reduction of Capital, the Articles be amended by deleting the share rights of and any other references to the Newco Redeemable Preference Shares, the Newco Preference Shares or the Newco Reserve Share contained therein and by amending any reference to the nominal value of a Newco Ordinary Share and replacing it with the nominal value resulting from the Share Consolidation;
- (ix) subject to and conditional upon the Scheme becoming effective, the Demerger and the Share Consolidation be approved and, in connection with the Demerger and the Share Consolidation:
- (A) the Directors (or a duly authorised committee of the Directors) be authorised and instructed to do or procure to be done all such acts and things on behalf of Newco and any of its subsidiaries as they consider necessary or expedient for the purpose of giving effect to the Demerger and the Share Consolidation; and
- (B) the entry by Newco into such documents as the Directors deem to be necessary or desirable for the purpose of giving effect to the Demerger and the Share Consolidation be and are hereby approved and the Directors (or a duly authorised committee of the Directors) be authorised to carry the same into effect;
- (x) subject to and conditional upon and with effect from the Scheme becoming effective, the Directors be generally and unconditionally authorised for the purposes of section 551 of the Companies Act to exercise all the powers of Newco to allot shares in Newco to grant rights to subscribe for, or to convert any security into, shares in Newco:
- (A) up to an aggregate nominal amount equal to one-third of the issued ordinary share capital of Newco immediately after the Scheme Effective Time (such amount to be reduced by the nominal amount allotted or granted under (B) below of this resolution in excess of such sum); and
- (B) comprising equity securities (as defined in section 560(1) of the Companies Act) up to an aggregate nominal amount equal to two-thirds of the issued ordinary share capital of Newco immediately after the Scheme Effective Time (such amount to be reduced by the aggregate nominal amount of shares allotted or rights to subscribe for or to convert any security into shares in Newco granted under paragraph (A) above of this resolution) in connection with or pursuant to an offer by way of a rights issue to ordinary shareholders in proportion (as nearly as practicable) to their existing holdings (on the record date for such allotment) and to holders of any other equity securities, as required by the rights of those securities, or as the Directors otherwise consider necessary but subject to such exclusions or other arrangements as the Directors may consider necessary or appropriate to deal with fractional entitlements,

treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of, any regulatory body or stock exchange in any territory or any other matter whatsoever,

and (unless previously renewed, varied or revoked by Newco in general meeting) these authorities shall expire at the conclusion of the annual general meeting of Newco in 2017 (or, if earlier, on 30 September 2017), save that Newco may before such expiry make any offer or agreement which would or might require shares to be allotted or rights to subscribe for or convert any security into shares to be granted after such expiry and the Directors may allot such shares or grant such rights under any such offer or agreement as if the authority conferred hereby had not expired. These authorities shall be in substitution for and shall replace any existing authorities to the extent not utilised at the date this resolution is passed (save for the authorities set out in resolutions (ii) and (v) above);

(xi) subject to and conditional upon and with effect from the Scheme becoming effective, the Directors be generally and unconditionally authorised:

(A) to allot equity securities (as defined in section 560(1) of the Companies Act) for cash pursuant to the authority conferred by resolution (x) above; and/or

(B) to sell Newco Ordinary Shares held by Newco as treasury shares for cash,

as if section 561 of the Companies Act did not apply to any such allotment or sale, provided that this power shall be limited:

(A) to the allotment of equity securities and sale of treasury shares for cash in connection with or pursuant to an offer of, or invitation to apply for, equity securities (but in the case of the authority granted under resolution (x)(B), by way of rights issue only) in favour of ordinary shareholders in proportion (as nearly as practicable) to their existing holdings (on the record date for such allotment or sale) and to holders of any other equity securities, as required by the rights of those securities, or as the Directors otherwise consider necessary but subject to such exclusions or other arrangements as the Directors may consider necessary or appropriate to deal with fractional entitlements, treasury shares, record dates or legal, regulatory or practical difficulties which may arise under the laws of, or the requirements of, any regulatory body or stock exchange in any territory or any other matter whatsoever; and

(B) in the case of the authority granted under resolution (x)(A) and/or in the case of any sale of treasury shares for cash, to the allotment (otherwise than pursuant to paragraph (A) of this resolution) of equity securities or sale of treasury shares up to an aggregate nominal amount equal to five per cent. of the issued ordinary share capital of Newco immediately after the Scheme Effective Time,

and (unless previously renewed, varied or revoked by Newco in general meeting) these authorities shall expire at the conclusion of the annual general meeting of Newco in 2017 (or, if earlier, on 30 September 2017), save that Newco may before such expiry make any offer or agreement which would or might require equity securities to be allotted, or treasury shares to be sold after such expiry and the Directors may allot equity securities, or sell treasury shares, in pursuance of any offer or agreement as if the authority conferred hereby had not expired. These authorities shall be in substitution for and shall replace any existing authorities to the extent not utilised at the date this resolution is passed (save for the authorities set out in resolution (xii) below);

(xii) in addition to any power granted under resolution (xi) above and subject to and conditional upon and with effect from the Scheme becoming effective, the Directors be generally and unconditionally authorised:

(A) to allot equity securities (as defined in section 560(1) of the Companies Act) for cash pursuant to the authority conferred by resolution (x) above; and/or

(B) to sell Newco Ordinary Shares held by Newco as treasury shares for cash,

as if section 561 of the Companies Act did not apply to any such allotment or sale, provided that this power shall be limited:

- (A) to the allotment of equity securities and/or sale of treasury shares for cash up to an aggregate nominal amount equal to five per cent. of the issued ordinary share capital of Newco immediately after the Scheme Effective Time; and
- (B) to only being used for the purposes of financing (or refinancing, if the authority is to be used within six months after the original transaction) a transaction which the Directors determine would be an acquisition or other capital investment of a kind contemplated by the Statement of Principles on Disapplying Pre-Emption Rights most recently published by the Pre-Emption Group,

and (unless previously renewed, varied or revoked by Newco in general meeting) these authorities shall expire at the conclusion of the annual general meeting of Newco in 2017 (or, if earlier, 30 September 2017), save that Newco may before such expiry make any offer or agreement which would or might require equity securities to be allotted, or treasury shares to be sold after such expiry and the Directors may allot equity securities, or sell treasury shares, in pursuance of any offer or agreement as if the authority conferred hereby had not expired. These authorities shall be in substitution for and shall replace any existing authorities to the extent not utilised at the date this resolution is passed (save for the authorities set out in resolution (xi) above);

- (xiii) subject to and conditional upon and with effect from the Scheme becoming effective, Newco be and is hereby generally and unconditionally authorised for the purpose of section 701 of the Companies Act to make market purchases (within the meaning of section 693(4) of the Companies Act) of any of the Newco Ordinary Shares on such terms and in such manner as the Directors may from time to time determine subject to the following conditions:

- (A) the maximum aggregate number of Newco Ordinary Shares which may be purchased pursuant to this authority is 10 per cent. of the number of Newco Ordinary Shares in issue immediately after the Scheme Effective Time;
- (B) the minimum price, exclusive of expenses, which may be paid for each such Newco Ordinary Share is an amount equal to the nominal value of each share;
- (C) the maximum price, exclusive of expenses, which may be paid for any share is the higher of:
 - (1) an amount equal to 105 per cent. of the average of the middle market quotations for a Newco Ordinary Share taken from the London Stock Exchange Daily Official List for the five business days immediately preceding the date on which such Newco Ordinary Share is contracted to be purchased; and
 - (2) an amount equal to the higher price of the last independent trade of a Newco Ordinary Share and the highest current independent bid for a Newco Ordinary Share on the trading venue where the purchase is carried out;
- (D) the authority hereby conferred shall expire at the conclusion of the annual general meeting of Newco in 2017 (or, if earlier, on 30 September 2017); and
- (E) Newco may enter into a contract for the purchase of Newco Ordinary Shares before the expiry of this authority which will or may be completed wholly or partly after the expiry of such authority and may make a purchase of Newco Ordinary Shares in pursuance of any such contract as if the authority conferred hereby had not expired;

- (xiv) subject to and conditional upon and with effect from the Scheme becoming effective, Newco and those companies which are subsidiaries of Newco at any time during the period for which this resolution has effect be authorised for the purposes of section 366 of the Companies Act 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 donation and expenditure shall not exceed £100,000 during the period beginning with the date upon which this resolution becomes effective and expiring upon the conclusion of the Newco annual general meeting in 2017, provided that such amount may comprise sums in different currencies which shall be converted at such rate as the Directors may in their absolute discretion determine to be appropriate. For the purposes of this resolution the terms “political donations”, “political parties”, “independent election candidates”, “political organisations” and “political expenditure” have the meanings set out in Part 14 of the Companies Act;
- (xv) a general meeting of Newco other than an annual general meeting may be called on not less than 14 clear days’ notice;
- (xvi) Newco be authorised, subject to and in accordance with the provisions of the Companies Act and the Articles, to send, convey or supply all types of notices, documents or information to Shareholders by means of electronic equipment for the processing (including digital compression), storage and transmission of data, employing wires, radio optical technologies, or any other electromagnetic means, including by making such notices, documents or information available on a website; and
- (xvii) subject to and conditional upon and with effect from the Scheme becoming effective, the establishment of the Newco Employee Share Plans (which have been approved by the Shareholders at the First General Meeting), the principal terms of which are summarised in paragraph 10 below, be approved and:
- (A) the Directors be and are hereby authorised to make such amendments to the Newco Employee Share Plans as may be necessary to take account of the requirements of best practice and for the implementation of the Newco Employee Share Plans (including, in relation to the Newco Sharesave, making amendments required in order to satisfy the requirements of Schedule 3 to the Income Tax (Earnings and Pensions) Act 2003) and to do all things necessary or expedient to carry the Newco Employee Share Plans into effect; and
- (B) the Directors be and are hereby authorised to establish further employee share plans based on the Newco Employee Share Plans, but modified to take account of local tax, exchange control or securities laws in any overseas jurisdiction provided that the shares made available under such further employee share plans are treated as counting towards the limits on individual participation in the Newco Employee Share Plans.

Scheme, Demerger and Share Consolidation Share Capital

- 3.4 Under the Scheme, Newco will issue Newco Ordinary Shares credited as fully paid to the Scheme Shareholders on the basis of one Newco Ordinary Share for every Scheme Share held at the Scheme Record Time. It is also proposed to convert the Newco Subscriber Ordinary Share into a Newco Preference Share, effective as of the Scheme Effective Time. It is further proposed that following the Scheme Effective Time (and prior to the Reduction Court Hearing), Newco will capitalise certain of its reserves and will issue the Newco Reserve Share to the holder of the existing Newco Preference Share by way of bonus issue.
- 3.5 As at 2 December 2016 (the latest practicable date prior to publication of this Prospectus), there were 664,537,006 ICAP Ordinary Shares in issue, with 11,858,650 of those ICAP Ordinary Shares in treasury. To facilitate the ongoing satisfaction of awards under certain of the Newco Employee Share Plans, ICAP intends to transfer the treasury shares to the ICAP Employee Share Trust prior to the Scheme Effective Time. Whilst this will not affect the issued share capital of ICAP, this will alter the total number of voting rights in ICAP. Assuming no further ICAP Ordinary Shares are issued after 2 December 2016 (the latest practicable date prior to publication of this Prospectus), the nominal value of the issued share capital of Newco immediately following the Scheme becoming effective will, therefore, be £1,827,720,321 divided into 664,537,006 Newco Ordinary Shares of £2.75 per share.
- 3.6 Accordingly, the issued and fully paid share capital of Newco following Admission (and immediately before the Newco Reduction of Capital becomes effective pursuant to the Demerger)

is expected to be as follows (on the assumption that no new ICAP Ordinary Shares will be issued between 2 December 2016 (the latest practicable date prior to publication of this Prospectus) and the Scheme Effective Time and that all of the existing ICAP Ordinary Shares held in treasury are transferred out of treasury prior to the Scheme Effective Time):

| Class of share | Number of shares | Total nominal value (£) |
|--|------------------|-----------------------------------|
| Newco Preference Share with a par value of £0.10 | 1 | 0.10 |
| Newco Redeemable Preference Shares with a par value of £0.10 | 499,999 | 49,999.90 |
| Newco Ordinary Shares ⁽¹⁾ | 664,537,006 | 1,827,720,321.00 |
| | | To be determined by the Directors |
| Newco Reserve Share | 1 | |

(1) The nominal value of the Newco Ordinary Shares immediately following the Scheme becoming effective will be £2.750366502593063, which, for the purposes of presentation in this Prospectus has been rounded to £2.75.

- 3.7 Under the Newco Reduction of Capital, the share capital of Newco will be reduced by decreasing the nominal value of each Newco Ordinary Share from £2.75 to £0.10 (or such other nominal value as the Directors may determine) and by cancelling and extinguishing the Newco Subscriber Shares, the Newco Preference Share and the Newco Reserve Share.
- 3.8 The Share Consolidation, which is expected to take place immediately following the Demerger, is intended broadly to maintain comparability, as far as possible, of the share price of a Newco Ordinary Share before and after the Demerger. As such, the Share Consolidation will affect the number of Newco Ordinary Shares in issue and the nominal value of each Newco Ordinary Share. The Share Consolidation ratio (and therefore the resulting number of Newco Ordinary Shares and their nominal value) cannot be fixed at this time and will be announced by the Directors prior to the Reduction Court Hearing. Further information on the Share Consolidation is set out in paragraph 5 of Part 1: *Details of the Proposed Transaction*.
- 3.9 Following the Demerger and the Share Consolidation, Newco's share capital will therefore consist exclusively of the Newco Ordinary Shares. The Newco Ordinary Shares are ordinary shares. The Newco Ordinary Shares will be in registered form and will be eligible for electronic settlement. The Newco Ordinary Shares can be held in certificated form. In addition, the Newco Ordinary Shares can be held within CREST so that, should they wish to, investors will be able to hold their Newco Ordinary Shares in uncertificated form. No temporary documents of title have been or will be issued in respect of the Newco Ordinary Shares. The rights attaching to the Newco Ordinary Shares will be equivalent to the rights attaching to the ICAP Ordinary Shares in all material respects, including their dividend, voting and other rights. Further information on the rights attaching to the Newco Shares is set out in paragraph 4 below.
- 3.10 Application will be made to the FCA for the Newco Ordinary Shares to be admitted to the Official List and to the London Stock Exchange for the Newco Ordinary Shares to be admitted to trading on the London Stock Exchange's main market for listed securities. Admission to the Official List, together with admission to trading on the London Stock Exchange's main market for listed securities, constitutes admission to official listing on a regulated market. As at the date of this Prospectus, no Newco Ordinary Shares are admitted to trading on a regulated market. If the Scheme proceeds as currently envisaged, it is expected that Admission will become effective, and that dealings in the Newco Ordinary Shares will commence on the London Stock Exchange, at 8.00 a.m. on the Scheme Effective Date.
- 3.11 Application will be made to the FCA for the Official List to be amended to reflect the Newco Ordinary Shares resulting from the Share Consolidation and trading in such number of Newco Ordinary Shares is expected to commence at 8.00 a.m. on the Business Day after the Demerger Effective Date. General market transactions will continue to be settled within CREST.
- 3.12 As at 2 December 2016 (the latest practicable date prior to publication of this Prospectus), Newco does not hold any shares in treasury. Newco has not issued any partly paid shares nor any convertible securities, exchangeable securities or securities with warrants. There are no shares in Newco's issued share capital that do not represent capital.

- 3.13 No commissions, discounts, brokerages or other special terms have been granted in respect of the issue of any share capital of Newco.
- 3.14 The Newco Ordinary Shares have not been marketed and are not available in whole or in part to the public otherwise than pursuant to the Scheme. No application has been or is currently intended to be made for the Newco Ordinary Shares to be admitted to listing elsewhere or dealt in on any other exchange.

4. **ARTICLES OF ASSOCIATION**

- 4.1 The Articles of Association, which are substantially based on the ICAP Articles and are to be adopted by Newco with effect from the Scheme Effective Date contain provisions to the following effect:

(a) **Objects**

The objects of Newco, in accordance with section 31(1) of the Companies Act, are unrestricted.

(b) **Limited Liability**

The liability of the members is limited to the amount, if any, unpaid on the shares in Newco respectively held by them.

(c) **Rights Attaching to Shares**

Rights attached to Newco Ordinary Shares

(i) *Voting rights*

Subject to the Articles of Association generally and to any special rights or restrictions attached to any class of shares, at a general meeting, every Shareholder who is present in person and every duly appointed proxy has one vote on a show of hands, and on a poll every Shareholder who is present in person or by proxy has one vote for every ordinary share of which he is the holder.

A Shareholder entitled to attend and vote at a general meeting is entitled to appoint a proxy or proxies to exercise all or any of their rights to attend and speak and vote in their place. A Shareholder may appoint more than one proxy in relation to a general meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by the Shareholder. Proxies need not be shareholders of Newco.

No Shareholder will, unless the Directors otherwise determine, be entitled in respect of any share held by him, to vote either personally or by proxy at a general meeting, or to exercise any other right conferred by membership in relation to general meetings, or to be counted in a quorum, if any call, or other sum presently payable by him to Newco in respect of that share, remains unpaid; or he, or any person who appears to be interested in the shares held by him, has been served with a notice pursuant to section 793 of the Companies Act, and is in default for a period of 14 days from the date of service of the notice.

(ii) *Joint holders*

In the case of joint holders of shares, only the vote of the senior holder who votes (and any proxies duly authorised by him) shall be counted to the exclusion of the votes of other joint holders. For this purpose, the senior holder of a share shall be determined by the order in which the names of the joint holders stand in the register of members.

(iii) *Dividends*

Newco may by ordinary resolution declare dividends, provided that no dividend may exceed the amount recommended by the Directors. The Directors may also from time to time pay interim dividends as they think fit and may also pay the fixed dividends payable on any shares of Newco half-yearly or otherwise on fixed dates. No dividend or interim dividend shall be payable otherwise than in accordance with the Companies Act.

The Directors may offer Shareholders the right to elect to receive, in lieu of a dividend (or part thereof), specific assets (and in particular new shares or debentures of any other company credited as fully paid). Before they may do this, the Shareholders must have passed an ordinary resolution authorising the Directors to make the offer.

The Directors may retain any dividend payable on or in respect of a share on which Newco has a lien and may apply the same in or towards satisfaction of the monies payable to Newco in respect of that share. Any dividend unclaimed after a period of 12 years after it was declared will be forfeited and revert to Newco.

Rights attached to Newco Redeemable Preference Shares

(i) Voting rights

The Newco Redeemable Preference Shares carry no rights to receive notice of or attend, speak or vote at any general meeting of Newco (save as required by law).

The rights conferred upon the holders of the Newco Redeemable Preference Shares shall not be deemed to be varied by the Newco Reduction of Capital.

