

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART IN OR INTO JAPAN OR ANY OTHER JURISDICTION WHERE TO DO SO WOULD CONSTITUTE A VIOLATION OF APPLICABLE LAWS

**Public Exchange Offer**

of

**Liontrust Asset Management PLC**

for all publicly held registered shares with a nominal value of CHF 0.05 each

of

**GAM Holding Ltd., Zurich, Switzerland**

(the "**Offer**" or the "**Exchange Offer**")

**Exchange Ratio:** Liontrust Asset Management PLC, London, United Kingdom ("**Liontrust**" or the "**Offeror**"), offers 0.0589 ordinary shares of Liontrust with a nominal value of GBP 0.01 each (the "**Liontrust Shares**", and each individually a "**Liontrust Share**") for each registered share of GAM Holding Ltd., Zurich, Switzerland ("**GAM**" or the "**Company**"), with a nominal value of CHF 0.05 each (the "**GAM Shares**", and each individually a "**GAM Share**"). Fractions of Liontrust Shares will be paid in cash in CHF.

The Exchange Ratio will be reduced or increased by the gross amount of any dilutive effects in respect of the GAM Shares and/or the Liontrust Shares prior to the settlement of this Offer (the "**Settlement**"). Dilutive effects include, inter alia, distributions of any kind (e.g., dividend payments, distributions as a result of a capital reduction etc.) other than ordinary course interim or final cash dividends of Liontrust as further described below, capital increases (except for capital increases of GAM or Liontrust based on the exercise of options and similar rights to acquire GAM Shares or Liontrust Shares that are outstanding under employee participation and similar plans on the date of the pre-announcement to this Offer (the "**Pre-Announcement**") and that are, on the date of their exercise, exercisable under the relevant plan and except for the capital increase of Liontrust to create the Liontrust Shares to be delivered under this Offer, including to meet entitlements under GAM employee participation and similar plans which are rolling over as part of this Offer), spin-offs, demergers, mergers and similar transactions, disposals of assets below or acquisitions of assets above their market value, the issuance or sale of GAM Shares by the Company or its subsidiaries respectively, of Liontrust Shares by Liontrust or its subsidiaries or persons acting in concert with Liontrust at an issuance or sales price below, or the purchase of the same at a price above,

the stock market price, or the issuance of option and/or conversion rights or other financial instruments relating to the GAM Shares and/or the Liontrust Shares, except for the issuance or sale and/or delivery by the Company of any GAM Shares or financial instruments thereon or Liontrust of any Liontrust Shares or financial instruments thereon under any of the Company's or Liontrust's equity plans. Dilutive effects do not include ordinary course interim and final cash dividends of Liontrust declared in accordance with its dividend policy as stated at the date of the Pre-Announcement and paid in accordance with its usual practice and these will therefore not result in any adjustment to the Exchange Ratio. Dilutive effects also do not include the FMS Exit (as defined below in Section B.7.1i) (*Offer Conditions*)).

**Main Offer Period:** From 28 June 2023 until 25 July 2023, 16:00 CEST (subject to any extension of the Main Offer Period).

**Sole UK Sponsor and Lead Broker:** Singer Capital Markets Advisory LLP, One, Bartholomew Lane, London, EC2N 2AX, United Kingdom ("**Singer**")

**Financial Adviser:** Alantra Corporate Finance LLP, 77 Queen Victoria Street, London EC4V 4AY, United Kingdom ("**Alantra**")

**Joint Broker and Vendor Placement Agent:** Panmure Gordon (UK) Limited, 40 Gracechurch Street, London, England, EC3V 0BT, United Kingdom ("**Panmure Gordon**")

**Offer Manager:** Zürcher Kantonalbank, Bahnhofstrasse 9, 8001 Zurich, Switzerland ("**ZKB**")

	Security number	ISIN	Ticker Symbol
GAM registered shares <b>not tendered</b> (first trading line)	10265962	CH0102659627	GAM
GAM registered shares <b>tendered</b> (second trading line)	127626946	CH1276269466	GAME2
GAM registered shares <b>tendered</b> (third line, no trading)	127626948	CH1276269482	n/a
Liontrust Shares	0738840	GB0007388407	LIO

Offer prospectus dated 13 June 2023 (the "**Offer Prospectus**")

## Offer Restrictions

### General

The distribution of this Offer Prospectus and any other materials relating to the Offer and the making of the Offer may in certain jurisdictions (including, but not limited to, Japan) (the "**Restricted Jurisdictions**") be restricted by law, be considered unlawful or otherwise violate any applicable laws or regulations, or may require Liontrust or any of their direct and indirect subsidiaries to change or amend the terms or conditions of the Offer in any way, to make an additional filing with any governmental, regulatory or other authority or take additional action in relation to the Offer. Therefore, persons obtaining this Offer Prospectus and any other materials relating to the Offer or into whose possession this Offer Prospectus and any other materials relating to the Offer otherwise comes, are required to, and should inform themselves of and observe, all such restrictions. Neither Liontrust nor the receiving agent accept or assume any responsibility or liability for any violation by any person whomsoever of any such restriction.

The Offer is not being and will not be made, directly or indirectly, in or into the Restricted Jurisdictions. It is not intended to extend the Offer to any such Restricted Jurisdictions. This Offer Prospectus and any other materials relating to the Offer, and any and all materials related thereto, should not be sent or otherwise distributed in or into the Restricted Jurisdictions and the Offer cannot be accepted by any such use, means or instrumentality, in or from within the Restricted Jurisdictions. Accordingly, copies of this Offer Prospectus and any other materials relating to the Offer are not being, and must not be, sent or otherwise distributed in or into or from any Restricted Jurisdiction or, in their capacities as such, to custodians, trustees or nominees holding shares for persons in any Restricted Jurisdictions, and persons receiving any such documents (including custodians, nominees and trustees) must not distribute or send them in, into or from any Restricted Jurisdiction. Any purported acceptance of the Offer resulting directly or indirectly from a violation of these restrictions will be invalid. No shares are being solicited for purchase or sale from or to a resident of the Restricted Jurisdictions and, if sent in response by a resident of the Restricted Jurisdictions, Liontrust reserves the right to reject such acceptance. Such documents relating to the Offer must not be used for the purpose of soliciting the purchase or sale of any GAM Shares or Liontrust Shares by any person or entity resident or incorporated in any Restricted Jurisdiction. Each person delivering an acceptance form in connection with the Offer will be required to certify that, unless and to the extent otherwise agreed with and authorized by the Offeror in accordance with applicable law and regulations: (i) such person has not received the Offer, the offer document, the acceptance form or any other document relating to the Offer in a Restricted Jurisdiction, nor has such person mailed, transmitted or otherwise distributed any such document in or into a Restricted Jurisdiction; (ii) such person has not utilized, directly or indirectly, the mails, or any means or instrumentality of commerce, or the facilities of any national securities exchange, of a Restricted Jurisdiction in connection with the Offer; (iii) such person is not and was not located in a Restricted Jurisdiction at the time such person accepted the terms of the Offer or at the time such person returned the acceptance form; and (iv) if such person is acting in a fiduciary, agency or other capacity as an intermediary, then either (a) such person has full investment discretion with respect to the securities covered by the acceptance form or (b) the person on whose behalf such person is acting was located outside the Restricted Jurisdictions at the time he or she instructed such person to accept the Offer.