(ii) Participation in profits or assets

The Newco Redeemable Preference Shares carry no rights to participate in the profits or assets of Newco, except as set out below.

The Newco Redeemable Preference Shares carry a right to a fixed, cumulative, preferential dividend of one per cent. of the nominal amount paid up in respect of those shares. Such dividend accrues only yearly and is payable on any date specified by the Directors. Any dividend is paid in priority to dividends in respect of the Newco Ordinary Shares.

If there is a return of capital on a winding up, the assets of Newco available for distribution amongst the members shall be applied first in repaying in full to the holders of the Newco Redeemable Preference Shares the amount paid up on such shares on a *pari passu* basis with that of the Newco Preference Shares and the Newco Reserve Share and in priority to the Newco Ordinary Shares.

(iii) Redemption

Subject to the provisions of the Companies Act, the Newco Redeemable Preference Shares may be redeemed by Newco (in respect of all the Newco Redeemable Preference Shares) or the holder (in respect of all the Newco Preference Shares he holds) by notice in writing at any time and on payment of the nominal amount and any unpaid fixed preferential dividend on those shares. On the redemption of any Newco Redeemable Preference Shares, such shares shall be cancelled.

Rights attached to Newco Preference Shares

(i) Voting rights

The Newco Preference Shares carry no rights to receive notice of or attend, speak or vote at any general meeting of Newco (save as required by law).

The rights conferred upon the holders of the Newco Preference Shares shall not be deemed to be varied by the Newco Reduction of Capital.

(ii) Participation in profits or assets

The Newco Preference Shares carry the same rights to participate in the profits or assets of Newco as the Newco Ordinary Shares, except as set out below.

The Newco Preference Shares may participate in a capitalisation issue of Newco declared only on the Newco Preference Shares. This is intended solely to facilitate the bonus issue of the Newco Reserve Share in order to capitalise certain of Newco's reserves.

If there is a return of capital on a winding up, the assets of Newco available for distribution amongst the members shall be applied first in repaying in full to the holders of the Newco

Preference Shares the amount paid up on such shares on a pari passu basis with that of the Newco Redeemable Preference Shares and the Newco Reserve Share and in priority to the Newco Ordinary Shares.

Rights attached to the Newco Reserve Share

(i) *Voting rights*

The Newco Reserve Share carries no rights to receive notice of or attend, speak or vote at any general meeting of Newco (save as required by law).

The rights conferred upon the holder of the Newco Reserve Share shall not be deemed to be varied by the Newco Reduction of Capital.

(ii) *Participation in profits or assets*

The Newco Reserve Share carries the same rights to participate in the profits or assets of Newco as the Newco Ordinary Shares, except as set out below.

The Newco Reserve Share shall, for the purposes of calculating any dividend entitlement, be treated as having been paid up only as to 10 pence, regardless of the actual amount paid up on that share.

If there is a return of capital on a winding up, the assets of Newco available for distribution amongst the members shall be applied first in repaying in full to the holder of the Newco Reserve Share an amount equal to the lesser of: (a) 10 pence; and (b) the amount paid up on such shares, on a pari passu basis with that of the Newco Redeemable Preference Shares and the Newco Preference Shares and in priority to the Newco Ordinary Shares and to the extent that there are further assets available for distribution amongst the members, the holder of the Newco Reserve Share shall, for the purposes of that distribution, be entitled to no more than if he were holding one Newco Ordinary Share with a nominal value of 10 pence.

(d) **Variation of Rights**

If at any time the share capital is divided into different classes of shares, the rights attached to any class or any of such rights may, subject to the provisions of the Companies Act, whether or not Newco is being wound up, be abrogated or varied with the consent in writing of the holders of at least three-quarters in nominal value of the issued shares of that class (excluding any shares of that class held as treasury shares), or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class.

(e) **Transfer of Shares**

- (i) All transfers of uncertificated shares shall be made in accordance with and be subject to the provisions of the Uncertificated Securities Regulations 2001 and the facilities and requirements of the relevant system and, subject thereto, in accordance with any arrangements made by the Directors pursuant to the Articles.
- (ii) The instrument of transfer of any certificated share in Newco shall be signed by or on behalf of the transferor (and, in the case of a share which is not fully paid, shall be signed by or on behalf of the transferee). In relation to the transfer of any share (whether a certificated or an uncertificated share) the transferor shall be deemed to remain the holder of the share until the name of the transferee is entered in the register in respect thereof. All transfers of certificated shares shall be effected by instrument in writing in any usual or common form or any other form which the Directors may approve.
- (iii) Subject to the Articles, the Directors may, in their absolute discretion and without assigning any reason therefor, refuse to register any transfer of any share which is not a fully paid share (whether certificated or uncertificated) provided that, where any such shares are admitted to the Official List of the FCA or admitted to AIM, such discretion may not be exercised in a way which the FCA or the London Stock Exchange regards as preventing dealings in the shares of the relevant class or

classes from taking place on an open or proper basis. The Directors may likewise refuse to register any transfer of a share (whether certificated or uncertificated), whether fully paid or not, in favour of more than four persons jointly.

- (iv) In relation to a certificated share, the Directors may decline to recognise any instrument of transfer unless:
 - (A) the instrument of transfer is left at the registered office, or at such other place as the Directors may from time to time determine, accompanied by the certificate(s) of the shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his behalf, the authority of that person so to do);
 - (B) the instrument of transfer is in respect of only one class of share; and
 - (C) it is duly stamped (if required).
- (v) If the Directors refuse to register a transfer they shall, in the case of certificated shares, within two months after the date on which the transfer was lodged with Newco, send to the transferee notice of the refusal and (except in the case of fraud) return to him the instrument of transfer or, in the case of uncertificated shares, notify such person as may be required by the Uncertificated Securities Regulations 2001 and the requirements of the relevant system concerned. All instruments of transfer which are registered may be retained by Newco.
- (vi) The registration of transfers may be suspended at such times and for such periods as the Directors may from time to time determine, and either generally or in respect of any class of shares provided that such registration shall not be suspended, either generally or otherwise, for more than 30 days in any year.

(f) Newco's Lien on Partly Paid Shares

Newco shall have a first and paramount lien on every share (not being a fully paid share) for all monies (whether presently payable or not) called or payable at a fixed time in respect of such share but the Directors may at any time waive any lien which has arisen and may declare any share to be wholly or in part exempt from the provisions of the Articles. Newco's lien, if any, on a share shall extend to all amounts payable in respect of it.

Newco may sell, in such manner as the Directors think fit, any share on which Newco has a lien, but no sale shall be made unless a sum in respect of which the lien exists is presently payable, nor until the expiration of 14 days after a notice in writing, (i) stating, and demanding payment of, the sum presently payable, and (ii) giving notice of intention to sell in default of such payment, has been given to the registered holder for the time being of the share, or the person entitled thereto by reason of his death or bankruptcy or otherwise by operation of law.

(g) Redeemable Shares

Subject to the Companies Act, Newco may issue shares which are to be redeemed or are liable to be redeemed at the option of Newco or the holder, and the Directors may determine the terms, conditions and manner of redemption of any such shares, provided that this is done before the share are allotted. Newco may purchase any of its own shares (including redeemable shares).

(h) General Meetings

An annual general meeting shall be called by not less than 21 clear days' notice, and a meeting of Newco other than an annual general meeting shall be called by not less than 14 clear days' notice. (If Newco is a traded company (as defined in section 360C of the Companies Act), the provisions of section 307A must be complied with if the meeting is to be called by less than 21 clear days' notice, unless the meeting is of holders of a class of shares.)

The notice shall specify the place, the day and the time of meeting and the general nature of the business to be dealt with at the meeting. It shall be given, in the manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Companies Act or by Newco in general

meeting, to such persons as are entitled to receive such notices from Newco and shall comply with the provisions of the Companies Act as to informing members of their right to appoint proxies.

If on two consecutive occasions any notice document or other information have been sent, whether through the post or in electronic form to any member at his registered address or his address for service of notices but have been returned undelivered (in the case of an item sent or supplied in electronic form, it will be treated as undelivered if Newco receives notification that it was not delivered to the address to which it was sent), such member shall not thereafter be entitled to receive notices documents and information from Newco until he shall have communicated with Newco and supplied in writing to the registered office a new registered address or address within the United Kingdom for the service of notices, documents and information. A notice calling an annual general meeting and a notice convening a meeting to pass a special resolution shall specify the intention to propose the resolution as such and shall include the text of the resolution.

A meeting of Newco shall, notwithstanding that it is called by shorter notice than that specified above, be deemed to have been duly called if it is so agreed (i) in the case of a meeting called as the annual general meeting, by all the members entitled to attend and vote thereat; and (ii) in the case of any other meeting, by a majority in number of the members having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right (excluding any shares in Newco held as treasury shares).

(i) **Directors**

(i) *Number of Directors*

Unless and until Newco in general meeting shall otherwise determine, the number of Directors shall be not more than 20 nor less than two. Newco may by ordinary resolution from time to time vary the minimum number and/or maximum number of Directors.

(ii) *Directors' appointment, retirements and removals*

Subject to the Articles, at every annual general meeting, each Director shall retire from office. A Director who retires at an annual general meeting shall be eligible for re-appointment.

Newco may from time to time by ordinary resolution appoint a person who is willing to act as a director either to fill a casual vacancy or as an additional director, and may also determine when any such appointed director is to retire. The Directors shall also have power at any time, and from time to time, to appoint any person to be a director of Newco, either to fill a casual vacancy or as an addition to the existing Directors, but so that the total number of Directors shall not at any time exceed the maximum number, if any, fixed by or pursuant to the Articles. Any Director so appointed shall hold office only until the next following annual general meeting, and shall then be eligible for re-appointment. If not re-appointed at such meeting, he shall vacate office at the conclusion thereof.

Newco may by ordinary resolution, of which special notice has been given in accordance with the provisions of the Companies Act, remove any Director before the expiration of his period of office notwithstanding anything in the Articles or in any agreement between Newco and such Director. Such removal shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and Newco.

The office of a Director shall be vacated in any of the following events, namely:—

- (A) if a bankruptcy order is made against him or he makes any arrangement or composition with his creditors generally;
- (B) if he becomes prohibited or disqualified by law from acting as a director;
- (C) if he resigns his office by notice to Newco or offers by notice to resign and the Directors resolve to accept such offer;
- (D) if, not having leave of absence from the Directors, he and his alternate (if any) fail to attend the meetings of the Directors for six successive months, unless prevented by illness, unavoidable accident or other cause which may seem to

the Directors to be sufficient, and the Directors resolve that his office be vacated;

- (E) if, being a Director holding an executive office, he is dismissed from such office;
- (F) if it has been so resolved by the members in accordance with the Articles; or
- (G) if, by notice in writing delivered to or received at the registered office or in the case of a notice in electronic form at such address (if any) specified by the Directors for that purpose or tendered at a meeting of the Directors, his resignation is requested by all of the other Directors (but so that this shall be without prejudice to any claim such Director may have for damages for breach of any contract of service between him and Newco).

(iii) *Remuneration*

The Directors shall be paid out of the funds of Newco by way of fees for their services as directors such sums (if any) as the Directors may from time to time determine (not exceeding in the aggregate an annual sum (excluding amounts payable under any other provision of these Articles) of £1,600,000 or such larger amount as Newco may by ordinary resolution determine) and such remuneration shall be divided between the Directors as they shall agree or, failing agreement, equally.

The Directors may also be paid all reasonable travelling, hotel and other expenses properly incurred by them in attending and returning from meetings of the Directors or any committee of the Directors or general meetings of Newco or of the holders of any class of shares or debentures of Newco or otherwise in connection with the business of Newco. Any Director who is appointed to any executive office or who serves on any committee or who devotes special attention to the business of Newco, or who otherwise performs services which in the opinion of the Directors are outside the scope of the ordinary duties of a director, may be paid such extra remuneration by way of salary, percentage of profits or otherwise as the Directors may determine.

Subject to the Companies Act and to the Articles, the Directors' fees may be payable in any form and, in particular, may include the making of provisions for the payment to him, his widow or other dependants, of a pension on retirement from the office or employment to which he is appointed and for the participation in pension and life assurance and other benefits, or may be upon such other terms as the Directors determine.

(iv) *Indemnity*

Subject to the provisions of the Companies Act but without prejudice to any indemnity to which the person concerned may otherwise be entitled, every person who is or was at any time a Director or other officer of Newco excluding the Auditors may be indemnified out of the assets of Newco against all costs, charges, expenses, losses or liabilities (together "**Liabilities**") which he may sustain or incur in or about the actual or purported execution and/or discharge of his duties and/or the actual or purported exercise of his power or discretions and/or otherwise in relation thereto or in connection therewith, including any Liability suffered or incurred by him in disputing defending investigating or providing evidence in connection with any actual or threatened or alleged claims, demands, investigations, or proceedings, whether civil or criminal or regulatory, or in connection with any application under section 661(3) or (4) or section 1157 of the Companies Act.

Newco may also provide funds to any Director or other officer of Newco (excluding the Auditors) to meet or do anything to enable a Directors or other officer of Newco to avoid incurring expenditure of the nature described in sections 205(1) of the Companies Act.

(v) *Directors' Interests*

Subject to the provisions of the Companies Act, a Director may be or continue as or become a director or other officer, employee or member of, a party to any contract, transaction or arrangement with or otherwise interested in, any body corporate in which Newco may be (directly or indirectly) interested as shareholder or otherwise or any parent undertaking or subsidiary undertaking of any parent undertaking of Newco, and no such Director shall by

reason of his office be accountable to Newco for any remuneration or other benefits which derive from any office or employment or from any contract, transaction or arrangement with or from his membership or interest in such other body corporate or undertaking. No such office, employment, contract, transaction or arrangement or interest shall be liable to be avoided on the ground of any such interest or benefit.

The Directors may authorise any matter proposed to them which would, if not so authorised, involve a breach of duty by a Director under section 175 of the Companies Act. Any such authorisation will be effective only if:

- (A) the matter in question shall have been proposed by any person for consideration at a meeting of the Directors, in accordance with the Directors procedures, if any, for the time being relating to matters for consideration by the Directors or in such other manner as the Directors may approve;
- (B) any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question and any other interested Director (together the “**Interested Directors**”); and
- (C) the matter was agreed to without the Interested Directors voting or would have been agreed to if the votes of the Interested Directors had not been counted.

A Director shall be under no duty to Newco with respect to any information which he obtains or has obtained otherwise than as a director of Newco and in respect of which he owes a duty of confidentiality to another person.

A Director shall not, by reason of his office, be accountable to Newco for any remuneration or other benefit which he derives from any office or employment or from any transaction or arrangement or from any interest in any body corporate the acceptance, entry into or existence of which has been authorised by the Directors under the Articles or which he is permitted to hold or enter into by virtue of the Articles.

Newco may by ordinary resolution suspend or relax the provisions in the Articles relating to directors’ interests to any extent. Subject to the Companies Act, Newco may by ordinary resolution ratify any transaction or arrangement not properly authorised by reason of a contravention of the provisions in the Articles relating to directors’ interests.

(vi) *General Voting and Quorum Requirements*

Save as otherwise provided by the Articles, a Director shall not vote on or be counted in any quorum in relation to a resolution of the Directors or a committee of the Directors concerning a matter in which he has a direct or indirect interest which is, to his knowledge, a material interest (otherwise than by virtue of his interest in shares, debentures or other securities of or otherwise in or through Newco). This prohibition does not apply to a resolution concerning any of the following matters:

- (A) the giving of a guarantee, security or indemnity in respect of money lent or obligations incurred by him or any other person at the request of, or for the benefit of, Newco or any of its subsidiary undertakings;
- (B) the giving of a guarantee, security or indemnity in respect of a debt or obligation of Newco or any of its subsidiary undertakings for which the Director has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- (C) any proposal concerning an offer of securities of or by Newco or any of its subsidiary undertakings in which he is or may be entitled to participate as a holder of securities or in the underwriting or sub underwriting of which he is to participate;
- (D) any contract, arrangement or transaction concerning any other body corporate in which he or any person connected with him (within sections 252 to 255 of the Companies Act) is interested, directly or indirectly and whether as an officer or shareholder or otherwise howsoever, provided that he and any persons so connected with him do not to his knowledge hold an interest (within the

meaning of sections 820 to 825 of the Companies Act) in one per cent. or more of any class of the equity share capital of such body corporate or of the voting rights available to members of the relevant body corporate;

- (E) any contract, arrangement or transaction for the benefit of employees of Newco or any of its subsidiary undertakings which does not accord to him any privilege or advantage not generally accorded to the employees to whom the scheme relates;
- (F) any contract, arrangement or transaction concerning any insurance which Newco is to purchase and/or maintain for or for the benefit of any Directors or for the benefit of persons including Directors;
- (G) the giving of an indemnity pursuant to the Articles; and
- (H) the provision of funds to any Director to meet or the doing of anything to enable a Director to avoid incurring expenditure of the nature described in sections 205(1) and 206 of the Companies Act.

A Director shall not vote or be counted in the quorum on any resolution concerning his own appointment as the holder of any office or place of profit with Newco or any company in which Newco is interested including fixing or varying the terms of his appointment or the termination thereof. Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with Newco or any body corporate in which Newco is interested, such proposals may be divided and considered in relation to each Director separately and in such cases each of the Directors concerned (if not debarred from voting under the Articles) shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

(vii) *Executive Directors*

Subject to the provisions of the Companies Act the Directors, or any committee authorised by the Directors, may from time to time appoint one or more of their body to the office of managing director or to hold such other executive office in relation to the management of the business of Newco as they may decide, for such period and on such terms as they think fit, and, subject to the terms of any service contract entered into in any particular case and without prejudice to any claim for damages such Director may have for breach of any such service contract, may revoke such appointment. Without prejudice to any claim for damages such Director may have for breach of any service contract between him and Newco, his appointment shall be automatically determined if he ceases from any cause to be a Director.

The salary or remuneration of any managing director or such executive director of Newco shall, subject as provided in any contract, be such as the Directors may from time to time determine, and may either be a fixed sum of money, or may altogether or in part be governed by the business done or profits made, and may include the making of provisions for the payment to him, his widow or other dependants, of a pension on retirement from the office or employment to which he is appointed and for the participation in pension and life assurance and other benefits, or may be upon such other terms as the Directors determine.

(j) **Failure to Disclose Interests in Shares**

If any member, or any other person appearing to the Directors to be interested in any shares in the capital of Newco held by such member, has been duly served with a notice under section 793 of the Companies Act and is in default for the period of 14 days from the date of service of the notice under the said section 793 in supplying to Newco the information thereby required, then Newco may (at the absolute discretion of the Directors) at any time thereafter by notice (a “**restriction notice**”) to such member direct that, in respect of the shares in relation to which the default occurred and any other shares held at the date of the restriction notice by the member, or such of them as the Directors may determine from time to time, (the “**restricted shares**” which expression shall include any further shares which are issued in respect of any restricted shares), the member shall not, nor shall any transferee to which any of such shares are transferred other than pursuant to a permitted transfer or pursuant to the Articles, be entitled to be present or to vote on any question, either in person or by proxy, at any general meeting of Newco or separate general meeting of the holders of any class of shares of Newco, or to be reckoned in a quorum.

Where the restricted shares represent at least 0.25 per cent. (in nominal value) of the issued shares of the same class as the restricted shares (excluding any shares of that class held as treasury shares), then the restriction notice may also direct that:

- (i) any dividend or any part thereof or other monies which would otherwise be payable on or in respect of the restricted shares shall be withheld by Newco shall not bear interest against Newco, and shall be payable (when the restriction notice ceases to have effect) to the person who would but for the restriction notice have been entitled to them; and/or
- (ii) where an offer of the right to elect to receive shares of Newco instead of cash in respect of any dividend or part thereof is or has been made by Newco, any election made thereunder by such member in respect of such restricted shares shall not be effective; and/or
- (iii) no transfer of any of the shares held by such member shall be recognised or registered by the Directors unless:
 - (A) the transfer is a permitted transfer; or
 - (B) the member is not himself in default as regards supplying the information required and the transfer is of part only of the member's holding and, when presented for registration, is accompanied by a certificate by the member in a form satisfactory to the Directors to the effect that after due and careful enquiry the member is satisfied that none of the shares the subject of the transfer are restricted shares.

Upon the giving of a restriction notice, its terms shall apply accordingly.

Newco shall send a copy of the restriction notice to each other person appearing to be interested in the shares the subject of such notice, but the failure or omission by Newco to do so shall not invalidate such notice.

Any restriction notice shall have effect in accordance with its terms until no more than seven days after the Directors are satisfied that the default in respect of which the restriction notice was issued no longer continues but shall cease to have effect in relation to any shares which are transferred by such member by means of a permitted transfer or in accordance with paragraph the Articles on receipt by Newco of notice that a transfer as aforesaid has been made. Newco may (at the absolute discretion of the Directors) at any time give notice to the member cancelling, or suspending for a stated period the operation of, a restriction notice in whole or in part.

5. OTHER DIRECTORSHIPS

- 5.1 In addition to their directorships of Newco, the Directors hold or have held the following directorships, other than of subsidiaries of Newco, and/or are or were members of the following partnerships, within the past five years.

| <u>Directors</u> | <u>Current Directorships/Partnerships</u> | <u>Previous Directorships/ Partnerships</u> |
|---------------------------|--|---|
| Charles Gregson | Arabian Racing Organisation Limited Caledonia Investments plc eMedia Asia Limited Non Standard Finance plc Outdoor Installations Limited The Public Catalogue Foundation UBM Trustees Limited United Trustees Limited University of Chichester Academy Trust Woodcote Grove Estate Limited PAPF Trustee Limited | Zen Exchange Ltd Homecare Insurance Limited Card Protection Plan Limited CPP Group Plc St. James's Place Plc International Personal Finance Plc PR Newswire Europe Limited Wagon Finance Limited Garban Limited |

| <u>Directors</u> | <u>Current Directorships/Partnerships</u> | <u>Previous Directorships/ Partnerships</u> |
|---------------------------|--|---|
| Michael Spencer | Bordeaux Index Limited C&UCO Properties Limited DD&CO Limited DDCAP Limited DDGI Limited Finsbury Fine Art LLP INCAP Finance BV Intercapital Brokers (Asia) Ltd Intercapital Group (Hong Kong) Limited Intercapital USA Inc IPGL (Holdings) Limited IPGL Limited IPGL Property Funds Limited Sirai House Limited SIRAI LLP Sirai Management Limited The Conservative Party Foundation Limited Alresford Racing Ltd BI Wines and Spirits Limited European Derivatives Clearing House Limited Intercapital Bonds Limited Intercapital Debt Trading Limited Intercapital Brokerage Services Limited | Fox & Trot Limited Tungsten Corporation Plc Sheffield Haworth Limited Fin Circus Enterprises LLP Finsbury Sailing LLP Alresford Investments Limited |
| Stuart Bridges | Caledonia Investments plc Computer Games Limited | Hiscox Ltd Hiscox 2004 Hiscox Syndicates Limited Hiscox Plc Hiscox Trustees Limited Hiscox Holdings Limited Expo-Sure Limited Hiscox EBT Trustees Limited Hiscox SIP Limited Hiscox 2004 UK Limited HIM Capital Limited Amorphous Sugar Limited Hiscox Insurance Holdings Limited Hiscox Dedicated Corporate Member Ltd Hiscox Pension Trustees Limited Hiscox Europe Services Limited Event Assured Limited Hiscox Underwriting Group Services Ltd Hiscox Connect Limited Hiscox Qualifying Employee Share Ownership Trustee Limited Hiscox Syndicates Trustees Limited Whitehall Insurance Services Limited Hiscox ASM Limited Hiscox Europe Underwriting Limited Hiscox Underwriting Limited Hiscox Insurance Company Limited |

| <u>Directors</u> | <u>Current Directorships/Partnerships</u> | <u>Previous Directorships/ Partnerships</u> |
|---------------------------|--|--|
| | | Hiscox Capital Ltd Hiscox Insurance Company (Bermuda) Limited Richmond Global Ventures Limited Construction Guarantee Underwriters Limited Hiscox AG Direct Asia Insurance (Holdings) Pte Ltd FirstGroup plc Avonmouth Hazzardours Waste LLP Aventine Dewatering LLP London Diversified Fund Management LLP |
| John Sievwright | None | |
| Robert Standing | Cherwell Dewatering LLP Neuron Advisers LLP LDFA Limited London Diversified Fund Management (UK) Limited Neutrain Limited RS Furbs Limited | |
| Ivan Ritossa | J 4 Advisory Limited J 4 Capital Limited J 4 Investments Limited | IPGL Investments Limited Exotix Partners LLP ABSA Bank Limited IPGL Fund Investment Limited |

5.2 Within the period of five years preceding the date of this Prospectus none of the Directors

- (a) has had any convictions in relation to fraudulent offences;
- (b) has 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 or liquidation of such company; or
- (c) has 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.

5.3 None of the Directors has any actual or potential conflicts of interests between their duties to Newco and their private interests or other duties.

6. DIRECTORS' OTHER INTERESTS

6.1 The table below sets out the interests of the Directors in respect of the share capital of ICAP as at 2 December 2016 (the latest practicable date prior to publication of this Prospectus), which will immediately following the Scheme becoming effective (assuming that there will be no change in their interests between 2 December 2016 and the Scheme Effective Date) reflect the interests of the Directors in the share capital of Newco:

| <u>Directors</u> | <u>Number of ICAP Ordinary Shares</u> | <u>Percentage</u> |
|---|---|-------------------|
| Charles Gregson | 245,809 | 0.04% |
| Michael Spencer (together with IPGL (Holdings) Limited, IPGL Limited, INCAP Finance BV and INCAP Overseas BV) ⁽¹⁾ | 109,908,943 | 16.84% |
| Stuart Bridges | 148,750 | 0.023% |
| John Sievwright | 20,873 | 0.003% |
| Robert Standing | 10,000 | 0.002% |
| Ivan Ritossa | — | 0 |

Notes:

- (1) Michael Spencer has a direct interest in 3,889,383 ICAP Ordinary Shares, representing 0.60 per cent. of the issued share capital of ICAP. He owns a majority shareholding in IPGL (Holdings) Limited, of which IPGL Limited and INCAP Finance BV

(INFBV) are wholly-owned subsidiaries. Michael Spencer is deemed to be interested in all the ICAP Ordinary Shares held by INFBV and its indirect wholly-owned subsidiary, INCAP Overseas BV, totalling 105,569,560 ICAP Ordinary Shares, representing 16.17 per cent. of the issued share capital of ICAP. IPGL Limited holds 350,000 ICAP Ordinary Shares acquired via a contract for difference and Michael Spencer holds 100,000 ICAP Ordinary Shares acquired via a contract for difference, together representing 0.07 per cent. of the issued share capital of ICAP.

6.2 Options/awards have been granted to Directors under the ICAP Employee Share Plans as follows:

| Name of Director | Scheme and year of award | Number of ICAP Ordinary Shares subject to award | Exercise price (pence) | Exercisable from | Expiry date |
|------------------|--------------------------------------|---|------------------------|------------------|------------------|
| Michael Spencer | 2014 BSMP matching award | 91,657 | 100 | 17 May 2017 | 21 March 2024 |
| Michael Spencer | 2014 SAYE option | 1,490 | 302 | 1 August 2017 | 31 January 2018 |
| Michael Spencer | 2015 SAYE option | 2,986 | 452 | 1 August 2018 | 31 January 2019 |
| Michael Spencer | 2015 Performance Share Plan award | 173,262 | 0 | 28 May 2020 | 28 May 2020 |
| Michael Spencer | 2016 Performance Share Plan award | 521,497 | 0 | 25 May 2021 | 25 May 2021 |
| Michael Spencer | 2016 Deferred Share Bonus Plan award | 394,020 | 0 | 24 May 2019 | 24 May 2019 |
| Stuart Bridges | 2015 Performance Share Plan award | 98,750 | 0 | 1 September 2017 | 1 September 2017 |
| Stuart Bridges | 2015 Performance Share Plan award | 197,500 | 0 | 28 May 2020 | 28 May 2020 |
| Stuart Bridges | 2016 Performance Share Plan award | 231,776 | 0 | 25 May 2021 | 25 May 2021 |
| Stuart Bridges | 2016 Deferred Share Bonus Plan award | 104,299 | 0 | 24 May 2019 | 24 May 2019 |

As at 2 December 2016 (the latest practicable date prior to the date of this Prospectus), the number of ICAP Ordinary Shares (which will be exchanged for Newco Ordinary Shares on the Scheme Effective Date) outstanding pursuant to the ICAP Employee Share Plans was 12,623,067 (comprising 1.93 per cent. of the total voting rights in respect of ICAP's issued ordinary share capital as at 2 December (the latest practicable date prior to publication of this Prospectus)).

6.3 Save as set out in paragraphs 6.1 and 6.2 of this Part 7, following Admission no Director will have any interest in the share capital of Newco or any of its subsidiaries.

6.4 As at 2 December 2016 (the latest practicable date prior to publication of this Prospectus), insofar as is known to Newco, the following persons (other than Michael Spencer as set out in paragraph 6.1 above) were interested directly or indirectly in three per cent. or more of the voting rights in respect of the issued ordinary share capital of ICAP (and who will, immediately following the Scheme becoming effective (assuming that there will be no change in their interests between 2 December 2016 and the Scheme Effective Date) be interested directly or indirectly in three per cent. or more of the voting rights in respect of the issued ordinary share capital of Newco):

| Name | Number of ICAP Ordinary Shares | Percentage |
|--|--------------------------------|------------|
| Schroders plc.. | 84,914,868 | 13.01% |
| Silchester International Investors LLP | 64,765,365 | 9.92% |
| Black Rock, Inc. | 32,698,333 | 5.01% |
| FIL Ltd | 32,156,061 | 4.93% |
| Newton Investment Management Ltd | 31,907,355 | 4.89% |
| AXA S.A. | 29,749,171 | 4.56% |

Save as set out in paragraph 6.1 and in this paragraph 6.4 of this Part 7, Newco is not aware of any person who holds, or who will immediately following Admission hold, as Shareholder, directly or indirectly, three per cent. or more of the voting rights of Newco.

- 6.5 None of the Shareholders referred to in the tables set forth in paragraph 6.1 and paragraph 6.4 above has or will have voting rights which differ from those of any other Shareholder in respect of any Newco Ordinary Shares held by them.
- 6.6 Save as set out in this paragraph 6 of this Part 7, Newco is not aware of any person who immediately following Admission directly or indirectly, jointly or severally, will own sufficient shares to exercise control over Newco, nor is it aware of any arrangements the operation of which may at a subsequent date result in a change of control of Newco.

7. DIRECTORS' SERVICE AGREEMENTS AND LETTERS OF APPOINTMENT

7.1 Executive Directors

Each of the Executive Directors are currently, and will continue to be employed, by Intercapital Management Services No.2 Limited. Michael Spencer and Stuart Bridges were appointed to the Board of Newco upon its incorporation on 18 February 2016.

The terms and conditions relating to the employment of the Executive Directors are set out in the Directors' Remuneration Report on pages 59 to 70 of ICAP's Annual Report 2016, which is hereby incorporated by reference into, and forms part of, this Prospectus.

7.2 Non-Executive Directors

Charles Gregson was appointed to the Board of Newco upon its incorporation on 18 February 2016. Each of the other Non-Executive Directors will be appointed to the Board of Newco with effect from the Scheme Effective Time. All of the Non-Executive Directors have entered into new letters of appointment with Newco on terms and conditions substantially the same as their existing letters of appointment with ICAP (further details of which are set out below).

The terms and conditions relating to the appointment of the Non-Executive Directors are set out in the Directors' Remuneration Report on pages 59 to 70 of ICAP's Annual Report 2016, which is hereby incorporated by reference into, and forms part of, this Prospectus.

7.3 Termination benefits

As at 2 December 2016 (the latest practicable date prior to publication of this Prospectus), the benefits upon termination of employment of the Directors are the same as those summarised in the Directors' Remuneration Report on pages 59 to 70 of ICAP's Annual Report 2016 and set out in full in the Directors' Remuneration Report on pages 72 to 90 of ICAP's Annual Report 2015, each of which are hereby incorporated by reference into, and form part of, this Prospectus and there are no existing or proposed service agreements between any Director and any member of the Group providing for benefits upon termination of employment.

8. DIRECTORS' COMPENSATION

In the year ended 31 March 2016, the aggregate total remuneration paid (including contingent or deferred compensation) and benefits in kind granted (under any description whatsoever) to each of the Directors by members of the Group was approximately £5.8 million, as set out below:

| Name | Fees / basic salary | Benefits | Annual Bonus | Pension / cash allowance | Payment in lieu of dividend | Buy-out awards | Total |
|---------------------------|---------------------------|----------|-----------------|--------------------------------|-----------------------------------|-------------------|-------|
| (£ in thousands) | | | | | | | |
| Directors | | | | | | | |
| Charles Gregson | 300 | 28 | — | — | — | — | 328 |
| Michael Spencer | 750 | 86 | 1,700 | 37 | 1,018 | — | 3,591 |
| Stuart Bridges | 292 | 2 | 13 | — | — | 900 | 1,657 |
| John Sievwright | 110 | 2 | — | — | — | — | 112 |
| Robert Standing | 90 | — | — | — | — | — | 90 |
| Ivan Ritossa | 95 | — | — | — | — | — | 95 |

No specific provision set aside as accrued by the Group to provide pension, retirement or other benefits to the Directors.

9. EMPLOYEES

9.1 The average number of employees employed by the Group for the three years ended 31 March 2016, 31 March 2015 and 31 March 2014:

| <u>Year ended</u> | <u>Average number of employees</u> |
|---------------------|------------------------------------|
| 31 March 2016 | 4,243 |
| 31 March 2015 | 4,613 |
| 31 March 2014 | 4,934 |

9.2 As at 31 March 2016, the Group had approximately 4,271 employees.

9.3 As at 31 March 2016, the employees of the Group were employed as follows:

| | |
|---------------------------------------|------------|
| Electronic Markets | 2,113 |
| Post Trade Risk and Information | 696 |
| IGBB | 677 |
| Total | 785 |

9.4 The Group anticipates 2,687 employees and other staff transferring to Tullett Prebon on Completion.

10. SHARE PLANS

Executive Directors currently participate in the ICAP plc 2015 Deferred Share Bonus Plan and the ICAP plc 2015 Performance Share Plan and hold awards under a number of legacy share plans, as described in the Directors' Remuneration Report on pages 59 to 70 of ICAP's Annual Report 2016, which is hereby incorporated by reference into, and forms part of, this Prospectus.

Following the Scheme becoming effective, Newco will continue to use employee share plans to incentivise employees of the Group. No new rights will be granted under the ICAP Employee Share Plans following the Scheme Effective Date.

Details of the Newco Employee Share Plans, which are replacements for, and are materially identical to, the ICAP 2015 Performance Share Plan, the ICAP 2011 Unapproved Company Share Option Plan, the ICAP Senior Management Long Term Incentive Plan, the ICAP 2015 Deferred Share Bonus Plan and the ICAP 2008 Sharesave Scheme (save as described below), are set out in paragraph 7 of Part VIII: *Additional Information—ICAP* of the March Circular, which is incorporated by reference into, and forms part of, this Prospectus so as to provide certain information required pursuant to the Prospectus Rules.

10.1 Newco Sharesave

Newco intends to grant options to employees outside the UK and, as a result, will amend the rules of the Newco Sharesave to include appendices providing for the grant of options to employees in the UK, Israel and the US in a tax advantaged manner.

The terms of the revised Newco Sharesave are materially identical to the summary in paragraph 7(f) of Part VIII: *Additional Information—ICAP* of the March Circular save that:

- For participants granted options under the US appendix:
 - The exercise price for these options will be not less than 85 per cent. of the market value of a Newco Ordinary Share on the date the option is granted;
 - The number of Newco Ordinary Shares which may be used to satisfy options granted to US employees may not exceed 66,453,700 Newco Ordinary Shares; and
 - In normal circumstances, options may be exercised within three months following the maturity date.
- For all non-UK based employees who are saving in a currency other than pounds sterling, the Board may permit employees to make a "top-up payment" from their own funds at the end of the savings contract where the amount of their savings would otherwise be insufficient to exercise their option in full.