Subject to applicable securities laws and regulations, the Offeror makes available a "vendor placement" arrangement with respect to the Offer for holders of GAM Shares in the United States of America (each a "**U.S. Shareholder**" and together the "**U.S. Shareholders**") where, in the sole discretion of Liontrust and the Vendor Placement Agent, an offer of securities to

such persons would require filing of a registration statement with the United States Securities and Exchange Commission (the "**SEC**") or another relevant regulatory body. Accordingly, the Offeror structures the Offer in a manner whereby each U.S. Shareholder receives average net cash proceeds (after deduction of applicable taxes, fees, costs and expenses including foreign exchange and dealing commissions) from the sale of the Liontrust Shares that it would otherwise be entitled to receive in the Offer (such arrangement, the "**Vendor Placement**"), unless such holder makes such representations, warranties and confirmations as Liontrust and the Vendor Placement Agent may require, and Liontrust and the Vendor Placement Agent, in their sole discretion, determine that such holder may receive the Liontrust Shares without filing of a registration statement with the SEC or another relevant regulatory body. Any sale of Liontrust Shares pursuant to the Vendor Placement will occur outside of the United States of America and any Restricted Jurisdictions pursuant to a centralized sale process at prevailing market prices promptly following Settlement and will be subject to deduction of applicable fees and expenses. U.S. Shareholders may be permitted to receive Liontrust Shares in the Offer (instead of cash resulting from the Vendor Placement) upon establishing their eligibility by completing an eligibility questionnaire attached to the form of acceptance and returning any required supporting documentation to the receiving agent. For further information, see below "*Offer Restrictions – United States of America*" and Annex 1 (*Additional Information for U.S. Shareholders*).

### **United States of America**

GAM's U.S. Shareholders are advised that the GAM Shares are not listed on a U.S. securities exchange and that GAM is not subject to the periodic reporting requirements of the U.S. Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), and is not required to, and does not, file any reports with the SEC thereunder.

The Offer is made for the issued and outstanding shares of GAM, which is domiciled in Switzerland, and is subject to Swiss disclosure and procedural requirements. The Offer is made in the United States of America pursuant to Section 14(e) and Regulation 14E under the Exchange Act, subject to the exemption provided under Rule 14d-1(d) for "Tier II" tender offers under the Exchange Act, and otherwise in accordance with the disclosure and procedural requirements of Swiss law, including with respect to the Offer timetable, settlement procedures, withdrawal, waiver of conditions and timing of payments, which may be different from those applicable under U.S. domestic tender offer procedures and law, and certain rules applicable to tender offers made into the United States of America, including rules promulgated under Section 14(d) of the Exchange Act, do not apply. In particular, the financial information included in this announcement has been prepared in accordance with International Financial Reporting Standards, which may not be comparable to the financial statements or financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States of America. The Offer is made to GAM's shareholders resident in the United States of America on the same terms and conditions as those made to all other shareholders of GAM to whom an offer is made. Any informational documents, including this announcement, are being disseminated to GAM's U.S. Shareholders on a basis comparable to the method that such documents are provided to GAM's other shareholders.

Neither the SEC nor any U.S. state securities commission has approved or disapproved the Offer, passed upon the merits or fairness of the Offer, or passed any comment upon the adequacy, accuracy or completeness of the disclosure in relation to the Offer. Any representation to the contrary is a criminal offence in the United States of America.

To the extent permissible under applicable law or regulations and in accordance with Rule 14e-5(b) under the Exchange Act, the Offeror and its affiliates or its brokers and its brokers' affiliates (acting as agents for the Offeror or its affiliates, as applicable) may from time to time and during the pendency of the Offer, and other than pursuant to the Offer, directly or indirectly purchase or arrange to purchase GAM Shares or any securities that are convertible into, exchangeable for or exercisable for GAM Shares. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. To the extent information about such purchases or arrangements to purchase is made public in Switzerland, such information will be disclosed by means of a press release or other means reasonably calculated to inform U.S. Shareholders of GAM of such information. In addition, the financial advisers to the Offeror may also engage in ordinary course trading activities in securities of GAM, which may include purchases or arrangements to purchase such securities. Any information about such purchases will be made public in Switzerland to the extent, and in the manner required, by Swiss law.

To the extent the Offer is subject to U.S. securities laws, those laws only apply to U.S. Shareholders and will not give rise to claims on the part of any other person. It may be difficult for GAM's shareholders to enforce their rights and any claims they may have arising under the U.S. federal securities laws, since Liontrust and GAM are located in non-U.S. jurisdictions and some or all of their respective officers and directors may be residents of non-U.S. jurisdictions. GAM shareholders may not be able to sue the Offeror or GAM or their respective officers or directors in a non-U.S. court for violations of the U.S. federal securities laws. It may be difficult to compel the Offeror and GAM and their respective affiliates to subject themselves to a U.S. court's judgment. Judgments of U.S. courts are generally not enforceable in either Switzerland or England and Wales. In addition, original actions, or actions for the enforcement of judgments of US courts, based on the civil liability provisions of the US federal securities laws, may not be enforceable in Switzerland or England and Wales.

The Liontrust Shares to be offered in exchange for GAM Shares pursuant to the Offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("**U.S. Securities Act**"), nor under any laws of any state or other jurisdiction of the United States of America, and may not be offered, sold, resold or delivered, directly or indirectly, in or into the United States of America, except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This Offer Prospectus does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States of America. Liontrust will not register or make a public offer of its securities, or otherwise conduct the Offer, in the United States of America.

The securities referred to herein have not been and are not presently expected to be listed on any US securities exchange or quoted on any inter-dealer quotation system in the United States of America. None of GAM or Liontrust presently intends to take any action to facilitate a market in such securities in the United States of America.

The Liontrust Shares will only be made available in the United States of America to qualified institutional buyers (as defined in Rule 144A under the U.S. Securities Act) in transactions that are exempt from the registration requirement of the U.S. Securities Act. U.S. Shareholders may be permitted to receive Liontrust Shares in the Offer upon establishing their eligibility by completing an eligibility questionnaire attached to the form of acceptance and returning any required supporting documentation to the receiving agent. For further information, see Annex 1 (*Additional Information for U.S. Shareholders*) of this Offer Prospectus.

The Liontrust Shares issued to qualified institutional buyers in the United States in connection

with the Offer and Liontrust Shares issued to shareholders of GAM that are "affiliate" of GAM will be "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act. All Liontrust Shares issued in connection with the Offer may only be resold pursuant to an available exemption from, or in a transaction not subject to, registration under the U.S. Securities Act.

Participating in the Offer may be a taxable transaction for US federal income tax purposes and under applicable US state and local, as well as foreign and other tax laws. Each U.S. Shareholder is urged to consult its independent professional adviser immediately regarding the tax consequences of accepting the Offer. For further information, see Annex 2 (*Tax Consideration for U.S. Shareholders*) of this Offer Prospectus.

**Neither the SEC, nor any U.S. state securities commission, has approved or disapproved of the securities to be offered in exchange for GAM Shares pursuant to the Offer or any related transaction or determined if the information contained herein or in any offering circular to be prepared in connection with the Offer is accurate or complete. Any representation to the contrary is a criminal offense in the United States of America.**

As used herein, "**United States of America**", "**United States**", "**U.S.**" or "**US**" means the United States of America, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any state of the United States of America and the District of Columbia.

### **United Kingdom**

The Offer is only being made within the United Kingdom pursuant to an exemption under Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (as amended and together with any applicable adopting or amending measures in the United Kingdom, the "**UK Prospectus Regulation**") from the requirement to publish a prospectus that has been approved by the UK Financial Conduct Authority (the "**FCA**") and published in accordance with the UK Prospectus Regulation.

### **European Economic Area**

The Offer is only being made within the European Economic Area ("**EEA**") pursuant to an exemption under Regulation (EU) 2017/1129 (as amended and together with any applicable adopting or amending measures in any relevant member state of the EEA, the "**Prospectus Regulation**"), from the requirement to publish a prospectus that has been approved by the competent authority in that relevant member state and published in accordance with the Prospectus Regulation or, where appropriate, approved in another relevant member state and notified to the competent authority in that relevant member state, all in accordance with the Prospectus Regulation.