11. SUBSIDIARIES

ICAP plc is currently the ultimate holding company of the Group. If the Scheme becomes Effective, Newco will acquire the entire issued share capital of ICAP and become the ultimate holding company of the Group, following which it will have the following significant subsidiary undertakings:

| Name | Principal activity | Registered office | Percentage of shares and voting rights held |
|--|------------------------|-------------------|---|
| ICAP Group Holdings plc | Holding company | London | 100% |
| Intercapital Limited | Holding company | London | 100% |
| Garban Group Holdings Limited . . . | Holding company | London | 100% |
| ICAP Australia Pty Limited | Trading company | (Australia) | 100% |
| ICAP Brokers Pty Limited | Trading company | (Australia) | 100% |
| ICAP do Brasil Corretora de Titulos e Valores Mobiliarios Ltda | Trading company | (Brazil) | 100% |
| EBS Dealing Resources International Limited | Trading company | (England) | 100% |
| Enso (UK) Limited | Trading company | (England) | 85.86% |
| ICAP Energy Limited | Trading company | (England) | 100% |
| ICAP Europe Limited | Trading company | (England) | 100% |
| ICAP Global Derivatives Limited . . . | Trading company | (England) | 100% |
| ICAP Management Services Limited | Administrative company | (England) | 100% |
| ICAP Securities Limited | Trading company | (England) | 100% |
| iSwap Limited | Trading company | (England) | 40.2% ⁽¹⁾ |
| ICAP Totan Securities Co Limited . . | Trading company | (Japan) | 60% |
| Reset Private Limited | Trading company | (Singapore) | 100% |
| TriOptima AB | Trading company | (Sweden) | 100% |
| EBS Service Company Limited | Trading company | (Switzerland) | 100% |
| BrokerTec Americas LLC | Trading company | (United States) | 100% |
| EBS Dealing Resources Inc | Trading company | (United States) | 100% |
| Enso LP | Holding company | (United States) | 85.86% |
| ICAP Capital Markets LLC | Trading company | (United States) | 100% |
| ICAP Corporates LLC | Trading company | (United States) | 100% |
| ICAP Energy LLC | Trading company | (United States) | 100% |
| ICAP Securities USA LLC | Trading company | (United States) | 100% |
| ICAP Services North America LLC . | Administrative company | (United States) | 100% |
| Traiana Inc | Trading company | (United States) | 86.7% |

Notes:

- (1) The Group has an economic interest of 40.2 per cent. in iSwap Limited, but the investment is classed as a subsidiary because the Group is the largest single shareholder (the next largest interest is 13.3 per cent.). The Group also employs the key management personnel of iSwap Limited.

12. PROPERTY, PLANT AND EQUIPMENT

The following are the principal establishments of the Group:

| Name and location | Type of facility | Tenure |
|--|-------------------------|---------------------------------------|
| Ground Floor, 3rd Floor, 4th Floor, 5th Floor and 6th Floor 2 Broadgate London EC2M 7UR United Kingdom ⁽¹⁾ | Office with data centre | Existing leases expire on 1 July 2019 |
| 3rd Floor, 4th Floor, 5th Floor and 6th Floor 1 Broadgate London EC2M 7UR United Kingdom ⁽¹⁾ | Office with data centre | Existing leases expire on 1 July 2019 |

| Name and location | Type of facility | Tenure |
|--|-----------------------------|---|
| Level 2, City Reach 5 Greenwich View Place, Millharbour Isle of Dogs London E14 9NN United Kingdom | DR site | Existing lease expires on 17 October 2017 |
| 11th Floor, 12th Floor, 13th Floor, 15th Floor (FBS) and 15th Floor (ICAP) Harborside Financial Center 1100 Plaza Five Jersey City, NJ 07311 United States | Office with data centre | Existing leases expire on 31 August 2018 |
| Metroview Office Building 10th Floor, 333 Thornall Street Edison, New Jersey United States | Office with data centre | Existing lease expires on 31 October 2025 |
| Marina Bay Financial Centre Tower 2, 10 Marina Boulevard ~21-01, ~20-01 and 20-02 and ~20-03 Singapore 018983 ⁽¹⁾ | Office with data centre | Existing leases expire on 14 November 2022 |
| 29th Floor, The Center 99 Queens Road Central Hong Kong | Office with data centre | Existing lease expires on 30 June 2017 |
| Level 27, 9 Castlereagh Street Sydney NSW 2000 Australia | Office with data centre | Existing lease expires on 31 August 2017 |
| Stephanstrasse 14–16, 60313 Frankfurt am Main Germany | Office with technology room | Existing lease expires on 30 November 2020 |

Notes:

- (1) The offices at these locations are being retained by the Group but subsections will be sublet/licensed to members of the IBGG Group under terms of separate sublease/license agreements, while data centres in these facilities are made available as a service under the Transitional Services Agreements.

13. UNITED KINGDOM TAXATION

13.1 General

The following is a summary of certain United Kingdom tax considerations relating to an investment in the Newco Ordinary Shares.

The statements set out below are based on current United Kingdom law and published HMRC practice (which may not be binding on HMRC), as at the date of this Prospectus, and which may be subject to change, possibly with retroactive effect. They are intended as a general guide and apply only to shareholders resident and, in the case of an individual, domiciled in (and only in) the United Kingdom for United Kingdom tax purposes (except insofar as express reference is made to the treatment of non United Kingdom residents), who hold Newco Ordinary Shares as an investment (other than under an individual savings account or self-invested personal pension) and who are the absolute beneficial owners of the Newco Ordinary Shares and any dividends paid on them. (In particular, shareholders holding their Newco Ordinary Shares via a depositary receipt system or clearance service should note that they may not always be regarded as the absolute beneficial owners thereof.) The discussion does not address all possible tax consequences relating to an investment in the Newco Ordinary Shares. The statements are not addressed to: (i) special classes of shareholders such as (and without limitation), for

example, dealers in securities, broker dealers, intermediaries, insurance companies and collective investment schemes; (ii) shareholders who hold Newco Ordinary Shares as part of hedging transactions; (iii) shareholders who have (or are deemed to have) acquired their Newco Ordinary Shares by virtue of an office or employment; and (iv) shareholders who hold Newco Ordinary Shares in connection with a trade, profession or vocation carried on in the United Kingdom through a branch or agency (or, in the case of a corporate shareholder, in connection with a trade in the UK carried on through a permanent establishment or otherwise).

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.

13.2 Dividends

Newco will not be required to withhold amounts on account of United Kingdom tax at source when paying a dividend.

(a) Individuals

All dividends received by an individual shareholder form part of the shareholder's total income for income tax purposes and represents the highest part of that income (the **"Dividend Income"**).

A nil rate of income tax applies to the first £5,000 of Dividend Income received by an individual shareholder in a tax year (the **"Nil Rate Amount"**), regardless of what tax rate would otherwise apply to that Dividend Income.

Where an individual shareholder's Dividend Income for a tax year exceeds the Nil Rate Amount, the excess amount (the **"Relevant Dividend Income"**) is subject to income tax at the following Dividend Rates for 2016/17:

- (i) at the rate of 7.5 per cent., to the extent that the Relevant Dividend Income falls within the basic tax band;
- (ii) at the rate of 32.5 per cent., to the extent that the Relevant Dividend Income falls within the higher tax band; and
- (iii) at the rate of 38.1 per cent., to the extent that the Relevant Dividend Income falls into the additional tax band.

In determining the tax band the Relevant Dividend Income falls into, the individual shareholder's total Dividend Income for the tax year in question (including the part within the Nil Rate Amount) will, as noted above, be treated as the highest part of the shareholder's total income for income tax purposes.

(b) UK resident corporate shareholders

Shareholders who are within the charge to UK corporation tax will be subject to corporation tax on dividends paid by Newco at a rate of 20 per cent. (reducing to 19 per cent. from 1 April 2017 and 17 per cent. from April 2020), 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, although it would normally be expected that the dividends paid by Newco would fall within an exempt class (although it should be noted that the exemption is not comprehensive and is also subject to anti-avoidance rules). Shareholders within the charge to corporation tax should consult their own professional advisers.

(c) Non Residents

Non United Kingdom resident shareholders are not generally subject to UK tax on dividend receipts.

A shareholder resident outside the United Kingdom may be subject to foreign taxation on dividend income under applicable local law. Shareholders who are not resident for tax purposes in the United Kingdom should obtain their own tax advice concerning tax liabilities on dividends received from Newco.

13.3 Chargeable Gains

A disposal or deemed disposal of Newco Ordinary Shares by a shareholder who is resident in the UK for tax purposes may give rise to a chargeable gain or an allowable loss for the purposes of UK taxation of chargeable gains. This will depend upon the shareholder's circumstances and is subject to any available exemption or relief (such as the annual exempt amount for individuals and indexation or substantial shareholding exemption for corporate shareholders).

Shareholders who are not resident in the UK will not generally be subject to UK taxation of capital gains on the disposal or deemed disposal of Newco Ordinary Shares unless they are carrying on a trade, profession or vocation in the UK through a branch or agency (or, in the case of a corporate shareholder, carrying on a trade in the UK through a permanent establishment) in connection with which the Newco Ordinary Shares are used, held or acquired.

Where an individual shareholder who is resident in the UK, ceases to be so resident (or becomes resident outside of the UK for the purposes of double taxation arrangements) for a period of less than five years, a disposal of all or part of his Newco Ordinary Shares during that period may be liable to capital gains tax on his return to the UK, subject to any available exemptions or reliefs. Nothing in any double taxation relief arrangements prevents such an individual from being subject to UK capital gains tax in those circumstances.

If an individual shareholder who is subject to income tax at the higher or additional rate becomes liable to UK capital gains tax on the disposal of Newco Ordinary Shares, the applicable rate will be 28 per cent. (2016/17). Other individual shareholders may only be liable to any such capital gains tax at a rate of 18 per cent. (2016/17).

A gain arising to a corporate shareholder would (subject to any applicable exemptions and reliefs) be subject to corporation tax at 20 per cent. (reducing to 19 per cent. from 1 April 2017 and 17 per cent. from 1 April 2020).

13.4 UK Inheritance Tax

The Newco Ordinary Shares will be assets situated in the United Kingdom for the purposes of United Kingdom inheritance tax. A gift of such assets by, or the death of, an individual holder of such assets may (subject to certain exemptions and reliefs) give rise to a liability to 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 individuals if the transfer is made more than seven complete years prior to death of the donor. For inheritance tax purposes, a transfer of assets at less than full market value may be treated as a gift and particular rules apply to gifts where the donor reserves or retains some benefit. Special rules also apply to close companies and to trustees of settlements who hold Newco Ordinary Shares bringing them within the charge to inheritance tax. Holders of Newco Ordinary Shares should consult an appropriate professional adviser if they make a gift of any kind or intend to hold any Newco Ordinary Shares through a trust arrangement. They should also 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.

13.5 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. Investors 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.

No liability to stamp duty or SDRT will arise on the issue of, or on the issue of definitive share certificates in respect of, Newco Ordinary Shares by Newco other than in circumstances involving depositary receipts or clearance services referred to below.

The transfer on sale of Newco Ordinary Shares held in certificated form will generally be subject to stamp duty on the instrument of transfer at the rate of 0.5 per cent. of the amount or value of the consideration for the Newco Ordinary Shares (rounded up, if necessary, to the nearest multiple of £5). An exemption from stamp duty is available on an instrument transferring Newco Ordinary Shares where the amount or value of the consideration is £1,000 or less, and it is certificated on the instrument that the transaction

effected by the instrument does not form part of a larger transaction or series of transactions for which the aggregate amount or value of the consideration exceeds £1,000. Stamp duty is normally paid by the purchaser of the Newco Ordinary Shares.

An unconditional agreement to transfer Newco Ordinary 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 for the Newco Ordinary Shares. However, where, within six years of the date of the agreement or, in the case of a conditional agreement, within six years of the date of the agreement becoming unconditional, an instrument of transfer is executed and duly stamped or certified as exempt, the SDRT liability will automatically be cancelled and any SDRT which has been paid may be reclaimed. SDRT is normally the liability of the purchaser of the Newco Ordinary Shares.

Paperless transfers of Newco Ordinary Shares within CREST are generally subject 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 system. Deposits of Newco Ordinary Shares into CREST will generally not be subject to SDRT or stamp duty, unless the transfer into CREST is itself for consideration.

Special rules apply to agreements made by market intermediaries in the ordinary course of their business.

Under current UK legislation, where Newco Ordinary Shares are transferred (in the case of stamp duty) or issued or transferred (in the case of SDRT) (a) to, or to a nominee or agent (a nominee only in the case of SDRT) for, a person whose business is or includes the provision of clearance services or (b) to, or to a nominee or agent for, a person whose business is or includes issuing depository receipts, stamp duty or SDRT may be payable at a rate of 1.5 per cent. (rounded up in the case of stamp duty, if necessary, to the nearest multiple of £5) of the amount or value of the consideration payable or, in certain circumstances, the value of the Newco Ordinary Shares.

Any liability for stamp duty or SDRT which does arise at the higher 1.5 per cent. rate will strictly be accountable by the depository or clearance service operator or their nominee, as the case may be, but will, in practice, generally be reimbursed by participants in the clearance service or depository receipt scheme.

Subsequent transactions within a clearance service and transfers and agreements to transfer depository receipts are not normally subject to stamp duty or SDRT. However, clearance service providers may opt under certain circumstances for the normal rates of SDRT (0.5 per cent. of the consideration paid) to apply to transfers of Newco Ordinary Shares into, and to transactions within the service, instead of the higher rate applying to an issue or transfer of Newco Ordinary Shares into the clearance service, in which case a liability to SDRT would arise (at the rate of 0.5 per cent. of the consideration paid) on any subsequent transfers of Newco Ordinary Shares whilst in the service.

Following litigation, HMRC has confirmed that it will no longer seek to apply the 1.5 per cent. SDRT charge on the issue of Newco Ordinary Shares into a clearance service or depository receipt system on the basis that the charge is not compatible with EU law. HMRC's view is that the 1.5 per cent. charge will however apply on the transfer of Newco Ordinary Shares into a clearance service or depository receipts system where the transfer is not an integral part of the issue of share capital. This view is currently being challenged in further litigation. Accordingly, it may be appropriate to seek specific professional advice before paying the 1.5 per cent. stamp duty or SDRT charge.

Prospective purchasers of Newco Ordinary Shares should consult their own tax advisors with respect to the tax consequences to them of acquiring, holding and disposing of Newco Ordinary Shares.

14. UNITED STATES TAXATION

The following summary is a general discussion of certain US federal income tax considerations to US Holders (as defined below) of acquiring, holding and disposing of Newco Ordinary Shares or Newco ADSs. This summary is based in part upon the assumption that each obligation in the Deposit Agreement and any related agreement will be performed in accordance with its terms. In general, and taking into account this assumption, for United States federal income tax purposes, holders of Newco ADSs will be treated as the owner of the Newco Ordinary Shares represented by those ADSs. Exchanges

of Newco Ordinary Shares for Newco ADSs, and Newco ADSs for Newco Ordinary Shares, generally will not be subject to United States federal income tax.

The following summary applies only to US Holders that receive Newco Ordinary Shares or Newco ADSs as part of the Scheme, will hold Newco Ordinary Shares or Newco ADSs as capital assets for US federal income tax purposes (generally, assets held for investment), and that are not residents of, or ordinarily resident in, the United Kingdom for tax purposes nor hold their Newco Ordinary Shares or Newco ADSs as part of a permanent establishment in the United Kingdom. The following summary is not a complete analysis of all US federal income tax consequences that may be relevant to a prospective US Holder's decision to acquire, hold or dispose of Newco Ordinary Shares or Newco ADSs, including, in particular, US federal income tax consequences that apply to prospective US Holders subject to special tax rules, including, among others, financial institutions, insurance companies, real estate investment trusts, regulated investment companies, dealers or traders in securities or currencies, tax-exempt entities, US Holders that will hold Newco Ordinary Shares or Newco ADSs as part of an "integrated", "hedging" or "conversion" transaction or as a position in a "straddle" for US federal income tax purposes, grantor trusts, US Holders that have a "functional currency" other than the US dollar, US Holders that will own (directly or by attribution) 10 per cent. or more (by voting power) of Newco's stock and certain US expatriates or US Holders subject to the alternative minimum tax or Medicare tax.

This summary does not discuss the tax consequences of the purchase, ownership or disposition of Newco Ordinary Shares or Newco ADSs under the tax laws of any state, locality or non-US jurisdiction. Prospective investors considering an investment in Newco Ordinary Shares or Newco ADSs should consult their own tax advisors in determining the US federal, state, local, non-US and any other tax consequences to them of an investment in Newco Ordinary Shares or Newco ADSs and the purchase, ownership and disposition thereof.

The following summary is based on the US Internal Revenue Code of 1986, as amended (the "**Code**"), the US Treasury Regulations thereunder, published rulings of the US Internal Revenue Service (the "**IRS**"), the income tax treaty between the United States and the United Kingdom (the "**US-UK Treaty**") and judicial and administrative interpretations thereof, in each case as in effect and available on the date of this Prospectus. Changes to any of the foregoing, or changes in how any of these authorities are interpreted, may affect the tax consequences set out below, possibly retroactively. No ruling will be sought from the IRS with respect to any statement or conclusion in this discussion, and no assurances can be given that the IRS will not challenge such statement or conclusion in the following discussion or, if challenged, a court will uphold such statement or conclusion.

For purposes of the following summary, a "**US Holder**" is a beneficial owner of Newco Ordinary Shares or Newco ADSs that is for US federal income tax purposes: (i) a citizen or resident alien of the United States, (ii) a corporation or other entity treated as a corporation for US federal income tax purposes created or organised in or under the laws of the United States or any state thereof (including the District of Columbia), (iii) an estate, the income of which is subject to US federal income taxation regardless of its source or (iv) a trust the administration of which is subject to the primary supervision of a court within the United States and which has one or more United States persons (as defined in the Code) that have the authority to control all substantial decisions of such trust.

If a partnership (including any entity treated as a partnership for US federal income tax purposes) holds Newco Ordinary Shares or Newco ADSs, the US federal income tax consequences to the partners of such partnership will depend on the activities of the partnership and the status of the partners. A partnership considering an investment in Newco Ordinary Shares or Newco ADSs, and partners in such partnership, should consult their own tax advisors about the consequences of the investment.

Prospective purchasers of Newco Ordinary Shares or Newco ADSs should consult their own tax advisors with respect to the US federal, state, local and non-US tax consequences to them in their particular circumstances of acquiring, holding and disposing of Newco Ordinary Shares or Newco ADSs.

14.1 Distributions by Newco

This paragraph 14.1 is subject to the discussion in paragraph 14.3 "*Passive Foreign Investment Company*" below. Generally, the gross amount of any distribution by Newco with respect to Newco Ordinary Shares will be includible in a US Holder's ordinary income as a dividend to the extent of Newco's current and accumulated earnings and profits (as determined under US federal income tax

principles) at the time the US Holder receives (actually or constructively), in the case of the Newco Ordinary Shares, and at the time the Depositary receives (actually or constructively), in the case of the Newco ADSs, such amount in accordance with the US Holder's usual method of accounting for US federal income tax purposes. Any distribution in excess of Newco's current and accumulated earnings and profits will be treated first as a tax-free return of capital to the extent of a US Holder's adjusted tax basis and thereafter as capital gain.

Newco does not maintain calculations of its earnings and profits under US federal income tax principles. US Holders should therefore expect that a distribution by Newco with respect to Newco Ordinary Shares will constitute ordinary dividend income. US Holders should consult their own tax advisors with respect to the appropriate treatment of any distribution received from Newco for US federal income tax purposes.