### **Japan and other Restricted Jurisdictions**

The Offer is not addressed nor being made, directly or indirectly, in or into Japan or any other Restricted Jurisdiction or to shareholders of GAM whose place of residence, seat or habitual abode is in Japan or any other Restricted Jurisdiction and such shareholders may not accept the Offer. Accordingly, the Offer is not capable of acceptance in or from Japan or any other Restricted Jurisdiction.

## Notice regarding Currency Exchange Rate Risks

The GAM Shares are traded on the SIX Swiss Exchange in CHF. At the Settlement, the Offeror offers Liontrust Shares in exchange for validly tendered GAM Shares. The Liontrust Shares are traded on the London Stock Exchange in GBP. Accordingly, tendering holders of GAM Shares will bear the currency exchange rate related risks resulting from the exchange of GAM Shares against Liontrust Shares. These risks include the risk that the prevailing CHF/GBP exchange rate may change materially adversely (including changes due to devaluation of the GBP or revaluation of the CHF).

## Forward-Looking Statements

This document includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "anticipates", "aims", "continues", "expects", "intends", "may", "will", "would" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this Offer Prospectus and include statements regarding Liontrust, including its subsidiaries (the "**Liontrust Group**"), and/or its directors' intentions, beliefs or current expectations concerning, among other things, the Liontrust Group's, GAM's, including its subsidiaries (the "**GAM Group**") or the combined Liontrust Group's and GAM Group's (the "**Enlarged Group**") results, operations, financial condition, prospects, growth strategies and the markets in which the Liontrust Group, the GAM Group and/or the Enlarged Group operate. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. These and other factors could adversely affect the outcome and financial effects of the events described herein of the Liontrust Group, the GAM Group or the Enlarged Group. Forward-looking statements contained in this document based on these trends or activities should not be taken as a representation that such trends or activities will continue in the future.

The forward-looking statements should be read in conjunction with the other cautionary statements that are included elsewhere, including the risk factors included in any public disclosure of Liontrust or GAM. These forward-looking statements speak only as at the date of this Offer Prospectus. Except as required by the applicable listing rules, the applicable disclosure guidance and transparency rules and any applicable law, Liontrust and/or its directors, do not have any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, further events or otherwise. Except as required by the applicable listing rules, the applicable disclosure guidance and transparency rules and any applicable law, Liontrust and its directors expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in Liontrust and/or its directors' expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this Offer Prospectus might not occur.

## Risk Factors

A number of risk factors could cause actual results and developments to differ materially from those expressed or implied by the forward-looking statements, including without limitation: conditions in the markets; the market position of the Liontrust Group, the GAM Group or the Enlarged Group and their respective earnings; financial position, return on capital, anticipated

investments and capital expenditure; changing business or general economic, political or financial market conditions; the ability of Liontrust Group to integrate GAM Group into Liontrust's operations; delay or change in the combination into the Enlarged Group; change of control resulting from the combination into the Enlarged Group; unknown risks due to limited due diligence; competition; changes in client base; ability to manage growth through acquisitions; failure to retain or attract clients; dependency on agents, local partners or subcontractors; risks associated with managing international operations and reliance on local management; ability to maintain and update IT systems or IT failures; technological developments; dependency on key personnel; credit risk; reputational risk; legal and regulatory risks; financial risks; capital markets risks as well as other risk factors listed from time to time in Liontrust's and/or GAM's public disclosure, including in particular the Class 1 Circular to be issued by Liontrust on or about the date of this Offer Prospectus (the "**Circular**"). Generally, Liontrust's interest, as majority shareholder of GAM, may differ from the interest of holders of GAM Shares; shareholders of GAM who do not participate or are not eligible to participate in the Offer may not be able to sell their GAM Shares other than by selling their GAM Shares in the market prior to delisting of GAM. There can be no certainty that GAM Shareholders would be again offered an opportunity to sell their GAM Shares on terms which are equivalent or no less advantageous than those under the Offer.

The price of the Liontrust Shares may fluctuate. The market price could be subject to significant fluctuations due to change in sentiment or external market factors. The market price for the Liontrust Shares may decline below the Exchange Ratio at which the GAM shareholders are allotted the Liontrust Shares. Admission of the shares should not be taken as implying there will be a liquid market for the Liontrust Shares. The admission of the Liontrust Shares to listing on the official list of the FCA and to trading on the London Stock Exchange may not occur when expected.

### **No advice**

The contents of this Offer Prospectus are not to be construed as legal, business or tax advice. Each GAM shareholder should consult his or its own legal, financial or tax adviser for legal, financial or tax advice. In making an investment decision, each investor must carry out their own examination, analysis and enquiry of Liontrust respectively Liontrust Group and the terms of the Offer, including the merits and risks involved.

### **No Profit Forecast or Profit Estimate**

Unless otherwise stated, no statement in this Offer Prospectus is intended as a profit forecast or profit estimate for any period and no statement in this Offer Prospectus should be interpreted to mean that earnings, earnings per share or income, dividends per share, cash flow from operations or free cash flow for the Liontrust Group or the Enlarged Group, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings, earnings per share or income, cash flow from operations or free cash flow for the Liontrust Group or the Enlarged Group, as appropriate.

### **Synergy Benefits**

Statements of estimated synergies and other quantified estimated financial benefits relate to future actions and circumstances which by their nature involve risks, uncertainties and contingencies. As a consequence, the estimated synergies and other quantified estimated financial benefits referred to in this document may not be achieved, may be achieved later or sooner than estimated, or those achieved could be materially different from those estimated.



## **Incorporation by Reference**

Certain information in relation to Liontrust and GAM is, as indicated accordingly, incorporated by reference into this Offer Prospectus. Without limitation, unless expressly stated herein, the contents of the websites of the Liontrust Group and GAM Group and any links accessible through the websites of the Liontrust Group and GAM Group, do not form part of this Offer Prospectus.

## **Presentation of Currencies and Currency Conversion**

Unless otherwise indicated, all references to "**GBP**" are to the lawful currency of the United Kingdom in pound sterling, whereas "**GBX**" refers to the lawful currency of the United Kingdom in penny sterling, and all references to "**CHF**" are to the lawful currency of Switzerland.

Note that there has been a use of conversion rates between CHF and GBP at certain points within this Offer Prospectus. In the instance that total amounts of calculations do not cast to the initial workings, this is driven from the fact that initial work has been done on a CHF basis and then amounts been translated in GBP for the purpose of this document.

## **Market, Economic and Industry Data**

Market, economic and industry data used throughout this document is derived from various industry and other independent sources. Liontrust and its directors confirm that such data has been accurately reproduced and, so far as they are aware and are able to ascertain from information published from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

## **Rounding**

Percentages in tables have been rounded and accordingly may not add up to 100%. Certain financial data have also been rounded. As a result of this rounding, the totals of data presented in this document may vary slightly from the actual arithmetic totals of such data.

## **Advisers / Managers**

Singer, which is authorised and regulated by the FCA, is acting as Sole UK Sponsor and Lead Broker to Liontrust and for no one else in relation to the Offer and will not be responsible to anyone other than Liontrust for providing the protections afforded to clients of Singer or for providing advice in relation to the Offer, the contents of this Offer Prospectus or any transaction, arrangement or other matter referred to in this Offer Prospectus. Neither Singer nor any of its group undertakings or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Singer in connection with the Offer or any matter referred to herein. However, nothing in this paragraph shall serve to limit or exclude any of the responsibilities and liabilities, if any, which may be imposed on Singer by the Financial Services and Markets Act 2000, as amended (the "**FSMA**"), or the regulatory regime established thereunder.

Alantra, which is authorised and regulated by the FCA, is acting as Financial Adviser to Liontrust and for no one else in relation to the Offer and will not be responsible to anyone other than Liontrust for providing the protections afforded to clients of Alantra or for providing advice in relation to the Offer, the contents of this Offer Prospectus or any transaction, arrangement

or other matter referred to in this Offer Prospectus. Neither Alantra nor any of its group undertakings or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Alantra in connection with the Offer or any matter referred to herein. However, nothing in this paragraph shall serve to limit or exclude any of the responsibilities and liabilities, if any, which may be imposed on Alantra by FSMA or the regulatory regime established thereunder.

Panmure Gordon, which is authorised and regulated by the FCA, is acting as Joint Broker and Vendor Placement Agent to Liontrust and for no one else in relation to the Offer and will not be responsible to anyone other than Liontrust for providing the protections afforded to clients of Panmure Gordon or for providing advice in relation to the Offer, the contents of this Offer Prospectus or any transaction, arrangement or other matter referred to in this Offer Prospectus. Neither Panmure Gordon nor any of its group undertakings or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Panmure Gordon in connection with the Offer or any matter referred to herein. However, nothing in this paragraph shall serve to limit or exclude any of the responsibilities and liabilities, if any, which may be imposed on Panmure Gordon by FSMA or the regulatory regime established thereunder.

ZKB which is regulated in Switzerland by the Swiss Financial Market Supervisory Authority (the "**FINMA**"), which acts as ZKB's supervisory authority, acts as sole Offer Manager to Liontrust and no one else in connection with the Offer and shall not be responsible to anyone other than Liontrust for providing the protections afforded to clients of ZKB nor for providing advice in connection with the Offer or any matter referred to herein. Neither ZKB nor any of its group undertakings or affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of ZKB in connection with the Offer or any matter referred to herein.

## A. Background and Purpose of the Exchange Offer

The Offeror is a public limited company governed by the laws of England and Wales with its registered office in London, United Kingdom. It is a specialist fund management company and its shares are listed on the London Stock Exchange (security number: 0738840; ISIN: GB0007388407; ticker symbol: LIO).

As of 31 March 2022, Liontrust Group managed a total of 63 funds which had assets under management and advice ("**AuMA**") of about GBP 33.5 billion, generated revenues of about GBP 245.6 million and an operating profit of about GBP 79.4 million and had approximately 200 employees and members. Liontrust Group has offices in London (head office), Edinburgh and Luxembourg. Liontrust Group's activities are divided into three (3) interdependent divisions: fund management, distribution and operations. Liontrust Group has the following seven (7) strategic objectives (the "**Strategic Objectives**"): (i) deliver market leading investment performance over the longer term; (ii) diversify the fund range; (iii) expand distribution and the client base; (iv) be a responsible company and investor; (v) enhance the investor experience; (vi) attract and develop talent; and (vii) develop the business infrastructure to help drive growth.

GAM is a Swiss stock corporation (*Aktiengesellschaft*) governed by the laws of Switzerland with its registered office in Zurich, Switzerland. The GAM Shares have been listed separately on SIX Swiss Exchange (securities number: 10265962; ISIN: CH0102659627; ticker symbol: GAM) since 1 October 2009 (after spin-off of Julius Baer Group Ltd). GAM is a Swiss-based independent investment manager. As of 31 March 2023, GAM's investment management division had AuMA of about CHF 22.3 billion (equivalent to about GBP 20.9 billion) using active strategies across discretionary and specialist solutions. As of 31 March 2023, GAM Group managed a total of 144 funds, segregated accounts, a number of private client accounts in its wealth management business and acted as a management company for a number of externally investment managed funds, generated revenues (investment management, advisory and other fees) of about CHF 459.3 million and net management fees and commissions of about CHF 161.8 million and had 541 employees. GAM Group has offices in twelve (12) countries. GAM Group's activities are divided into three (3) divisions: investment management, wealth management and fund management services.

A successful Offer provides the opportunity for Liontrust to accelerate its Strategic Objectives. This comes as Liontrust views itself to already have the people, infrastructure and operating model in place to take advantage of the significant potential of the Enlarged Group and to manage and support the expansion of the Enlarged Group. The acquisition of GAM is expected to make Liontrust a global investment manager with about GBP 52 billion in AuMA on a combined basis<sup>1</sup>. Liontrust believes that there are number of strategic benefits resulting from such acquisition, including enhancing and expanding Liontrust's investment capability and product range and providing global distribution with a physical sales and marketing presence in the United States of America and multiple countries in Europe and Asia. Liontrust believes that the acquisition of GAM will offer the stability to GAM, lacking in recent years, which will enable its distribution team to attract new clients who have been deterred from investing by

---

<sup>1</sup> Liontrust AuMA of GBP 31,760 million as at 17 April 2023 (source: Liontrust). GAM's Investment Management division AuMA of CHF 23,280 million (GBP 20,512 million) as at 31 March 2023 (source: GAM). GBP/CHF exchange rate 1.1349 as at 9 June 2023 (Source: Bloomberg).

the previous corporate and financial uncertainty, as well as provide what Liontrust believes will be significant economies of scale for investment teams.

On 4 May 2023, Liontrust entered into a transaction agreement with the Company (the "**Transaction Agreement**"). Under the terms of the Transaction Agreement, the board of directors of the Company agreed, *inter alia*, to unanimously recommend that shareholders of the Company accept the Offer (see below Section E.4.1 (*Agreements in Connection with the Offer between Liontrust and GAM*) for more details).

In addition, on 4 May 2023, Liontrust agreed to provide GAM with two equal tranches of short-term secured financial support in an aggregate amount of up to GBP 17.8 million under two separate facility agreements (the "**Financial Support**"). The first tranche was made available under a certain tranche 1 facility agreement (the "**Tranche 1 Facility Agreement**") which was entered into and completed prior to execution of the Transaction Agreement and publication of the Pre-Announcement. The second of the two tranches is to be made available under a certain tranche 2 facility agreement (the "**Tranche 2 Facility Agreement**"; together with Tranche 1 Facility Agreement the "**Facility Agreements**") which was entered into prior to the publication of the Pre-Announcement. The main purpose of this Financial Support is to enable the acceleration of restructuring activities within GAM and between GAM's group entities, including the FMS Exit (as defined in Section B.7.1i) (*Offer Conditions*) below). These Facility Agreements will terminate on 31 December 2023 (Tranche 1 Facility Agreement) respectively the earlier of 30 days after Settlement and 31 December 2023 (Tranche 2 Facility Agreement) (see below Section E.4.1 (*Agreements in Connection with the Offer between Liontrust and GAM*) for more details).

## **B. The Offer**

### **1. Pre-Announcement**

A Pre-Announcement of the Offer has been made in accordance with article 5 *et seqq.* of the Swiss Takeover Ordinance (the "**TOO**").

The Pre-Announcement was published on 4 May 2023 before the opening of trading at SIX Swiss Exchange in English, German and French on the websites of Liontrust and the Swiss Takeover Board and was furthermore disseminated in accordance with the TOO.

### **2. Object of the Offer**

Except as specified below, and subject to the Offer Restrictions set forth above, the Offer extends to all publicly held GAM Shares, including all GAM Shares that will be issued by the Company upon the exercise of outstanding share options and similar share entitlements under any employee option, incentive or similar plan before the expiration of the Additional Acceptance Period (as defined in Section B.6. (*Additional Acceptance Period*) below) and GAM Shares held by The GAM Employee Benefit Trust. The Offer does not extend to GAM Shares that are held by the Company or any of its subsidiaries.