Dividends paid by Newco should not be eligible for the dividends received deduction provided for certain dividends received by U.S. corporate shareholders. Dividends paid by Newco to non-corporate US Holders should, subject to the discussion under paragraph 14.3 "*Passive Foreign Investment Company*" below, be subject to US federal income tax at lower rates than other types of ordinary income, provided that Newco is a qualified foreign corporation and certain other requirements are met. Newco generally will be treated as a qualified foreign corporation with respect to any dividend it pays if the Newco Ordinary Shares are regularly traded on an established securities market in the United States or Newco is eligible to claim benefits of the US-UK Treaty. Newco expects to be a qualified foreign corporation for these purposes.

Where distributions are paid in pounds sterling, a US Holder should include the US dollar amount of such distributions determined at the GBP/USD rate in effect on the date such distributions are includible in the US Holder's income. Generally, any gain or loss resulting from currency fluctuations during the period from the date the distribution is included in income to the date the US Holder converts the payment into US dollars or other property should be treated as ordinary income or loss and should not be eligible for the special tax rate described in the previous paragraph.

Dividends with respect to a Share should be treated as foreign source income for US foreign tax credit purposes. The limitation on foreign taxes eligible for credit is calculated separately with respect to specific classes of income. US Holders should consult their own tax advisors concerning the availability and the utilisation of the foreign tax credit.

14.2 Proceeds from the Sale, Exchange or Retirement of the Newco Ordinary Shares or Newco ADSs

Subject to the discussion under paragraph 14.3 "*Passive Foreign Investment Company*" below, upon the sale, exchange or retirement of a Newco Ordinary Share or Newco ADS, a US Holder will generally recognise capital gain or loss equal to the difference, if any, between the US dollar amount realised on the sale, exchange or retirement (determined on the date of sale or, in the case of cash basis and electing accrual basis taxpayers where the Newco Ordinary Shares or Newco ADSs (as applicable) are regularly traded on a qualifying exchange, the settlement date) and the US Holder's tax basis in the Newco Ordinary Share or Newco ADS (as applicable). The US Holder's tax basis will generally be the US dollar value of the amount paid for the Newco Ordinary Share or Newco ADS (as applicable). US Holders that participate in the Transaction should have a basis in their Newco Ordinary Shares equal to their basis in their pre-Transaction ICAP Ordinary Shares in respect of which such Newco Ordinary Shares were received (adjusted to take into account the Share Consolidation). Any gain or loss generally will be long-term capital gain or loss if the Newco Ordinary Shares or Newco ADSs (as applicable) have been held for more than a year. US Holders that participate in the Transaction should have holding periods in their Newco Ordinary Shares that include the holding periods in the pre-Transaction ICAP Ordinary Shares in respect of which such Newco Ordinary Shares were received. Such gain or loss will generally be US source gain or loss. In the case of a non-corporate US Holder that has held the Newco Ordinary Shares or Newco ADSs (as applicable) for more than one year, any such gain may be subject to lower rates of tax. The deductibility of capital losses is subject to limitations.

US Holders should consult their own tax advisors regarding how to account for currency gain or loss (if any) arising from payments made with respect to the sale or other disposition of the Newco Ordinary Shares or Newco ADSs that are not paid in US dollars

14.3 Passive Foreign Investment Company (“PFIC”)

The manner in which the PFIC rules apply to a company like Newco is not entirely clear. Newco does not expect to be a PFIC. However, because PFIC status depends upon the composition of a company’s income and assets and the market value of its assets from time to time, as well as the application of rules that are not entirely clear as applied to Newco’s business, Newco cannot assure prospective investors that it will not be considered a PFIC for any taxable year. In general, a non-US corporation will be classified as a PFIC if in any taxable year either (i) 75 per cent. or more of its gross income consists of passive income (e.g., dividends, interest and certain rents and royalties) or (ii) 50 per cent. or more of its assets, by value, determined on the basis of a quarterly average, consists of assets that produce, or are held for the production of, passive income.

If Newco is classified as a PFIC, a US Holder could be subject to significantly greater amounts of US tax than would otherwise apply with respect to (i) any gain on the sale or exchange of Newco Ordinary Shares or Newco ADSs, or (ii) dividends. Additionally, dividends that are paid by Newco may not be eligible for the special reduced rate described above under paragraph 14.1 “*Distributions by Newco*” if Newco were a PFIC in the current or preceding taxable year. The US Holder would also be subject to more burdensome US tax reporting obligations. US Holders should consult their tax advisors concerning the application of the PFIC rules, and alternative tax reporting methods that may be available.

14.4 Backup Withholding and Information Reporting Requirements

US federal backup withholding and information reporting requirements may apply to certain payments of dividends on, and proceeds from the sale, taxable exchange or redemption of, Newco Ordinary Shares or Newco ADSs held by US Holders. In addition, a portion of any such payment may be withheld as a backup withholding against such US Holder’s potential US federal income tax liability if such US Holder fails to establish it is exempt from these rules, furnish its correct taxpayer identification number or otherwise fails to comply with such information reporting requirements. Any amounts withheld under the backup withholdings rules from a payment to a US Holder will be credited against such US Holder’s federal income tax liability, if any, or refunded if the amount withheld exceeds such tax liability provided the required information is furnished to the IRS.

The above summary is not intended to constitute a complete analysis of all US federal income tax consequences to a US Holder of acquiring, holding and disposing of Newco Ordinary Shares. Each US Holder should consult its own tax advisor with respect to the US federal, state, local and non-US consequences of acquiring, holding and disposing of Newco Ordinary Shares.

15. WORKING CAPITAL

Newco is of the opinion that, taking into account the bank and other facilities available to the Group, Newco and the Group have sufficient working capital for their present requirements, that is for at least the next 12 months following the date of this Prospectus.

16. SIGNIFICANT CHANGE

There has been no significant change in the financial or trading position of the Group since 30 September 2016, being the end of the period for which the Group’s last financial statements were published.

17. LITIGATION

Save as disclosed below, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Newco is aware) during the 12 months preceding the date of this Prospectus which may have, or have had significant effects on Newco’s and/or the Group’s financial position or profitability.

With respect to the governmental, legal or arbitration proceedings listed under “*IGBB Litigation*” below it is noted that IGBB is expected to be acquired by Tullett Prebon pursuant to the Transaction. However, as described in paragraph 18.1 (*Sale and Purchase Agreement*) of this Part 7 below, ICAP has provided an indemnity to Tullett Prebon pursuant to the Sale and Purchase Agreement for certain known regulatory, litigation and employment claims, in each case subject to certain limitations, such that the following governmental, legal or arbitration proceedings may have a significant effect on Newco’s and/or the Group’s financial position or profitability in the future regardless of whether the Transaction completes.

Retained Group Litigation

- (a) The CFTC and other government agencies have requested information from the Group in relation to the setting of the US dollar segment of a benchmark known as ISDA Fix. ICAP continues to cooperate with the agencies' inquiries into the setting of that rate. ICAP Capital Markets LLC was the collection agent for ISDA Fix panel bank submissions in US dollars, but was not a panel member itself. It is not possible to predict the ultimate outcome of this investigation or to provide an estimate of any potential financial impact.

Subsequently, in September and October 2014, five class actions were filed alleging injury due to purported manipulation of the USD ISDA Fix rate. ICAP Capital Markets LLC is a defendant in those actions along with several ISDA Fix panel banks. The cases were filed in the US District Court in the Southern District of New York and have been consolidated into a single case. The defendants filed a motion to dismiss the complaint for failure to state a claim which was granted in part and denied in part on 28 March 2016. Plaintiffs' antitrust claims remain and a pretrial conference took place on 5 May 2016. Defendants filed Answers to the Complaint on 24 May 2016 and discovery is in progress.

It has been agreed that any liability arising as a result of the ISDA Fix investigation or the resulting litigation or class actions will be retained by the Retained Group. Although ICAP Capital Markets LLC has been a principal trading subsidiary of IGBB, in order that any liability relating to the ISDA Fix investigation is retained by the Retained Group, under the terms of the Transaction, the business of ICAP Capital Markets LLC (excluding any liability relating to the ISDA Fix investigation) has been transferred to another subsidiary of IGBHL. The legal entity ICAP Capital Markets LLC will then be retained by the Retained Group as it will no longer be a subsidiary of IGBB at Completion and, therefore, will not be acquired by Tullett Prebon. Under the terms of the Sale and Purchase Agreement, Tullett Prebon also has the benefit of an indemnity for any liability on any member of the Enlarged Tullett Prebon Group arising out of ISDA Fix.

- (b) From 25 November 2015 until the date of this Prospectus, ICAP Capital Markets LLC has been named as a defendant, along with a number of banks and Tradeweb Markets LLC, in ten (10) civil lawsuits relating to the interest rates swaps market. Eight (8) of the lawsuits are class actions by alleged investors in the market, and the other two (2) are single plaintiff cases brought by failed competitors. All of the suits make allegations that defendants together colluded to prevent buy side customers from accessing the interest rates swaps market on electronic, exchange-like platforms, including the boycott of any platform offering all-to-all trading. The actions generally assert claims of violation of antitrust laws and unjust enrichment. The cases have been consolidated and are being managed by the United States District Court for the Southern District of New York. On 9 September 2016, plaintiffs filed two amended consolidated complaints, one on behalf of the alleged investors and the other on behalf of the failed competitors. On 4 November 2016, all defendants filed motions to dismiss the amended complaints for failure to state a claim. Under the current schedule, the plaintiffs must either amend their complaints or file opposition briefs by 9 December 2016. It is not possible to predict the outcome of this litigation or to provide an estimate of any potential liability or financial impact on the Group.

IGBB Litigation

- (c) In February 2015, the European Commission imposed a fine of £11 million (€14.9 million) on ICAP for alleged competition violations in relation to Yen LIBOR, in respect of the same underlying matters that ICAP Europe Limited ("IEL") settled with the FCA and the CFTC. ICAP has appealed and is seeking a full annulment of the Commission's decision.
- (d) On 25 September 2013, IEL reached settlement agreements with the FCA and the CFTC relating to the involvement of some of IEL's brokers in the attempted manipulation of Yen LIBOR by bank traders between October 2006 and January 2011. Under the terms of the settlements, IEL agreed to pay penalties of £14 million to the FCA and US\$65 million to the CFTC. The European Commission announced a Euro 14.9 million fine for the same conduct on 4 February 2015 which currently is the subject of an appeal by ICAP seeking a full annulment of the decision. ICAP continues to co-operate with government agencies in Europe and the US relating to their investigations into the setting of Yen LIBOR. This

includes ICAP having worked closely and co-operated fully with an investigation by the US Department of Justice. The US Department of Justice has not taken action against IEL nor any other IGBB company to date and based on ICAP's present assessment of this matter, no provision has been made. It is not possible to predict the ultimate outcomes of these inquiries or to provide an estimate of any potential financial impact on IGBB.

- (e) In April 2013, ICAP was added as a defendant to an existing civil litigation originally filed in April 2012 against certain Yen LIBOR and Euroyen TIBOR panel banks in the US District Court for the Southern District of New York. The complaint alleges the plaintiff, who traded positions in Euroyen TIBOR futures contracts, was injured as a result of the purported manipulation of Yen LIBOR and Euroyen TIBOR by certain panel banks and interdealer brokers. The Court dismissed the plaintiff's antitrust and unjust enrichment claims, but upheld the plaintiff's claim for purported manipulation under the Commodity Exchange Act. ICAP was subsequently dismissed from the litigation for lack of personal jurisdiction in March 2015. The Court issued an order permitting the plaintiff to add new defendants to the action, including IEL. The plaintiff filed a new amended complaint on 18 December 2015 which went beyond what the Court permitted, and that complaint was subsequently struck by the Court on 8 January 2016. The plaintiff was then required to submit a request to the Court proposing amendments to the complaint and the defendants were permitted to respond to that request. On 19 February 2016, the Court issued an order denying certain proposed amendments as futile and permitting other portions of the amendments to be filed. Plaintiffs thereafter amended their complaint adding IEL as a defendant, and motions to dismiss that complaint were filed on 16 May 2016. Other plaintiffs have filed a related complaint, which includes IEL and ICAP as defendants, and also alleges injury as a result of the purported manipulation of Yen LIBOR and/or Euroyen TIBOR by panel banks and interdealer brokers. Defendants, including ICAP and IEL, filed motions to dismiss for lack of personal jurisdiction, lack of subject matter jurisdiction and failure to state a claim on 1 February 2016. A hearing took place before the Court on 7 April 2016 to address a motion filed by plaintiffs seeking preliminary approval of settlements reached with two defendants and conditional certification of a settlement class of plaintiffs. Oral argument on the motion to dismiss the related case was heard on 5 May 2016. Briefing was completed on the motions to dismiss the original action on 16 August 2016 and oral argument took place on 25 October 2016. The parties await a decision, which the Court indicated it will endeavour to issue by 24 January 2017.
- (f) ICAP was named, amongst several LIBOR panel banks and two other interdealer brokers, as a defendant in two civil filings made in August 2013 in the United States District Court for the Southern District of Iowa, primarily concerning US dollar LIBOR. The cases were subsequently transferred to the United States District Court for the Southern District of New York for coordination with a pre-existing multi-district litigation regarding alleged manipulation of US dollar LIBOR. Amended complaints were filed on 6 October 2014 and ICAP was removed as a defendant to the actions. However, plaintiffs in a different, but related, class action in the multi-district litigation in the Southern District of New York are now seeking leave to amend their complaint to include new defendants, including ICAP and IEL. ICAP along with several other new and existing defendants have filed letters with the court opposing this amendment. On 12 January 2016, the Judge issued an Order directing the plaintiffs to create and provide to the Court by 19 January 2016 a defendant-by-defendant compilation of all new allegations proposed to be added to the complaint along with additional materials in order to provide clarity as to which claims and allegations have already been dismissed. Defendants provided a letter response to the Court on 29 January 2016. On 15 April 2016, the Judge denied the Plaintiffs' request on the grounds that the Court lacked personal jurisdiction, with the result that ICAP and IEL will not be added to the USD litigation.
- (g) In 2013, a civil class action was filed in the United States District Court for the Southern District of New York against a number of banks asserting claims of EURIBOR manipulation. On 13 August 2015, the plaintiffs filed a fourth amended complaint adding new defendants including ICAP and IEL. Defendants have briefed motions to dismiss for failure to state a claim and lack of jurisdiction, which were fully submitted as of 23 December 2015.

- (h) On 16 August 2016, a new litigation was filed in the United States District Court for the Southern District of New York naming ICAP and ICAP Australia Pty LTD (“**IAPL**”) as defendants along with various Bank Bill Swap Reference Rate (“**BBSW**”) setting banks. The complaint alleges collusion by the defendants to fix BBSW-based derivatives prices through manipulative trading during the fixing window and false BBSW rate submissions. The parties have agreed on a stipulation whereby (i) plaintiffs have until 16 December 2016 to file an amended complaint, (ii) defendants have until 24 February 2017 to file motions to dismiss the amended complaint, (iii) plaintiffs’ opposition to the motions is due 28 April 2017, and (iv) defendants’ replies to plaintiffs’ opposition are due 25 May 2017. ICAP and IAPL intend to defend the litigation vigorously.

18. MATERIAL CONTRACTS

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

18.1 Sale and Purchase Agreement

ICAP and Tullett Prebon have entered into a conditional sale and purchase agreement dated 11 November 2015 (the “**Original Sale and Purchase Agreement**”) governing the terms and conditions of the Transaction. The Transaction has been structured as an acquisition by Tullett Prebon of the entire issued share capital of IGBHL which, following the Reorganisation, will be the holding company of IGBB.

The Original Sale and Purchase Agreement was amended and restated on 16 August 2016 to reflect the disposal of the ICAP EMEA Oil Business and the Structure Revision (the Original Sale and Purchase Agreement as amended and restated from time to time, the “**Sale and Purchase Agreement**”). Pursuant to a deed of amendment, restatement and novation dated 16 August 2016 entered into between ICAP, Newco and Tullett Prebon, the rights and obligations of ICAP under the Sale and Purchase Agreement will be novated to Newco with effect from the Scheme Effective Date.

Under the terms of the Sale and Purchase Agreement, subject to the satisfaction of certain conditions, Tullett Prebon will acquire the entire issued share capital of IGBHL in consideration for the issue of all of the New Tullett Prebon Shares representing, in aggregate, 56 per cent. of the issued share capital of Tullett Prebon (calculated on a fully diluted basis and immediately following such issuance) directly to Shareholders:

(a) Sale and purchase

Tullett Prebon is under an obligation to purchase, and ICAP is under an obligation to sell, the entire issued share capital of IGBHL (the “**Sale Shares**”). The Sale Shares will be sold free from encumbrances.

(b) Consideration

The consideration for the transfer of the Sale Shares is an issuance of New Tullett Prebon Shares comprising approximately 56 per cent. of Tullett Prebon’s issued share capital (calculated on a fully diluted basis and immediately following such issuance) directly to Shareholders. The New Tullett Prebon Shares will be issued at Completion.

At Completion, the enlarged issued share capital of Tullett Prebon will be owned approximately 44 per cent. by existing Tullett Prebon Shareholders and approximately 56 per cent. by Shareholders.

In addition, Tullett Prebon is to procure the full repayment of a £330 million loan due from IGBHL to IGH (“**IGBHL Debt**”) at Completion.

(c) Conditions precedent

Key conditions precedents to Completion include, amongst other things: (i) completion of the relevant antitrust filings and/or obtaining the relevant approvals and clearances from appropriate competition

authorities in the UK, US and other relevant jurisdictions (including but not limited to the expiry of certain waiting periods); (ii) completion of the relevant regulatory notifications and/or obtaining the relevant regulatory approvals (by both ICAP and Tullett Prebon); (iii) obtaining the Tullett Prebon Consolidation Waiver by Tullett Prebon; (iv) obtaining the relevant key third party joint venture (including iSwap) consents; (v) obtaining the approval of ICAP bondholders; (vi) obtaining the relevant approvals from shareholders of ICAP, Newco and Tullett Prebon; (vii) the Scheme having been approved by Shareholders and sanctioned by the Court; (viii) the Newco Reduction of Capital having been sanctioned by the Court; (ix) obtaining confirmation from the FCA that the application for the admission of Newco Ordinary Shares to the premium listing segment of the Official List has been approved and will become effective as soon as the FCA's decision to admit the Newco Ordinary Shares is announced; (x) confirmation from the London Stock Exchange that the Newco Ordinary Shares will be admitted to trading on the main market for listed securities of the London Stock Exchange; (xi) obtaining confirmation from the FCA that the application for the re-admission of all of the existing Tullett Prebon Ordinary Shares and the admission of the New Tullett Prebon Shares issued as consideration for the Transaction, in each case to the premium listing segment of the Official List, has been approved and will become effective as soon as the FCA's decision to re-admit the existing Tullett Prebon Ordinary Shares and admit the New Tullett Prebon Shares is announced; (xii) confirmation from the London Stock Exchange that all of the existing Tullett Prebon Ordinary Shares will be re-admitted and the New Tullett Prebon Shares will be admitted, in each case to trading on the main market for listed securities of the London Stock Exchange; (xiii) the revenues and key broker and non-broker headcounts of IGBB and the Tullett Prebon Group each being, shortly prior to Completion, greater than agreed thresholds; and (xiv) the passing of any other resolutions required to be passed by shareholders of ICAP, Newco and/or Tullett Prebon in order to effect the Transaction.