Accordingly, the Offer, without considering potential GAM Shares issued by the Company for reasons described above, extends to 159,209,378 GAM Shares, calculated as of the last trading day at SIX Swiss Exchange prior to the publication of this Offer Prospectus as follows:

Issued GAM Shares	159,682,531*
GAM Shares held by GAM or any of its subsidiaries**	-473,153***

<b>Number of GAM Shares to which the Offer relates</b>	<b>159,209,378</b>
--	--------------------

\* According to the Commercial Register. Pursuant to GAM's articles of association dated 25 May 2023, GAM has no conditional capital but a capital band ranging from CHF 7,185,714.55 (lower limit) to CHF 8,782,538.55 (upper limit) to increase or reduce, once or several times and in any amounts or to acquire or dispose of GAM Shares directly or indirectly, until 25 May 2028 or until an earlier expiry of the capital band, by issuing a maximum of 15,968,240 GAM Shares and cancelling a maximum of 15,968,240 GAM Shares, as applicable, or by increasing or reducing the par value of the existing GAM Shares within the limits of the capital band or by simultaneous reduction and re-increase of the share capital.

\*\* Not including the 793,244 GAM Shares held, according to information received by GAM, by The GAM Employee Benefit Trust.

\*\*\* The number of GAM Shares held by GAM or any of its subsidiaries may change during the Offer, in which event the number GAM Shares to which the Offer relates would change accordingly.

### 3. Offered Shares / Exchange Ratio

#### 3.1 General

Liontrust offers 0.0589 Liontrust Shares for one (1) GAM Share (the "**Exchange Ratio**").

On the basis of the volume-weighted average price of the on-exchange trades in Liontrust Shares on the London Stock Exchange over the last sixty (60) trading days on the London Stock Exchange prior to the publication of the Pre-Announcement in the amount of GBX 1,018.7633 and the average GBP/CHF exchange rate of 1.1197 (16:00 BST/GMT Fixing, as per WM/Refinitiv as accessed through Bloomberg (BFIX)) over the last sixty (60) trading days on the London Stock Exchange prior to the publication of the Pre-Announcement, the Offer values each of the GAM Shares at CHF 0.6723.

The Exchange Ratio will be reduced or increased by the gross amount of any dilutive effects in respect of the GAM Shares and/or the Liontrust Shares prior to the Settlement. Dilutive effects include, *inter alia*, distributions of any kind (e.g., dividend payments, distributions as a result of a capital reduction etc.) other than ordinary course interim or final cash dividends of Liontrust as further described below, capital increases (except for capital increases of GAM or Liontrust based on the exercise of options and similar rights to acquire GAM Shares or Liontrust Shares that are outstanding under employee participation and similar plans on the date of the Pre-Announcement and that are, on the date of their exercise, exercisable under the relevant plan and except for the capital increase of Liontrust to create the Liontrust Shares to be delivered under the Offer, including to meet entitlements under GAM employee participation and similar plans which are rolling over as part of the Offer), spin-offs, demergers, mergers and similar transactions, disposals of assets below or acquisitions of assets above their market value, the issuance or sale of GAM Shares by the Company or its subsidiaries respectively, of Liontrust Shares by Liontrust or its subsidiaries or persons acting in concert with Liontrust at an issuance or sales price below, or the purchase of the same at a price above, the stock market price, or the issuance of option and/or conversion rights or other financial instruments relating to the GAM Shares and/or the Liontrust Shares, except for the issuance or sale and/or delivery by the Company of any GAM Shares or financial instruments thereon or Liontrust of any Liontrust Shares or financial instruments thereon under any of the Company's or Liontrust's equity plans. Dilutive effects do not include ordinary course interim

and final cash dividends of Liontrust declared in accordance with its dividend policy as stated at the publication date of the Pre-Announcement and paid in accordance with its usual practice and these will therefore not result in any adjustment to the Exchange Ratio. Dilutive effects also do not include the FMS Exit (as defined in Section B.7.1i) (*Offer Conditions*) below).

It is expected that Liontrust will declare a second interim dividend for its financial year ending 31 March 2023 when it announces its full year results for the financial year ended 31 March 2023 on 21 June 2023, which is expected to be paid out in August 2023. It is expected that such second interim dividend will be in accordance with Liontrust's dividend policy as stated at the publication date of the Pre-Announcement and paid in accordance with its usual practice.

No fractions of Liontrust Shares will be issued as part of the Offer. The fractions to which a GAM shareholder who has accepted the Offer may be entitled will be aggregated. If a fraction of Liontrust Shares must still be delivered following such aggregation, the number of Liontrust Shares to be delivered under the Offer will be rounded down to the first whole number. The Liontrust Shares corresponding to the sum of the remaining fractions will be sold in the open market by the Offeror or its agent and on the same trade date converted into Swiss Francs at the prevailing GBP/CHF exchange rate available to the Offeror or its agent once all the fractions have been sold. A cash amount corresponding to the net proceeds of the sale of each fraction following conversion into Swiss Francs shall be transferred to the GAM shareholders entitled to such fractions.

### 3.2 Compliance with Minimum Price Rules

According to article 135 paragraph 2 letter a of the Swiss Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading of 19 June 2015, as amended (the "**FinMIA**"), in connection with article 42 paragraph 2 of the Ordinance of the Swiss Financial Market Supervisory Authority on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading of 3 December 2015, as amended (the "**FinMIO-FINMA**"), the offer price must amount at least to the higher of (i) the stock exchange price and (ii) the highest price that the offeror has paid for equity securities of the target company in the preceding twelve (12) months. The stock exchange price according to article 135 paragraph 2 FinMIA corresponds to the volume-weighted average price (the "**VWAP**") of the on-order-book trades of the last sixty (60) trading days prior to publication of the offer or the pre-announcement (adjusted to negate the effects of significant price influences triggered by special events). The Offer fulfils these requirements: The VWAP of the GAM Shares of the last sixty (60) trading days on SIX Swiss Exchange prior to the publication of the Pre-Announcement amounts to CHF 0.6723 (no special events with significant price influences occurred; however, due to a leakage, each of Liontrust and GAM published an ad hoc press release on 18 April 2023 confirming their negotiations). Liontrust and its subsidiaries did not purchase any equity securities of GAM in the twelve (12) months preceding the publication of the Pre-Announcement<sup>2</sup>.

The GAM Shares and the Liontrust Shares are considered to be liquid securities for the purposes of the application of the minimum price rules stipulated in the applicable securities laws (i.e. no valuation of the GAM Shares and the Liontrust Shares by an independent review

---

<sup>2</sup> The purchase of 549,012 GAM Shares by Liontrust Investment Partners LLP ("**LIP**"), a subsidiary entity of Liontrust, following the publication of the Pre-Announcement on behalf of and for the account of Liontrust GF European Strategic Equity Fund ("**GF LESEF**"), a sub-fund of Liontrust Global Funds PLC, and managed by it in order to close a short position is not relevant with respect to determining the minimum price.

body is required).