The conditions in the Sale and Purchase Agreement have been divided into three categories: (i) first conditions; (ii) second conditions; and (iii) third conditions. Under the terms of the Sale and Purchase Agreement, the first conditions must be satisfied within a period of 18 months from the date of the agreement, the second conditions are to be satisfied on (and not before) the fifth Business Day after the date on which the last of the first conditions is satisfied or waived, and the third conditions must be satisfied within 50 Business Days after the date on which the second conditions are satisfied (in each case, or by such later date as may be agreed between ICAP and Tullett Prebon). If the relevant conditions are not satisfied (or waived in accordance with the Sale and Purchase Agreement) on or before the relevant long-stop date set out above, the provisions of the Sale and Purchase Agreement shall lapse and cease to have effect.

In the event that the conditions are not satisfied by the date (if any) on which the Sale and Purchase Agreement lapses or is terminated in accordance with its terms (as modified, varied, revised, waived, extended, added to or amended from time to time), ICAP is to pay Tullett Prebon 50 per cent. of the amount of all rating and legal fees, upfront fees, agency and coordination fees and ticking and commitment fees that are paid by any member of the Tullett Prebon Group on or prior to such lapsing (to the extent that the facility under a bridge financing facility entered into by Tullett Prebon exceeds the value of the IGBHL Debt, such amounts in respect of which ICAP is liable to pay such 50 per cent. shall be pro rated to the aggregate principal amount of the IGBHL Debt), provided that the liability of ICAP is capped at agreed amounts calculated by reference to those expected fees over time.

(d) Pre-Completion covenants

The Sale and Purchase Agreement contains certain covenants from ICAP and Tullett Prebon in the period between signing and Completion including, in particular, certain restrictions on ICAP in respect of the conduct of the IGBB business and restrictions on Tullett Prebon including in relation to the declaration of special dividends and the amount of gross third party debt (subject in each case to agreed exceptions).

(e) Termination rights

The Sale and Purchase Agreement contains mutual termination rights based on the revocation or suspension of material licences, material litigation or material regulatory investigations.

(f) Protective covenants

The Sale and Purchase Agreement contains certain restrictions (subject to certain exceptions) on ICAP, for a period of three years from Completion, from engaging (owning securities or being involved in day-to-day management) in voice-broking in a territory where IGBB operates or has business at the time of Completion. The Sale and Purchase Agreement also contains mutual non-solicit obligations in respect of certain employees (subject to certain exceptions) for a period up to three years from Completion.

(g) Warranties

The Sale and Purchase Agreement contains customary warranties (subject to customary limitations) by ICAP that are normal for this type of transaction (including those based on the outcome of a due diligence exercise). The majority of these warranties will be repeated at Completion. The warranty claims are subject to customary limitations, including a de minimis, aggregate claims threshold and cap and time limits for bringing a claim.

The Sale and Purchase Agreement also contains mutual warranties in relation to the accuracy and completeness of relevant information included in the Tullett Prebon Prospectus.

(h) Indemnities

ICAP has provided an indemnity for, amongst other things: (i) the Reorganisation; (ii) certain known regulatory, litigation and employment claims; and (iii) subject to certain conditions, the ICAP EMEA Oil Business and its divestment, in each case subject to certain limitations. In addition, although it is intended that any liability in respect of the ISDA Fix investigation will be retained by ICAP, Tullett Prebon has the benefit of an indemnity in the Sale and Purchase Agreement for any residual liability as a result of the ISDA Fix investigation on any member of the Enlarged Tullett Prebon Group. Indemnity claims (other than those resulting from ISDA Fix) in respect of the indemnity provided by ICAP under the Sale and Purchase Agreement are subject to a de minimis.

(i) True-ups

The Sale and Purchase Agreement includes true-up mechanisms which oblige ICAP to make a payment to Tullett Prebon if, following Completion, the amounts of regulatory capital, regulatory liquidity, liquid net assets, consolidated cash or consolidated net assets are less than certain pre-agreed amounts set out in the Sale and Purchase Agreement, provided that the amount of any true-up payment made in respect of consolidated cash or consolidated net assets shall be reduced by the aggregate amount of true-up payments made in respect of regulatory capital, regulatory liquidity and liquid net assets.

18.2 Transitional Services Agreements

Before Completion, IGH and IGBHL entered into two Transitional Services Agreements pursuant to which (i) IGH will provide IGBHL with the use of or access to certain resources that will be retained by the Retained Group as at Completion (the “**Transitional Services Agreement**” or “**TSA**”), and (ii) IGBHL will provide IGH with the use of or access to certain resources that will be owned or controlled by the IGBB Group as at Completion (the “**Reverse Transitional Services Agreement**” or “**RTSA**”).

Transitional Services Agreement

(a) Scope of Services

The parties have agreed the scope of services that will be provided by IGH to IGBHL from Completion (the “**TSA Services**”). IGBHL will have the right (within the first 6 months after Completion only) to add services that are not specified in the TSA (if required to carry on the IGBB business) but that were provided in the ordinary course by the Group in the 12 months prior to Completion. The TSA Services include facilities services in connection with the Retained Group’s premises and facilities that will be made available under standalone licences and sub-leases, IT systems and infrastructure support, access to and support for financial systems and data centres, support and information in relation to the transferring business, access to benchmarking information and support (including exchange, trade processing and operations services) for certain brokerage support functions.

(b) Dependencies

Each TSA Service, where applicable, lists the key dependencies that IGBHL, as the service recipient, must perform to enable IGH to provide that TSA Service. A failure by IGBHL to perform a dependency will relieve IGH from its obligation to provide the affected TSA Service(s) to the extent such failure prevents IGH from doing so. IGH will have the right to add dependencies not specified in the TSA, but only if that dependency was performed by IGBB during the 12 months prior to the date of the TSA and is a dependency that only IGBB can carry out. The TSA contains an acknowledgement that IGBHL's ability to perform the dependencies is itself dependent on IGBHL having inherited the resources necessary to do so by Completion. IGBHL will be relieved from its obligations to perform a dependency to the extent its failure to do so is a result of it not having access to the required resources as at Completion, and IGH will, in such a situation, not be relieved from its duty to perform the affected TSA Service(s).

(c) Service Levels / Volumes

Services are to be provided on an "as is" basis, i.e. to the same standard as provided in the previous 12 months. IGH is required to provide the services to meet the volumes consumed by the IGBB business in the 12 months prior to signing and as forecast in the business plans.

(d) Charges

The TSA charges are specified in each of the services schedules contained in the TSA. ICAP warranted in the Sale and Purchase Agreement that the charges applied are consistent with the Group's cost allocation model during the 12 month-period prior to the date of the TSA. The total charges payable by IGBHL under the TSA, taken together with the total cost of operating IGBB, may not exceed the total cost of operating IGBB as advised by ICAP under the Sale and Purchase Agreement.

(e) Service Terms / Costs Ratchet

Each TSA Service has a pre-determined "Initial Service Term" (usually either 6 or 12 months after Completion, except in relation to facilities services, where the Initial Service Term is coterminous with the underlying sublease or licence). If a TSA Service is extended beyond its Initial Service Term by more than three months, and the extension is because of IGBB's failure to comply with its obligations under the TSA Migration Plan (defined below) or due to changes IGBHL has made to the TSA Migration Plan, a 2.5 per cent. costs ratchet will apply to the TSA Service from the fourth month after the expiry of the Initial Service Term, increasing monthly up to a 15 per cent. cap. IGBHL will also be responsible for increased costs reasonably incurred by the Retained Group in extending the term of the relevant TSA Service(s).

(f) Migration / Long-Stop Dates

The parties will be required to work co-operatively to facilitate migration away from the TSA Services in accordance with an agreed plan (the "**TSA Migration Plan**"). IGH will provide migration assistance to IGBHL in respect of each TSA Service until IGBHL has successfully migrated away from that TSA Service. However, if IGBHL extends the term of any TSA Service beyond the agreed date after which IGH does not have to provide that TSA Service or migration assistance in respect of that TSA Service (the "**TSA Long-Stop Date**"), IGH may require the appointment of an expert to decide whether a reasonable person in the same position as IGBHL should have been able to complete the migration prior to the TSA Long-Stop Date; where the expert decides a reasonable person would have been able to do so, the extension will not be permitted.

(g) Third Party Agreements / Consents

IGH is responsible for obtaining the third party consents required to provide the TSA Services, at its own cost. If a third party agreement expires or is terminated or revoked, IGH shall be responsible at its own cost for implementing an alternative solution. If the term of a TSA Service is extended, and (further) third party consents are required, IGH is responsible for obtaining these at its own cost unless the reason for the extension is wholly or substantially due to IGBHL's failure to comply with its obligations under the TSA Migration Plan, in which case IGBHL will reimburse IGH for these costs. If IGH is unable to obtain a third party consent required to provide a TSA Service by Completion, the parties will meet and discuss the necessary changes to the TSA Services in good faith.

(h) Subcontracting / Subcontractor Risk

IGH is not liable for the performance of third parties to whom the performance of the TSA Services is subcontracted. However, if it recovers amounts from a third party supplier following a breach it shall pass a pro rata amount to IGBHL. If IGH does not pursue a third party supplier for losses and it is subsequently established (by an expert) that such losses were recoverable, IGH will be liable to IGBHL for the recoverable losses (capped at £25 million).

(i) Liability Caps

IGH's liability under the TSA is capped at £5 million (excluding losses arising as a result of third party supplier failure, which will be dealt with under the mechanism described above). Subject to that overall cap, in respect of a claim by IGBHL for loss of profits, IGH's liability is capped at £2.5 million. IGBHL's liability overall is capped at £1.5 million.

(j) Termination Rights

Each TSA Service can be terminated by IGBHL (in whole or in part) on an agreed notice period. Termination in part is only permitted to the extent the terminated part is not a dependent service for other services not terminated. The TSA may be terminated by one party if the other commits, and fails to remedy, a material breach.

Reverse Transitional Services Agreement

(a) Scope of Services

The parties have agreed the scope of services that will be provided by IGBHL to IGH from Completion (the "**RTSA Services**"). IGH will have the right (within the first 6 months after Completion only) to add services that are not specified in the RTSA (if required to carry on the IGBB business), but that were provided in the ordinary course by the IGBB Group in the 12 months prior to Completion using resources that were available to IGBHL as at Completion. The RTSA contains an acknowledgement that IGBHL's ability to provide the RTSA Services is dependent on IGBHL having access to the resources necessary to do so as at Completion. IGBHL will be relieved from its obligations to provide the services and meet the service levels to the extent its failure to do so is a result of it not having access to the required resources as at Completion. The RTSA Services include facilities services in connection with IGBB Group premises and facilities that will be made available under standalone licences and sub-leases, IT systems and infrastructure support, access to and support for data centres, data governance, support (including exchange, trade processing and operations services) for certain brokerage support functions and assistance with the planning, implementation and execution of certain annual charity event.

(b) Dependencies

Each RTSA Service, where applicable, lists the key dependencies that IGH, as the service recipient, must perform to enable IGBHL to provide that RTSA Service. A failure by IGH to perform a dependency will relieve IGBHL from its obligation to provide the affected RTSA Service(s) to the extent such failure prevents IGBHL from doing so. IGBHL will have the right to add dependencies not specified in the RTSA if those dependencies are not listed in the RTSA but were performed by the Retained Group in the ordinary course during the 12 months prior to Completion.

(c) Service Levels / Volumes

Services are to be provided on an "as is" basis, i.e. to the same standard as provided in the previous 12 months. IGBHL is required to provide the RTSA Services to meet the volumes consumed by the Retained Group in the 12 months prior to signing.

(d) Charges

The RTSA charges are specified in each of the services schedules contained in the RTSA. ICAP warrants in the Sale and Purchase Agreement that the charges applied are consistent with the Group's cost allocation model during the 12-month period prior to the date of the agreement, subject to an additional margin of 20 per cent.

(e) Service Terms / Costs Ratchet

Each RTSA Service has a pre-determined “Initial Service Term” (usually either 6 or 12 months after Completion, except in relation to facilities services, where the Initial Service Term is coterminous with the underlying sublease or licence). If an RTSA Service is extended beyond its Initial Service Term by more than three months then, unless the extension is required due to IGBHL’s failure to comply with its obligations under the RTSA Migration Plan (defined below), a 2.5 per cent. costs ratchet will apply to the receipt of that service from the fourth month after the expiry of the Initial Service Term, increasing monthly up to a 15 per cent. cap. IGH will also be responsible for increased costs reasonably incurred by IGBHL in extending the term of the relevant RTSA Service(s).

(f) Migration / Long-Stop Dates

The parties will be required to work co-operatively to facilitate migration away from the RTSA Services in accordance with an agreed plan (the “**RTSA Migration Plan**”). Each RTSA Service has a long-stop date beyond which IGBHL does not have to provide that service or migration assistance in respect of that service, unless the delay is wholly or mainly attributable to a failure of IGBHL to meet its obligations under the RTSA Migration Plan or unless IGBHL agrees to do so.

(g) Third Party Agreements / Consents

IGH is responsible, at its own cost, for obtaining the third party consents required for IGBHL to provide the RTSA Services with effect from Completion. IGBHL is responsible for obtaining third party consents if IGBHL changes the manner in which it provides the RTSA Services after Completion. If a third party agreement is terminated by IGBHL or IGBHL elects not to renew it, and IGBHL is at that time still providing RTSA Services to IGH, then IGBHL will be responsible at its own cost for implementing an alternative solution. If a third party agreement is terminated or revoked by the third party supplier (other than as a result of IGBHL breach), IGBHL shall have no obligation to provide the affected service(s) but shall assist IGH in finding an alternative (and may pass on a pro rata increase in the cost of implementing that alternative). If the term of an RTSA Service is extended because of changes IGBHL has made to the RTSA Services, or because of IGBHL’s failure to comply with its obligations under the RTSA Migration Plan, and (further) third party consents are required, IGBHL is responsible for obtaining these at its own cost. If IGH is unable to obtain a third party consent required by IGBHL to provide an RTSA Service at Completion, the parties will meet and discuss the necessary changes to the RTSA Services in good faith.

(h) Subcontracting / Subcontractor Risk

IGBHL can subcontract the provision of the RTSA Services to a third party (i.e. including its existing supply chain as part of its business integration) provided that the third party has not been involved in material legal proceedings against a member of the Group in the past three years. IGBHL is not liable for the performance of third parties to whom the performance of the RTSA Services is subcontracted. However, if it recovers amounts from a third party supplier following a breach it shall pass a pro rata amount to IGH. If IGBHL does not pursue a third party supplier for losses and it is subsequently established (by an expert) that such losses were recoverable, IGBHL will be liable to IGH for the recoverable losses (capped at £25 million).

(i) Liability Caps

IGBHL’s liability under the RTSA is capped at £5 million (excluding losses arising as a result of third party supplier failure, which will be dealt with under the mechanism described above). Subject to that overall cap, in respect of a claim by IGH for loss of profits, IGBHL’s liability is capped at £2.5 million. IGH’s liability is capped at £1.5 million.

(j) Termination Rights

Each RTSA Service can be terminated by IGH on an agreed notice period. The RTSA may be terminated by one party if the other commits, and fails to remedy, a material breach. IGH cannot terminate an RTSA Service in part unless permitted to do so by IGBHL.

18.3 Tax Deed

On Completion, a Tax Deed will be entered into pursuant to which Newco will indemnify Tullett Prebon for any tax liabilities of IGBHL and its subsidiaries relating to the period on or before Completion (grossed up for any tax thereon). The indemnity to be provided by Newco would be subject to certain exclusions and financial limits. The financial limits are a de minimis of £500,000, a threshold of £10 million (where the whole amount is payable when the threshold has been exceeded), and an overall cap of £300 million (subject to certain adjustments) which applies to the aggregate of claims under the Tax Deed and warranty claims by Tullett Prebon under the Sale and Purchase Agreement.

If the Completion balance sheet overprovides for tax, Newco will be entitled to benefit of the overprovision, but only by way of set-off/repayment of amounts owing/paid under the Tax Deed or in respect of tax-related warranties. Similar principles apply to tax refunds and tax benefits that only arise as a result of a matter that gives rise to a claim under the Tax Deed.

Tullett Prebon will indemnify Newco for secondary tax liabilities falling on the Group, where the Tullett Prebon Group has the primary liability for such tax (excluding tax for which Newco indemnifies Tullett Prebon under the Tax Deed).

The Tax Deed also provides that Tullett Prebon will generally be responsible for pre-completion tax affairs of IGBHL and its subsidiaries (such as the filing of returns). Newco is entitled to take the conduct of matters that have the potential to give rise to a liability of Newco under the Tax Deed.

18.4 Joint Sponsors' Agreement

On 6 December 2016, Newco, ICAP and the Joint Sponsors entered into a joint sponsors' agreement (the "**Joint Sponsors' Agreement**"), pursuant to which Newco appointed the Joint Sponsors in connection with the applications for Admission and the publication of this Prospectus. Under the terms of the Joint Sponsors' Agreement, Newco and ICAP have agreed to provide the Joint Sponsors with certain customary indemnities, undertakings, representations and warranties. The indemnities provided by Newco and ICAP indemnify the Joint Sponsors and their affiliates and their and their affiliates' respective directors, officers, employees and agents against, inter alia, claims made against them or losses incurred by them in connection with the Transaction or the arrangements contemplated by this Prospectus and other relevant documents, subject to certain customary exceptions. In addition, the Joint Sponsors' Agreement provides that the Joint Sponsors may, in their absolute discretion (acting in good faith and after prior consultation with Newco and ICAP), terminate the Joint Sponsors' Agreement before Admission in certain specified circumstances which are customary for an agreement of this nature.

18.5 Multicurrency Revolving Credit Facility Agreement

IGH entered into a £425,000,000 multicurrency revolving credit facility (the "**RCF**") (incorporating an up to US\$200,000,000 swingline (the "**Swingline**") including an up to US\$75,000,000 fronted swingline (the "**Fronted Swingline**") dated 18 June 2013 as amended and restated by an amendment and restatement agreement (the "**ARA**") on 11 November 2015 and as further amended by amendment letters dated 3 December 2015, 16 August 2016 and 30 September 2016 and entered into between, amongst others, IGH as the company and J.P. Morgan Europe Limited as facility agent (the "**Facility Agreement**").

(a) Purpose

The RCF is made available for: (i) the Group's general corporate and working capital purposes; (ii) repaying any loan made available under the Swingline; (iii) financing any acquisition that is permitted under the Facility Agreement (including any associated fees, costs and expenses); and (iv) refinancing amounts outstanding under an existing credit agreement.