The performance of the GAM Share on SIX Swiss Exchange and of the Liontrust Share on the London Stock Exchange since 2019 presents itself as follows (prices refer to the lowest and highest closing price):

<b>GAM Share</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023***</b>
Low*	2.70	1.20	1.28	0.70	0.50
High*	4.72	3.65	2.94	1.54	0.99
<b>Liontrust Share</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023****</b>
Low**	560.00	700.00	1,195.00	704.00	824.50
High**	1,105.00	1,450.00	2,485.00	2,135.00	1,290.00

\* Daily closing price in CHF

\*\* Daily closing price in GBX

\*\*\* 3 January 2023 to 3 May 2023 (last trading day on SIX Swiss Exchange prior to the publication of the Pre-Announcement)

\*\*\*\* 3 January 2023 to 3 May 2023 (last trading day on London Stock Exchange prior to the publication of the Pre-Announcement)

Source: Bloomberg

### 3.3 Treatment of U.S. Shareholders

Subject to applicable securities laws and regulations, the Offeror makes available the Vendor Placement with respect to the Offer for holders of GAM Shares in the United States of America where, in the sole discretion of Liontrust and the Vendor Placement Agent, an offer of securities to such persons would require filing of a registration statement with the SEC or another relevant regulatory body. Accordingly, the Offeror has structured the Offer in a manner whereby each U.S. Shareholder will be entitled to receive the average net cash proceeds (after deduction of applicable taxes, fees, costs and expenses including foreign exchange and dealing commissions) from the sale of the Liontrust Shares that it would otherwise be entitled to receive in the Offer, unless such U.S. Shareholder makes such representations, warranties and confirmations as Liontrust and the Vendor Placement Agent may require, and Liontrust and the Vendor Placement Agent, in their sole discretion, determine that such holder may receive the Liontrust Shares without filing of a registration statement with the SEC or another relevant regulatory body. Any sale of Liontrust Shares pursuant to the Vendor Placement will occur outside of the United States of America and any Restricted Jurisdictions pursuant to a centralized sale process at prevailing market prices promptly following Settlement and will be subject to deduction of applicable fees and expenses. U.S. Shareholders may be permitted to receive Liontrust Shares in the Offer (instead of cash resulting from the Vendor Placement) upon establishing their eligibility by completing an eligibility questionnaire attached to the form of acceptance and returning any required supporting documentation to the receiving agent. For further information, see Annex 1 (*Additional Information for U.S. Shareholders*) of this Offer Prospectus.

#### 4. Cooling-Off Period

Subject to any extension by the Swiss Takeover Board, the cooling-off period shall last ten (10) trading days of SIX Swiss Exchange after publication of this Offer Prospectus, *i.e.* from 14 June 2023 to 27 June 2023 (the "**Cooling-Off Period**"). The Offer may only be accepted after expiry of the Cooling-Off Period.

#### 5. Main Offer Period

Subject to any extension of the Cooling-Off Period by the Swiss Takeover Board, the Offer will remain open for acceptance for a period of twenty (20) trading days on SIX Swiss Exchange after the Cooling-Off Period expires. The Offer is consequently expected to be open for acceptance from 28 June 2023 until 25 July 2023, 16:00 CEST (the "**Main Offer Period**").

The Offeror reserves the right to extend the Main Offer Period once or several times to a maximum of forty (40) trading days on SIX Swiss Exchange. An extension of the Main Offer Period beyond forty (40) trading days on SIX Swiss Exchange would require the prior consent of the Swiss Takeover Board.

#### 6. Additional Acceptance Period

After expiry of the (possibly extended) Main Offer Period and if the Offer is declared successful (*zustande gekommen*), there will be an additional acceptance period of ten (10) trading days on SIX Swiss Exchange for subsequent acceptance of the Offer. Unless the Cooling-Off Period and/or the Main Offer Period are extended, the additional acceptance period is expected to commence on 2 August 2023 and end on 15 August 2023, 16:00 CEST (the "**Additional Acceptance Period**").

#### 7. Offer Conditions, Waiver of Offer Conditions, Duration of Offer Conditions and Deferral of Settlement

##### 7.1 Offer Conditions

The Offer is subject to the following conditions (the "**Offer Conditions**" and each an "**Offer Condition**"):

- a) Minimum acceptance level: By the end of the (possibly extended) Main Offer Period, the Offeror shall have received valid and irrevocable acceptances for such number of GAM Shares representing, when combined with GAM Shares the Offeror or its subsidiaries (but not including the GAM Shares held by the Company and its subsidiaries) will own at the end of the (possibly extended) Main Offer Period, at least 66<sup>2</sup>/<sub>3</sub>% of the fully diluted share capital of GAM as at the end of the (possibly extended) Main Offer Period (*i.e.*, of all GAM Shares issued as at such date plus all GAM Shares the issuance of which (i) has been resolved by a shareholders' meeting or the board of directors of GAM before such date, or (ii) may occur through the exercise of options or conversion or other rights for the issuance, acquisition, transfer or receipt of GAM Shares which are issued at, or the issuance of which has been resolved by the shareholders' meeting or the board of directors of GAM before, such date).
- b) Merger clearances and other approvals: All waiting periods applicable to the acquisition of the Company by the Offeror shall have expired or been terminated and all competent



merger control and other authorities and, if applicable, courts, in all relevant jurisdictions shall have approved (or cleared, as applicable) the Offer, its Settlement and the acquisition of the Company and indirect control of its subsidiaries by the Offeror.

- c) Registration in the share register of the Company: The board of directors of the Company shall have resolved to register Liontrust and/or any other company controlled and designated by Liontrust in the share register of the Company as shareholder(s) with voting rights with respect to all GAM Shares that Liontrust or any of its subsidiaries have acquired or may acquire, and Liontrust and/or any other company controlled and designated by Liontrust shall have been recorded in the share register of the Company with respect to all GAM Shares effectively acquired by Liontrust or any of its subsidiaries.
- d) Resignation and election of members of the board of directors of the Company or mandate agreements: Subject to the fulfilment or waiver of all other Offer Conditions, (i) all incumbent members of the board of directors of the Company shall have resigned from their functions on the boards of directors of the Company and its subsidiaries with effect from the Settlement at the latest, and a general meeting of the Company's shareholders shall have elected the persons designated by Liontrust as members of the board of directors of the Company with effect as of the Settlement (and no other person shall have been elected as member of the board of directors of the Company), or (ii) a sufficient number of members of the board of directors of the Company shall have resigned from their functions on the board of directors of the Company and its subsidiaries and/or entered into (and not subsequently terminated) a mandate agreement with the Offeror, in each case with effect as of the Settlement, so that the Offeror will directly or indirectly control the board of directors of the Company effective as of the Settlement.
- e) Liontrust shareholder approval: The passing at a general meeting of Liontrust (or at any adjournment thereof) of such resolution or resolutions as are necessary to approve, implement and effect the Offer and the acquisition of any GAM Shares including a resolution or resolutions to authorize the allotment of new Liontrust Shares for the purpose of implementing the Offer ("**New Liontrust Shares**") and approve the Offer in accordance with Class 1 requirements under UK Listing Rule 10.5.1R(2) (as such resolutions shall be set out in the Circular to be issued by Liontrust in due course).
- f) Admission to listing of New Liontrust Shares: The UK Financial Conduct Authority having acknowledged to Liontrust or its agent (and such acknowledgement not having been withdrawn) that the application for the admission of New Liontrust Shares to the official list maintained by the UK Financial Conduct Authority with a premium listing has been approved and (after satisfaction of any conditions to which such approval is expressed to be subject ("**Listing Conditions**")) will become effective as soon as a dealing notice has been issued by the UK Financial Conduct Authority and any Listing Conditions having been satisfied.
- g) Admission to trading of New Liontrust Shares: The London Stock Exchange having acknowledged to Liontrust or its agent (and such acknowledgement not having been withdrawn) that the New Liontrust Shares will be admitted to trading on the main market for listed securities of the London Stock Exchange.
- h) No adverse resolution of the shareholders' meeting of the Company: No shareholders' meeting of the Company shall have: (i) resolved upon or approved any dividends or other distribution or capital reduction in the aggregate amount or with an aggregate value of

more than CHF 35.3 million (which, according to the annual report of GAM for the year ended 31 December 2022, corresponds to approximately 10% of GAM's consolidated assets (*konsolidierte Bilanzsumme*) as of 31 December 2022), (ii) resolved upon or approved any purchase, spin-off (*Abspaltung*), transfer of assets and liabilities (*Vermögensübertragung*) or any other disposal of assets other than the FMS Exit (as defined below) (a) relating to the acquisition or disposal of assets under management of more than CHF 7.5 billion (which, according to the annual report of GAM for the year ended 31 December 2022, corresponds to approximately 10% of GAM's consolidated assets under management as of 31 December 2022), or (b) contributing in the aggregate more than CHF 17.2 million to the revenues (*Umsatz*) of GAM (which, according to the annual report of GAM for the year ended 31 December 2022, corresponds to approximately 10% of the consolidated revenues of GAM for the financial year 2022); (iii) resolved upon or approved any merger, demerger (*Aufspaltung*) or ordinary capital increase of the Company, increase of the conditional capital of the Company or any capital band or any change of the Company's existing share capital structure (including the introduction of a new share category); or (iv) adopted an amendment of the articles of association of the Company to introduce any transfer restrictions (*Vinkulierungen*) or voting limitations (*Stimmrechtsbeschränkungen*).

- i) Implementation of the FMS Exit: The FMS Exit having been implemented. For the purposes of this Offer Prospectus:

**"FMS Exit"** means exit of the Company and its subsidiaries from the fund management services business undertaken by the Company's subsidiaries in Luxembourg and Switzerland in respect of all third party funds that have no GAM branding, including through those subsidiaries transferring or terminating the FMS Service Contracts in accordance with their terms and applicable law, such that those subsidiaries have ceased to provide services under such contracts, subject always to those subsidiaries complying with all necessary regulatory approvals or directions in relation to the exit from that business.

**"FMS Service Contracts"** means all contracts, agreements and arrangements pursuant to which all third party funds that have no GAM branding receive fund management services from the Company's subsidiaries in Luxembourg and Switzerland.

- j) No prohibition: No judgment, decision, order or any other authoritative measure shall have been issued that prevents, prohibits or declares illegal the Offer or its Settlement.
- k) No obligation to acquire or sell material assets or to incur or repay material indebtedness: With the exception of the obligations that have been made public prior to or together with the publication of the Pre-Announcement or that are related to the Offer (including the FMS Exit) or arise from its Settlement, between 31 December 2022 and the transfer of control to the Offeror, the Company and its subsidiaries shall not have undertaken (i) any acquisition or sale of assets under management of more than CHF 7.5 billion (which, according to the annual report of GAM for the year ended 31 December 2022, corresponds to approximately 10% of GAM's consolidated assets under management as of 31 December 2022), or (ii) to incur or repay any indebtedness in the aggregate amount of more than CHF 35.3 million (which, according to the annual report of GAM for the year ended 31 December 2022, corresponds to approximately 10% of GAM's consolidated assets (*konsolidierte Bilanzsumme*) as of 31 December 2022).

## 7.2 Waiver of Offer Conditions

Subject to applicable law, the Offeror reserves the right to waive the Offer Conditions set forth above in full or in part.

## 7.3 Period for which the Offer Conditions are in Force and Effect and Deferral

Condition a) will apply until the end of the (possibly extended) Main Offer Period.

Conditions b), c), d), e), f), g), h), i), j) and k) will apply until the Settlement, although conditions c), d) and e) will apply until no later than the date on which the competent corporate body of GAM or Liontrust adopts the required resolution, if such date is before the Settlement.

If any of conditions a) or, if the respective corporate body of GAM or, as the case may be, Liontrust resolves on the matters specified in condition c) or d) or, as the case may be, e) prior to the expiration of the (possibly extended) Main Offer Period, c), d) and e) (with respect to the resolutions of corporate bodies mentioned therein) has not been satisfied and also not waived by the end of the (possibly extended) Main Offer Period, the Offeror has the right to declare the Offer as unsuccessful.

If any of conditions c), d) and e) (if and to the extent still applicable; see preceding paragraphs) or h), j) and k) has not been satisfied and also not waived by the (anticipated) Settlement date, the Offeror shall be entitled (but not obliged) to declare the Offer unsuccessful or to declare a General Deferral (as defined below).

If any of conditions b), f), g) or i) has not been satisfied and also not waived by the (anticipated) Settlement date, the Offeror is obliged to defer the Settlement for a period of up to four (4) months after the expiration of the Additional Acceptance Period (any such deferral, the "**General Deferral**").

To the extent any of conditions b), f), g) or i) has not been satisfied or waived by the expiration date of the General Deferral and it is reasonably expected to be capable of being satisfied prior to 31 December 2023, the Offeror shall be obliged to defer the Settlement for a period of such length as reflects the period reasonably required to allow satisfaction of all such unsatisfied or unwaived conditions (the "**Additional Deferral**"), *provided* that in no circumstances shall the Offeror be obliged to defer the Settlement beyond 31 December 2023 (and the Offeror shall use its commercially reasonable best efforts to obtain the approval from the Swiss Takeover Board for any such Additional Deferral, if required). Any further deferral of Settlement beyond such Additional Deferral shall be at the sole discretion of the Offeror, unless to the extent the Swiss Takeover Board obliges the Offeror to such further deferral, and subject always to the Swiss Takeover Board approving the Offeror instigating such further deferral (any such further deferral, together with any Additional Deferral and the General Deferral, the "**Deferral**").

During the Deferral, the Offer shall continue to be subject to conditions b), f), g), h), i), j) and k) and, if and to the extent still applicable (see preceding paragraphs), conditions c), d) and e), as long as, and to the extent, such conditions have not been satisfied or waived. Unless the Offeror applies for, and the Swiss Takeover Board approves, an additional deferral of the Settlement, the Offeror will declare the Offer unsuccessful if such conditions have not been satisfied or waived during the Deferral.

## **C. Information about the Offeror**

### **1. Corporate Name and Registered Office of the Offeror**

Liontrust is a public limited company governed by the laws of England and Wales with its registered office at 2 Savoy Court, London, WC2R 0EZ, United Kingdom, and listed on the premium segment of the official list of the London Stock Exchange.

### **2. Principal Business Activity of Offeror**

Liontrust is a specialist fund management company whose shares are quoted on the official list of the London Stock Exchange. It has three (3) main operating subsidiaries:

1. Liontrust Fund Partners LLP, which is authorised and regulated by the FCA, and is authorised fund manager and authorised corporate director of open-ended investments funds, an alternative investment fund manager of a closed ended investment trust and provides fund distribution services;
2. LIP, which is authorised and regulated by the FCA, and acts as an investment manager; and
3. Liontrust International (Luxembourg) S.A., which is authorised and regulated by the Luxembourg Commission de Surveillance du Secteur Financier (CSSF) and provides distribution services.

The Liontrust Group has offices in London (head office), Edinburgh and Luxembourg. Liontrust Group has the following seven (7) Strategic Objectives: (i) deliver market leading investment performance over the longer term; (ii) diversify the fund range; (iii) expand distributions and the client base; (iv) be a responsible company and investor; (v) enhance the investor experience; (vi) attract and develop talent; and (vii) develop the business infrastructure to help drive growth.

Liontrust Group's business model is designed to operate in a way that it believes will best achieve its Strategic Objectives, comprising three (3) interdependent divisions:

#### *Fund Management*

Liontrust believe that the quality and performance of its fund management teams is one of its key potential competitive advantages.

There is a single fund management division of seven (7) investment management teams who manage a range of funds, an investment trust, portfolios and segregated accounts using distinct investment processes and a centralised trading team. Liontrust Group has created an environment in which fund managers can focus on managing money and not get distracted by other day-to-day aspects of running a business, particularly administration. The investment management teams are mostly based in the Liontrust Group offices in London and Edinburgh.