(b) Interest and fees

The rate of interest payable on borrowings under the RCF is the aggregate of LIBOR (or, in relation to any loan denominated in euro, EURIBOR) and the applicable margin. IGH may select interest periods for each loan made available under the RCF (an "**RCF Loan**") of one week, one, two, three or six months or any other period agreed with the lenders who will have a share in that RCF Loan.

The rate of interest payable on each loan made available under the Swingline or the Fronted Swingline (each a “**Swingline Loan**” or a “**Fronted Swingline Loan**”) for each day is the applicable margin plus the rate per annum determined by the swingline agent or the fronted swingline agent (as applicable) to be the federal funds rate (the rate per annum at which US dollar deposits with an overnight maturity and in comparable principal amount to the relevant Swingline Loan or Fronted Swingline Loan are offered (or would be offered) by the swingline agent or the fronted swingline agent (as applicable) in the federal funds market on the relevant day). IGH may select the interest period for a Swingline Loan in the relevant utilisation request for that loan for a period of up to five New York Business Days. An interest period for a Fronted Swingline Loan is one New York Business Day.

Certain fees and expenses, including, facility agent’s fee, participation fee, arrangement fee, commitment fee, utilisation fee and fronted swingline lender fees are also payable.

(c) Repayment

Each loan made under the RCF, Swingline and Fronted Swingline is repayable on the last day of its interest period but, subject to the terms of the Facility Agreement, may be reborrowed.

(d) Mandatory and voluntary prepayment

The Facility Agreement allows for voluntary prepayments and requires mandatory prepayments in full in certain circumstances, including on a change of control of ICAP (or following the anticipated reorganisation, Newco).

(e) Representations, warranties and undertakings

The Facility Agreement contains certain customary representations and warranties.

It requires IGH (and its subsidiaries) to comply with certain negative covenants, including covenants relating to creation of security, financial indebtedness, disposals, acquisitions and change in business. Such negative covenants were amended by the ARA to permit the various steps that need to be undertaken in respect of the Transaction.

The Facility Agreement also requires IGH to maintain specified financial ratios in relation to consolidated total gross debt to consolidated EBITDA and consolidated EBITDA to consolidated finance charges.

In addition, IGH must ensure that the aggregate consolidated EBITDA of IGH and any guarantors of the facility is greater than or equal to 85 per cent. of the Group’s consolidated EBITDA at the end of each measurement period. This obligation ceases to apply if ICAP accedes as, and remains, an additional guarantor in accordance with the terms of the Facility Agreement.

The Facility Agreement also contains certain customary positive undertakings including, amongst others, undertakings in relation to delivery of financial statements, compliance with laws, insuring the business and assets and pari passu ranking. In addition, IGH must procure that, on or before the date falling 15 Business Days after the date of Completion, the IGBHL Debt is repaid in full.

(f) Reduction of commitments and final maturity

Following Completion, the total commitments under the RCF will automatically reduce by £125,000,000 to £300,000,000. Each lender’s commitment in relation to the RCF shall be reduced rateably. The Swingline and the Fronted Swingline shall remain unchanged.

The original final maturity date of the Facility Agreement is 31 March 2018 (the “**Original Final Maturity Date**”). IGH has exercised an option to extend the maturity of an amount equal to £300,000,000 of the total commitments under the Facility Agreement to 31 March 2019. The remaining amount of the total commitments (being £125,000,000) will be repaid and cancelled on 31 March 2018 unless the reduction of commitments described in the paragraph above has already taken place.

(g) Events of default

The Facility Agreement contains certain customary events of default including, amongst others, events relating to failure to pay, misrepresentation, cross default, breach of financial covenants, insolvency, insolvency proceedings and material adverse change. Customary materiality tests, carve-outs and grace periods also apply.

Upon the occurrence of an event of default that is not remedied or waived, the facility agent may (and must if so instructed by the majority lenders) cancel the available facility, may declare all outstanding payments immediately due and payable and/or payable on demand by the facility agent acting on the instructions of the majority lenders.

18.6 5.50 per cent. Sterling-denominated Fixed Rate Guaranteed Notes due 2018

On 31 July 2012, ICAP issued GBP 125,000,000 Notes due 31 July 2018 (the “**2018 Notes**”) with a 5.5 per cent. initial rate of interest. The 2018 Notes are unconditionally and irrevocably guaranteed by IGH for as long as it has any outstanding Financial Indebtedness (as defined in the conditions of the 2018 Notes).

On issue, the 2018 Notes were rated as Baa2 by Moody’s Investors Service Ltd. (“**Moody’s**”) and BBB+ by Fitch Ratings Limited (“**Fitch**”), and in the event that there is a decrease in the ratings of the 2018 Notes to below Baa3, in the case of Moody’s, or below BBB –, in the case of Fitch, the initial 5.5 per cent. rate of interest shall be subject to a 1.25 per cent. increase (the “**Step-up Margin**”). On any subsequent announcement by both Moody’s and Fitch of an increase in the ratings of the 2018 Notes to at least BBB –, in the case of Fitch, and Baa3 in the case of Moody’s, the Step-up Margin will cease to apply.

If a Change of Control (as defined in the conditions of the 2018 Notes) occurs in relation to ICAP, and this Change of Control results in a downgrade in the credit rating assigned to the 2018 Notes to below BBB – (in the case of Fitch) or Baa3 (in the case of Moody’s), the noteholders will have the option to require ICAP to redeem or repurchase their Notes at their aggregate nominal amount, together with accrued interest.

Unless previously purchased, redeemed or cancelled, the 2018 Notes shall be redeemed on 31 July 2018 at 100 per cent. of their nominal amount (together with accrued interest).

Pursuant to the terms of the subscription agreement relating to the initial offering and distribution of the 2018 Notes, ICAP and IGH have agreed to indemnify the underwriters in respect of certain losses which may arise in connection with the initial subscription and placement of the 2018 Notes. Pursuant to the terms of the trust deed constituting the 2018 Notes, ICAP and IGH have also agreed to indemnify BNY Mellon Corporate Trustee Services Limited in respect of certain losses which may arise as a result of it acting as trustee for the 2018 Notes.

18.7 3.125 per cent. Euro-denominated Fixed Rate Notes due March 2019

On 6 March 2014, IGH issued EUR 350,000,000 3.125 per cent. Fixed Rate Notes due 2019 (the “**2019 Notes**”).

On issue, the 2019 Notes were rated as Baa2 by Moody’s and BBB by Fitch and in the event that there is a decrease in the ratings of the 2019 Notes to below Baa3, in the case of Moody’s, or below BBB –, in the case of Fitch, the Step-up Margin shall be applied to the initial 3.125 per cent. rate of interest. On any subsequent announcement by both Moody’s and Fitch of an increase in the ratings of the 2019 Notes to at least BBB –, in the case of Fitch, and Baa3 in the case of Moody’s, the Step-up Margin will cease to apply.

If a Change of Control (as defined in the conditions of the 2019 Notes) occurs in relation to ICAP, and this Change of Control results in a downgrade in the credit rating assigned to the 2019 Notes to below BBB – (in the case of Fitch) or Baa3 (in the case of Moody’s), the Noteholders will have the option to require IGH to redeem or repurchase their Notes at their aggregate nominal amount, together with accrued interest.

Unless previously purchased, redeemed or cancelled, the 2019 Notes shall be redeemed on 31 March 2018 at 100 per cent. of their nominal amount (together with accrued interest).

Pursuant to the terms of the subscription agreement relating to the initial offering and distribution of the 2019 Notes, IGH has agreed to indemnify the underwriters in respect of certain losses which may arise in connection with the initial subscription and placement of the 2019 Notes. Pursuant to the terms of the trust deed constituting the 2019 Notes, ICAP and IGH have also agreed to indemnify BNY Mellon Corporate Trustee Services Limited in respect of certain losses which may arise as a result of it acting as trustee for the 2019 Notes.

18.8 4.30 per cent. Euro-denominated Fixed Rate Guaranteed Notes due May 2023

On 30 May 2013, ICAP issued EUR 15,000,000 4.30 per cent. Fixed Rate Notes due 2023 (the “**2023 Notes**”). The 2023 Notes are unconditionally and irrevocably guaranteed by IGH for as long as it has any outstanding Financial Indebtedness (as defined in the conditions of the 2023 Notes).

If a Change of Control (as defined in the conditions of the 2023 Notes) occurs in relation to ICAP, and this Change of Control results in a downgrade in the credit rating assigned to the 2023 Notes to below BBB – (in the case of Fitch) or Baa3 (in the case of Moody’s), the Noteholders will have the option to require ICAP to redeem or repurchase their Notes at their aggregate nominal amount, together with accrued interest.

Unless previously purchased, redeemed or cancelled, the 2023 Notes shall be redeemed on 30 May 2023 at 100 per cent. of their nominal amount (together with accrued interest).

Pursuant to the terms of the subscription agreement relating to the initial offering and distribution of the 2023 Notes, ICAP and IGH have agreed to indemnify the underwriters in respect of certain losses which may arise in connection with the initial subscription and placement of the 2023 Notes. Pursuant to the terms of the trust deed constituting the 2023 Notes, ICAP and IGH have also agreed to indemnify BNY Mellon Corporate Trustee Services Limited in respect of certain losses which may arise as a result of it acting as trustee for the 2023 Notes.

19. RELATED PARTY TRANSACTIONS

Save as disclosed below or in note 28 of ICAP’s audited financial statements for the year ended 31 March 2016 which are included in ICAP’s Annual Report 2016, note 29 of ICAP’s audited financial statements for the year ended 31 March 2015 which are included in ICAP’s Annual Report 2015 or note 27 of ICAP’s audited financial statements for the year ended 31 March 2014 which are included in ICAP’s Annual Report 2014 (each of which are incorporated by reference into, and form part of, this Prospectus), there are no related party transactions that were entered into during the three years ended 31 March 2016 or during the period from 31 March 2016 to 2 December 2016 (the latest practicable date prior to the publication of this Prospectus).

20. CONSENTS

PricewaterhouseCoopers LLP, whose registered office is at 1 Embankment Place, London, WC2N 6RH, United Kingdom, is a member firm of the Institute of Chartered Accountants in England and Wales and has given and has not withdrawn its written consent to the inclusion of its report set out in Part A of Part 6: *Unaudited Pro Forma Financial Information* and in the form and context in which it is included and has authorised the contents of its report for the purposes of paragraph 5.5.3R(2)(f) of the Prospectus Rules. As the Newco Ordinary Shares have not been and will not be registered under the US Securities Act, PricewaterhouseCoopers LLP has not filed and will not be required to file a consent under the US Securities Act.

21. GENERAL

- 21.1 The total costs and expenses payable by the Group relating to the Transaction are estimated to amount to approximately £74.1 million.
- 21.2 On Admission, it is expected that Newco will have a market capitalisation of £3,166 million (being the market capitalisation of ICAP as at 2 December 2016, being the latest practicable date prior to publication of this Prospectus).
- 21.3 Immediately following Admission, it is expected that at least 25% of the Newco Ordinary Shares will be held in public hands (within the meaning of paragraph 6.1.19 of the Listing Rules).
- 21.4 When admitted to trading, the Newco Ordinary Shares will be registered with ISIN number GB00BDBBJQ12 and SEDOL number BDBBJQ1.
- 21.5 Following the Share Consolidation, the Newco Ordinary Shares will be registered with ISIN number GB00BZ02MH16 and SEDOL number BZ02MH1.
- 21.6 The Newco Ordinary Shares will be traded on the London Stock Exchange under the ticker symbol “NXG”.

- 21.7 Save as disclosed in this Prospectus, the Directors are unaware of any exceptional factors which have influenced the Group's activities.
- 21.8 Save as disclosed in this Prospectus, the Directors are unaware of any trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Group's prospects for the current financial year.
- 21.9 Save as disclosed in this Prospectus, there are no investments in progress and there are no future investments on which the Directors have already made firm commitments which are significant to the Group.
- 21.10 Save as disclosed in this Prospectus, the Directors believe that the Group is not dependent on patents or licences, industrial, commercial or financial contracts or new manufacturing processes which are material to the Group's business or profitability.
- 21.11 Newco is subject to the provisions of the Takeover Code, including the rules regarding mandatory takeover offers set out in the Takeover Code. Under Rule 9 of the Takeover Code, when: (i) a person acquires shares which, when taken together with shares already held by him or persons acting in concert with him (as defined in the Takeover Code), carry 30 per cent. or more of the voting rights of a company subject to the Takeover Code; or (ii) any person who, together with persons acting in concert with him, holds not less than 30 per cent. but not more than 50 per cent. of the voting rights of a company subject to the Takeover Code, and such person, or any person acting in concert with him, acquires additional shares which increases his percentage of the voting rights in the company, then, in either case, that person, together with the persons acting in concert with him, is normally required to make a general offer in cash at the highest price paid by him or any person acting in concert with him for shares in the company within the preceding 12 months for all of the remaining equity share capital of the company.
- 21.12 If Newco were to be subject to a takeover offer (within the meaning of Part 28 of the 2006 Act), the Newco Ordinary Shares would also be subject to the compulsory acquisition procedures set out in sections 979 to 991 of the 2006 Act. Under section 979 of the 2006 Act, where an offeror makes a takeover offer and has, by virtue of acceptances of the offer, acquired or unconditionally contracted to acquire not less than 90 per cent. of the shares to which the offer relates and, in a case where the shares to which the offer relates are voting shares, not less than 90 per cent. of the voting rights carried by those shares, that offeror is entitled to compulsorily acquire the shares of any holder who has not acquired the offer on the terms of the offer.

No takeover offer (within the meaning of Part 28 of the 2006 Act) was or has been made for any Newco Ordinary Shares or ICAP Ordinary Shares during the Group's financial year ended 31 March 2016 or during its current financial year.

22. DOCUMENTS FOR INSPECTION

- 22.1 Copies of the following documents will be available for inspection during normal business hours on any weekday (Saturday, Sundays and public holidays excepted) at the offices of Clifford Chance LLP at 10 Upper Bank Street, Canary Wharf, London E14 5JJ until the later of 14 days from the date of this Prospectus and Admission:
- (a) the Articles of Association of Newco;
 - (b) ICAP's Annual Report 2016;
 - (c) ICAP's Annual Report 2015;
 - (d) ICAP's Annual Report 2014;
 - (e) ICAP's Half Year Results 2016;
 - (f) ICAP's Half Year Results 2015;
 - (g) the consent letter referred to in paragraph 20 of this Part 7;
 - (h) the March Circular;
 - (i) the Supplementary Circular; and
 - (j) this Prospectus.

PART 8: DEFINITIONS AND GLOSSARY

The following definitions apply throughout this Prospectus unless the context requires otherwise:

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| “2018 Notes” | GBP 125,000,000 notes due 31 July 2018 with a 5.5 per cent. of interest issued by ICAP on 31 July 2012, further details of which are set out in paragraph 18.6 of Part 7: <i>Additional Information</i> . |
| “2019 Notes” | EUR 350,000,000 3.125 per cent. fixed rate notes due 2019 issued by IGH on 6 March 2014, further details of which are set out in paragraph 18.7 of Part 7: <i>Additional Information</i> . |
| “2023 Notes” | EUR 15,000,000 4.30 per cent. fixed rate notes due 2023 issued by ICAP on 30 May 2013, further details of which are set out in paragraph 18.8 of Part 7: <i>Additional Information</i> . |
| “Admission” | admission of the Newco Ordinary Shares by the FCA to the premium listing segment of the Official List and to trading on the London Stock Exchange’s main market for listed securities. |
| “ADR” | American depositary receipt. |
| “ADSs” | American depositary shares, and “ADS” means any one of them. |
| “APAC” | Asia Pacific. |
| “ARA” | the amendment and restatement agreement to the RCF entered into on 11 November 2015. |
| “Articles of Association” or “Articles” | the articles of association of Newco. |
| “Board” | the board of directors of Newco. |
| “Business Day” | a day (other than a Saturday, Sunday, public or bank holiday) on which banks are generally open for business in London. |
| “CFTC” | the United States Commodity Futures Trading Commission. |
| “Closing Price” | the closing middle market price of a relevant share as derived from the Daily Official List on any particular date. |
| “CNH” | Chinese Yuan. |
| “Companies Act” | the UK Companies Act 2006 as amended from time to time. |
| “Completion” | the completion of the Transaction. |
| “Confirmation Vote” | the vote by Shareholders to confirm their approval of the Scheme at the Second Court Meeting. |
| “Corporate Governance Code” | the UK Corporate Governance Code published by the Financial Reporting Council in April 2016. |
| “Court” | the High Court of Justice of England and Wales. |
| “CRD” | Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as amended. |
| “CREST” | the UK-based system for the paperless settlement of trades in listed securities, of which Euroclear UK & Ireland Limited is the operator. |
| “Current Directors” | the directors of Newco as at the date of this Prospectus identified in Part 3: <i>Directors and Corporate Governance</i> . |
| “Daily Official List” | the daily official list of the London Stock Exchange. |

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| “Demerger” | those parts of the Transaction comprising the Newco Reduction of Capital, the acquisition by Tullett Prebon of the entire issued share capital of IGBHL and the issue of all of the New Tullett Prebon Shares to the holders of Newco Ordinary Shares representing, in aggregate, approximately 56 per cent. of the issued share capital of Tullett Prebon (calculated on a fully diluted basis and immediately following such issuance). |
| “Demerger Effective Date” | the date on which the Reduction Court Order has been delivered to and, if ordered by the Court, registered by, the Registrar of Companies and the Newco Reduction of Capital becomes effective. |
| “Demerger Effective Time” | the time at which the Newco Reduction of Capital becomes effective, being the time at which the Reduction Court Order is delivered to and, if ordered by the Court, registered by the Registrar of Companies. |
| “Depository” | The Bank of New York Mellon. |
| “Deposit Agreement” | a deposit agreement proposed to be entered into between Newco, the Depository and the holders of the Newco ADSs to be issued thereunder. |
| “Directors” | the Current Directors and Proposed Directors, or the directors of Newco from time to time, as the context requires, and “Director” means any one of them. |
| “EMEA” | Europe, Middle East and Africa. |
| “EMIR” | the European Markets Infrastructure Regulation. |
| “Enlarged Tullett Prebon” | Tullett Prebon, as enlarged following Completion. |
| “Enlarged Tullett Prebon Group” | the Tullett Prebon Group as enlarged by the acquisition of IGBB following Completion. |
| “EU Capital Requirement Regulation” or “CRR” | Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, as amended. |
| “euro”, “EUR” or “€” | the lawful currency of the European Union (as adopted by certain member states). |
| “Euroclear” | Euroclear UK & Ireland Limited, the operator of CREST. |
| “Evercore” | Evercore Partners International LLP. |
| “Executive Directors” | Michael Spencer (Group Chief Executive Officer) and Stuart Bridges (Group Finance Director). |
| “Facility Agreement” | the RCF as amended and restated by the ARA and as further amended by amendment letters dated 3 December 2015, 16 August 2016 and 30 September 2016 and entered into between, amongst others, IGH as the company and J.P. Morgan Europe Limited as facility agent. |
| “FCA” | the Financial Conduct Authority. |
| “FICC” | fixed income currencies and commodities. |
| “Final Maturity Date” | the final date of the Facility Agreement, being 31 March 2018. |
| “First Court Meeting” | the meeting of Shareholders held on 24 March 2016 convened at the direction of the Court pursuant to Part 26 of the Companies Act at which the Shareholders approved the Scheme. |

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| “First General Meeting” | the general meeting of ICAP held on 24 March 2016 at which the Resolutions were passed. |
| “Fitch” | Fitch Ratings Limited. |
| “Fronted Swingline” | up to US\$75,000,000 swingline incorporated in the RCF. |
| “Fronted Swingline Loan” | a loan made available under the Fronted Swingline. |
| “FSMA” | the Financial Services and Markets Act 2000, as amended. |
| “GEMG” | the Global Executive Management Group. |
| “Group” | (i) prior to the Scheme Effective Time, ICAP and its subsidiaries and subsidiary undertakings; and (ii) after the Scheme Effective Time, the Newco Group. |
| “HMRC” | Her Majesty’s Revenue & Customs. |
| “IASB” | The International Accounting Standards Board. |
| “ICAP” | ICAP plc. |
| “ICAP Articles” | the articles of association of ICAP. |
| “ICAP ADSs” | ADSs issued pursuant to a deposit agreement entered into between ICAP, the Depositary and the holders of ICAP ADSs, each representing two ICAP Ordinary Shares, or ADRs evidencing the same, as the context requires. |
| “ICAP Board” | the board of directors of ICAP. |
| “ICAP Directors” | the directors of ICAP and “ICAP Director” means any one of them. |
| “ICAP EMEA Oil Business” | ICAP’s voice/hybrid EMEA oil broking business. |
| “ICAP Employee Share Plans” | the ICAP 2015 Performance Share Plan, the ICAP 2015 Deferred Share Bonus Plan, the ICAP Senior Management Long Term Incentive Plan, the ICAP 2013 Bonus Share Matching Plan, the ICAP Unapproved Company Share Option Plan 2011, the ICAP 2008 Senior Executive Equity Participation Plan, the ICAP 2008 Sharesave Scheme, the ICAP 2003 Bonus Share Matching Plan, the ICAP 2001 Unapproved Company Share Option Plan, the ICAP Senior Executive Equity Participation Plan and the Traiana Plan. |
| “ICAP Ordinary Shares” | ordinary shares of £0.10 each in the capital of ICAP. |
| “ICAP R Share” | a redeemable preference share of £0.10 in the capital of ICAP issued and allotted to Newco on 24 November 2016. |
| “ICAP Reduction of Capital” | the reduction of ICAP’s share capital associated with the cancellation and extinguishing of the Scheme Shares provided for by the Scheme under section 648 of the Companies Act. |
| “ICAP Register” | the register of members of ICAP. |
| “ICAP’s Annual Report 2014” | ICAP’s annual report 2014 (which includes ICAP’s audited financial statements for the year ended 31 March 2014). |
| “ICAP’s Annual Report 2015” | ICAP’s annual report 2015 (which includes ICAP’s audited financial statements for the year ended 31 March 2015). |
| “ICAP’s Annual Report 2016” | ICAP’s annual report 2016 (which includes ICAP’s audited financial statements for the year ended 31 March 2016). |
| “ICAP’s Half Year Results 2015” | ICAP’s press release relating to its half year results for the six months 30 September 2015. |

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| “ICAP’s Half Year Results 2016” . . . | ICAP’s press release relating to its half year results for the six months 30 September 2016. |
| “IFRS” | International Financial Reporting Standards issued by the IASB, as adopted by the European Union. |
| “IGBB” | ICAP’s global hybrid voice-broking and information business, including ICAP’s associated technology and broking platforms (including iSwap and Fusion) and certain of ICAP’s joint ventures and associates. |
| “IGBB Global Broking” | the Group’s three regionally managed hybrid voice broking businesses in EMEA, the Americas and APAC, including all e-trading products and services developed by ICAP’s e-Commerce team (including Fusion). |
| “IGBB Group” | IGBHL and its subsidiaries and subsidiary undertakings. |
| “IGBB Information Services” | the part of IGBB’s business in relation to the sale of information services products directly attributable to IGBB Global Broking and iSwap. |
| “IGBHL” | ICAP Global Broking Holdings Limited, a private limited company incorporated in England and Wales with registered number 09080531, whose registered office is at 2 Broadgate, London EC2M 7UR. |
| “IGBHL Debt” | a £330 million loan due from IGBHL to IGH. |
| “IGH” | ICAP Group Holdings plc. |
| “Independent Non-Executive Directors” | John Sievwright (Senior Independent Director), Ivan Ritossa (Independent Non-Executive Director) and Robert Standing (Independent Non-Executive Director). |
| “IPGL” | Intercapital Private Group Limited. |
| “iSwap” | iSwap Limited. |
| “Joint Sponsors” | J.P. Morgan Cazenove and Evercore. |
| “J.P. Morgan Cazenove” | J.P. Morgan Limited (which conducts its UK investment banking activities as J.P. Morgan Cazenove). |
| “LIBOR” | London Interbank Offered Rate. |
| “Listing Rules” | the listing rules made by the FCA under Part VI of the FSMA. |
| “London Stock Exchange” | London Stock Exchange plc. |
| “Long-stop Date” | 28 July 2017. |
| “March Circular” | a circular dated 1 March 2016 prepared in accordance with the Listing Rules in connection with the Scheme and the Transaction, which contains notices convening the First Court Meeting and the First General Meeting for the purposes of approving the Scheme and the Resolutions, respectively. |
| “Market Abuse Regulation” | Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse. |
| “Moody’s” | Moody’s Investors Service Ltd. |
| “Newco” | NEX Group plc. |
| “New ICAP Ordinary Shares” | the ordinary shares of £0.10 each in the capital of ICAP to be issued to Newco pursuant to the Scheme. |

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| “New Tullett Prebon Shares” | the Tullett Prebon Ordinary Shares to be issued to holders of Newco Ordinary Shares pursuant to the Demerger. |
| “Newco ADSs” | ADSs to be issued pursuant to the Deposit Agreement, or ADRs evidencing the same, as the context requires. |
| “Newco Employee Share Plans” | the Newco 2016 Performance Share Plan, Newco 2016 Unapproved Company Share Option Plan, the Newco 2016 Long Term Incentive Plan, Newco 2016 Deferred Share Bonus Plan and the Newco 2016 Sharesave Scheme, details of which are set out in paragraph 7 of Part VIII: <i>Additional Information—ICAP</i> of the March 2016 Circular and, in respect of the Newco 2016 Sharesave Scheme, in paragraph 10.1 of Part 7: <i>Additional Information</i> . |
| “Newco Group” | Newco and its subsidiaries and subsidiary undertakings. |
| “Newco Ordinary Shares” | <ul style="list-style-type: none"> (i) prior to the Demerger Effective Time, the ordinary shares (with a nominal value of £2.750366502593063 (which, for the purposes of this Prospectus has been rounded to £2.75)) in the capital of Newco to be allotted and issued pursuant to the Scheme; (ii) subsequent to the Demerger Effective Time, the ordinary shares (with a nominal value of £0.10 or such other amount as is determined by the Directors prior to the date of the Reduction Court Hearing) in the capital of Newco; and (iii) subsequent to the Share Consolidation Effective Time, the ordinary shares (with a nominal value to be determined by the Directors prior to the Demerger Effective Date) in the capital of Newco. |
| “Newco Preference Share” | a preference share of £0.10 in the capital of Newco (excluding any Newco Redeemable Preference Shares). |
| “Newco Redeemable Preference Shares” | redeemable subscriber preference shares of £0.10 each in the capital of Newco. |
| “Newco Reduction of Capital” | the proposed reduction of Newco’s share capital, further details of which are set out in paragraph 5 of Part 1: <i>Details of the Proposed Transaction</i> . |
| “Newco Reduction of Capital Record Time” | 6.00 p.m. on the Business Day immediately preceding the Demerger Effective Date. |
| “Newco Register” | the register of members of Newco. |
| “Newco Reserve Share” | a preference share in the capital of Newco with a nominal amount to be determined by the Directors and which is expected to be issued to the Newco Subscriber Shareholder in order to capitalise reserves of Newco following the Scheme Effective Date. |
| “Newco Shares” | the Newco Ordinary Shares, Newco Redeemable Preference Shares, Newco Preference Shares and Newco Reserve Share. |
| “Newco Subscriber Ordinary Share” | a subscriber ordinary share of £0.10 in the capital of Newco (including the Newco Preference Share into which it is proposed that the share is reclassified). |
| “Newco Subscriber Shareholder” | Charles Gregson, the chairman of ICAP, in the capacity as holder of the Newco Subscriber Shares. |

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| “Newco Subscriber Shares” | the Newco Subscriber Ordinary Share and the Newco Redeemable Preference Shares. |
| “Non-Executive Directors” | Charles Gregson (Chairman), John Sievwright (Senior Independent Director), Ivan Ritossa (Independent Non-Executive Director) and Robert Standing (Independent Non-Executive Director). |
| “Official List” | the Official List of the FCA. |
| “Original Sale and Purchase Agreement” | the conditional sale and purchase agreement dated 11 November 2015 entered into between ICAP and Tullett Prebon governing the terms and conditions of the Transaction. |
| “OTC” | over the counter. |
| “Overseas Shareholder” | a Shareholder who is a citizen, resident or national of any jurisdiction outside the United Kingdom. |
| “PFIC” | Passive Foreign Investment Company. |
| “PLN” | Polish zloty |
| “Pounds sterling”, “GBP”, “£”, “pence” or “p” | lawful currency of the UK. |
| “Proposed Directors” | the directors of Newco to be appointed as of the Scheme Effective Date identified in Part 3: <i>Directors and Corporate Governance</i> . |
| “Prospectus Rules” | the prospectus rules made by the FCA under Part VI of the FSMA. |
| “PwC” | PricewaterhouseCoopers LLP. |
| “RCF” | £425,000,000 multicurrency revolving credit facility entered into by IGH dated 18 June 2013. |
| “RCF Loan” | a loan made available under the RCF. |
| “Reduction Court Hearing” | the hearing by the Court to confirm the Newco Reduction of Capital under section 648 of the Companies Act at which the Reduction Court Order will be sought. |
| “Reduction Court Order” | the order of the Court confirming the Newco Reduction of Capital under section 648 of the Companies Act. |
| “Registrar of Companies” | the Registrar of Companies in England and Wales. |
| “Regulation S” | Regulation S under the US Securities Act. |
| “Reorganisation” | the reorganisation of the Group to ensure that businesses and subsidiaries relating to IGBB (and not those businesses and subsidiaries unrelated to IGBB) are held by a single holding company, IGBHL. |
| “Resolutions” | the ordinary resolutions and special resolutions passed at the First General Meeting (and set out in the notice of First General Meeting contained in the March Circular). |
| “Retained Group” | the Newco Group following Completion. |
| “Reverse Transitional Services Agreement” or “RTSA” | the reverse transitional services agreement entered into between IGH and IGBHL pursuant to which IGBHL will provide IGH with the use of or access to certain resources that will be owned or controlled by IGBB as at Completion pursuant to the Sale and Purchase Agreement. |

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| “Revision Resolution” | the resolution passed at the Second General Meeting to facilitate the Structure Revision, including approving the Newco Reduction of Capital, the Demerger and the Share Consolidation, in each case, as described in the Supplementary Circular. |
| “Sale and Purchase Agreement” . . | the Original Sale and Purchase Agreement, as amended and/or restated from time to time. |
| “Sale Shares” | IGBHL shares to be sold by Newco to Tullett Prebon pursuant to the terms of the Sale and Purchase Agreement. |
| “Scheme” | the scheme of arrangement proposed to be made under Part 26 of the Companies Act between ICAP and the Scheme Shareholders with or subject to any modification, addition or condition approved or imposed by the Court and agreed by ICAP and Newco. |
| “Scheme Court Hearing” | the hearing by the Court to sanction the Scheme and confirm the ICAP Reduction of Capital at which the Scheme Court Order will be sought. |
| “Scheme Court Order” | the order of the Court sanctioning the Scheme under Part 26 of the Companies Act and confirming the ICAP Reduction of Capital. |
| “Scheme Effective Date” | the date on which the Scheme Court Order is delivered to and, if ordered by the Court, has been registered by the Registrar of Companies and the Scheme becomes effective in accordance with its terms. |
| “Scheme Effective Time” | the time at which the Scheme becomes effective, being the time at which the Scheme Court Order is delivered to and, if ordered by the Court, registered by the Registrar of Companies. |
| “Scheme Record Time” | 6.00 p.m. on the Business Day immediately preceding the Scheme Effective Date. |
| “Scheme Shareholder” | a holder of Scheme Shares. |
| “Scheme Shares” | <ul style="list-style-type: none"> (i) all ICAP Ordinary Shares in issue at the date of the Scheme and remaining in issue at the Scheme Record Time; (ii) all additional (if any) ICAP Ordinary Shares in issue 48 hours prior to the First Court Meeting at which the Scheme is approved and remaining in issue at the Scheme Record Time; and (iii) all further (if any) ICAP Ordinary Shares which may be in issue immediately prior to the confirmation by the Court of the reduction of capital provided for under the Scheme in respect of which the original or any subsequent holders thereof are, or shall have agreed in writing to be, bound by the Scheme and remaining in issue at the Scheme Record Time, <p>and excluding, for the avoidance of doubt, the ICAP R Share.</p> |
| “SDRT” | stamp duty reserve tax. |
| “Securities Act” | the US Securities Act of 1933, as amended. |
| “Second Court Meeting” | the meeting of Shareholders held on 9 September 2016 convened at the direction of the Court pursuant to Part 26 of the Companies Act at which the Confirmation Vote was passed. |

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| “Second General Meeting” | the general meeting of ICAP held on 9 September 2016 at which the Revision Resolution was passed. |
| “SEF” | swap execution facility. |
| “Share Consolidation” | the consolidation and subdivision of Newco Ordinary Shares, further details of which are set out in Part 1: <i>Details of the Proposed Transaction</i> . |
| “Share Consolidation Effective Time” | the date and time on which the Share Consolidation becomes effective. |
| “Shareholder” | a holder of ICAP Ordinary Shares and, from the Scheme Effective Time, a holder of Newco Ordinary Shares. |
| “Step-up Margin” | the increase to the initial rate of interest under the 2018 Notes, 2019 Notes and 2023 Notes that will apply in the event that there is a decrease in the ratings of the 2018 Notes to below Baa3, in the case of Moody’s, or below BBB – , in the case of Fitch. |
| “Structure Revision” | the revision to the structure of the Transaction as described in the Supplementary Circular. |
| “Supplementary Circular” | a supplementary circular dated 17 August 2016 relating to the Structure Revision, which contains notices convening the Second Court Meeting and the Second General Meeting for the purposes of passing the Confirmation Vote and the Revision Resolution, respectively. |
| “Swingline” | up to US\$200,000,000 swingline incorporated in the RCF. |
| “Swingline Loan” | a loan made available under the Swingline. |
| “Takeover Code” | The City Code on Takeovers and Mergers. |
| “Tax Deed” | the tax deed to be entered into between Newco and Tullett Prebon on Completion. |
| “TIBOR” | Tokyo Interbank Offered Rate. |
| “Transaction” | the proposed disposal of IGBB by the Group to Tullett Prebon, including the Scheme and the Demerger. |
| “Transitional Services Agreement” or “TSA” | the transitional services agreement entered into between IGH and IGBHL pursuant to which the IGH will provide IGBHL with the use of or access to certain resources that will be retained by the Retained Group as at Completion, pursuant to the Sale and Purchase Agreement. |
| “Transitional Services Agreements” | the Transitional Services Agreement and the Reverse Transitional Services Agreement. |
| “Transparency Rules” | the Transparency Rules made by the FCA under Part VI of the FSMA. |
| “Tullett Prebon” | Tullett Prebon plc, a company registered in England and Wales with registered number 05807599, whose registered office is at Tower 42, Level 37, 25 Old Broad Street, London EC2N 1HQ. |
| “Tullett Prebon Admission” | (i) the re-admission of the Tullett Prebon Ordinary Shares to the premium listing segment of the Official List and to trading on the London Stock Exchange’s main market for listed securities; and |

- (ii) the admission of the New Tullett Prebon Shares to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities,

in each case, becoming effective in accordance with paragraph 3.2.7 of the Listing Rules and the Admission and Disclosure Standards.

“Tullett Prebon Consolidation

Waiver” the grant by the FCA, subject only to Completion, of a permission in the exercise of the discretion afforded to the FCA under Article 15 of the CRR to waive the application of Part Three of the CRR and Title VII, Chapter 4 of Directive No. 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, on a consolidated basis in relation to relevant firms in the Tullett Prebon Group as from the point of Completion, in a form reasonably acceptable to Tullett Prebon.

“Tullett Prebon Group” Tullett Prebon and its subsidiaries and subsidiary undertakings prior to Completion.

“Tullett Prebon Ordinary Shares” ordinary shares of nominal value £0.25 each in the capital of Tullett Prebon.

“Tullett Prebon Prospectus” the document dated 1 March 2016 comprising:

- (i) a circular prepared in accordance with the Listing Rules in connection with the general meeting of Tullett Prebon Shareholders convened for the purpose of approving the Transaction; and
- (ii) a prospectus relating to the Tullett Prebon Ordinary Shares prepared in accordance with the Prospectus Rules,

as supplemented by:

- (i) the supplementary prospectus dated 5 April 2016 relating to Tullett Prebon's annual report and financial statements for the year ended 31 December 2015; and
- (ii) the second supplementary prospectus dated 16 May 2016 relating to historical financial information for IGBB for the financial year ended 31 March 2016.

“Tullett Prebon Shareholder” a holder of shares in Tullett Prebon, including a holder of New Tullett Prebon Shares.

“Tullett Prebon Sponsor” NM Rothschild & Sons Limited.

“UK” or “United Kingdom” the United Kingdom of Great Britain and Northern Ireland.

“US” or “United States” the United States of America (including the states of the United States and the District of Columbia), its possessions and territories and all areas subject to its jurisdiction.

“US Securities Act” the United States Securities Act of 1933 (as amended).

“US\$”, “USD” or “US dollar” United States dollars.

In this Prospectus, words denoting any gender include all genders (unless the context otherwise requires).