#### *Distribution*

The Liontrust Group distribution and marketing teams promote Liontrust Group funds and portfolios in the United Kingdom and internationally. In the United Kingdom they market to

institutional investors, discretionary fund managers, wealth managers, financial advisers and private investors. Outside the United Kingdom, Liontrust Group is focused on the wholesale market, primarily family offices, private banks, wealth managers and multi-managers in a number of countries.

Marketing activities include client events, regular communications, advertising, sponsorships, public relations and both print and digital communications. Digital is a focus and driver of the Liontrust Group brand profile and engagement, including through its website, social media, email communications and digital advertising and promotions. The marketing team is based in London, aiming to deliver one consistent brand for the United Kingdom and international markets.

### *Operations*

Liontrust Group has a single operations division, designed to support the business. They have one fund administration partner, Bank of New York Mellon. Having a single operations function and fund administrator ensures the fund management and sales and marketing divisions have the appropriate tools to be effective, provides executive management with the performance and risk monitoring information required to manage the business and supports the requirements of external stakeholders such as clients, shareholders and regulators.

## **3. Current and Future Share Capital of the Offeror**

### **3.1 Current Share Capital**

As of the date of this Offer Prospectus, Liontrust has a total fully paid-up share capital of GBP 649,353.84, divided into 64,935,384 ordinary shares with a nominal value of GBP 0.01 each. Liontrust has one (1) class of shares.

Liontrust does not hold any Liontrust Shares as treasury shares.

### **3.2 Changes to Share Capital in Connection with the Exchange Offer and Information on New Liontrust Shares**

If all shareholders of GAM accept the Offer, Liontrust will be required to issue nominally GBP 93,774.33<sup>3</sup> (9,377,433<sup>3</sup> Liontrust Shares with a nominal value of GBP 0.01 each) as consideration for the tendered GAM Shares.

The issued and fully paid-up share capital of Liontrust immediately following the issue of 9,377,433<sup>3</sup> New Liontrust Shares, assuming that all shareholders of GAM accept the Offer and that no Liontrust ordinary shares are issued as a result of the exercise of any options before such issuance of New Liontrust Shares, is expected to be GBP 743,128.17<sup>3</sup>, divided into 74,312,817<sup>3</sup> Liontrust Shares with a nominal value of GBP 0.01 each.

In order to approve the Offer and to facilitate the issuance of the New Liontrust Shares to be delivered under this Offer, Liontrust's board of directors has called a general meeting of its shareholders to be held on 7 July 2023 and proposes that it is granted an authorization to allot new Liontrust Shares up to an amount of GBP 94,053.03. Such authority will expire on

---

<sup>3</sup> Based on the calculation as outlined in Section B.2. (*Object of the Offer*).

31 March 2024.

The resolution to be proposed at Liontrust's general meeting can be adopted if a simple majority of votes cast by Liontrust shareholders who vote at the general meeting vote in favour of the proposal. The board of directors of Liontrust will, based on and subject to the authorization of Liontrust's shareholders at the general meeting to be held on 7 July 2023, issue the New Liontrust Shares pursuant to article 8 of Liontrust's articles of association if and when the Offer Conditions are satisfied or waived. The board of directors of Liontrust is expected to allot the New Liontrust Shares in the fourth quarter (Q4) of 2023 with the issuance of the New Liontrust Shares, as well as admission to trading and listing, occurring on the same day or the following day.

The issue price for each New Liontrust Share will comprise the GAM Shares tendered by the GAM shareholder that is entitled to such New Liontrust Share in connection with the Offer.

Liontrust has one (1) class of shares. The New Liontrust Shares will be issued in that class as ordinary shares with dividend rights and other rights in Liontrust from the date of issuance.

The New Liontrust Shares will be in registered form and will be capable of being held in certificated and uncertificated form. The registrar of Liontrust is Equiniti Financial Services Limited.

The New Liontrust Shares will be, and on admission will be, denominated in pounds sterling.

Title to the certificated New Liontrust Shares will be evidenced by entry in the register of members of Liontrust and title to uncertificated New Liontrust Shares will be evidenced by entry in the operator register maintained by Equiniti Financial Services Limited (which will form part of the register of members of Liontrust).

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

The existing Liontrust Shares have been admitted to the premium listing segment of the official list of the London Stock Exchange, and to trading on the London Stock Exchange's main market for listed securities. Application will be made to (i) the FCA for the New Liontrust Shares to be listed on the premium listing segment of the official list and (ii) to the London Stock Exchange for the New Liontrust Shares to be admitted to trading on its main market for listed securities (together the "**Admission**").

On Admission, the New Liontrust Shares will be registered with an ISIN of GB0007388407 and a SEDOL of 0738840. The New Liontrust Shares will be traded on the main market for listed securities of the London Stock Exchange under the ticker symbol "LIO".

### **3.3 Proposed Reduction of Capital by Offeror**

Liontrust is planning to ask shareholders for approval of a reduction of capital (the "**Capital Reduction**") at a separate general meeting to be held on or around 7 July 2023. The details of the Capital Reduction will be set out in a circular separate to that seeking to approval of the Offer. The Capital Reduction is a reduction of the share premium reserve of Liontrust which has arisen primarily as result of the issue of shares on acquisitions. The Capital Reduction is

not linked to the Offer. If approved, on completion of the Capital Reduction Liontrust will allocate the cancelled share premium to a distributable reserve account of the Company in order to support the future payment by Liontrust of dividends to its shareholders or buying back Liontrust Shares (should circumstances in future make it desirable to do so). The completion of the Capital Reduction will not affect the rights attaching to the Liontrust Shares and will not result in any change to the number of Liontrust Shares in issue.

#### **4. Identity of Offeror's Shareholders and Groups of Shareholders holding more than 3% of the Offeror's Shares and Shareholders controlling the Offeror directly or indirectly**

As at 31 May 2023 (being the latest practicable date prior to the publication of this Offer Prospectus), so far as known to Liontrust, the following persons were directly or indirectly interested in 3% or more of the share capital of Liontrust:

<b>Name</b>	<b>Number of Liontrust Shares</b>	<b>Percentage of issued share capital</b>
Hargreaves Lansdown	4,196,158	6.46%
Martin Currie Investment Management Ltd	3,748,000	5.77%
Sanford DeLand Asset Management Ltd	3,475,000	5.35%
abrdn	3,433,176	5.29%
BlackRock	3,034,521	4.67%
The Vanguard Group, Inc.	2,931,751	4.51%
Slater Investments Ltd	2,378,551	3.66%
Canaccord Genuity Wealth Ltd	1,980,430	3.05%

*Source: RD:IR*

Save as disclosed above, Liontrust is not aware of and has not been notified of any shareholding representing, directly or indirectly, 3% or more of the share capital of Liontrust. Liontrust is not aware of any person who directly or indirectly, jointly or severally, exercises or could exercise, control over Liontrust.

#### **5. Annual Reports**

The annual reports of Liontrust, including the audited annual financial statements, for the financial years which ended 31 March 2020, 31 March 2021 and 31 March 2022 as well as the interim financial reports of Liontrust are available on Liontrust's website at <https://www.liontrust.co.uk/investor-relations/results>.

The full year audited results of Liontrust for its financial year which ended 31 March 2023 are expected to be published on or about 21 June 2023. The annual report of Liontrust, including the audited financial statements, for the financial year which ended 31 March 2023 is expected

to be published on or about 30 June 2023. Both these documents will be made available on Liontrust's website as stated above.

## **6. Persons Acting in Concert with the Offeror within the meaning of article 11 paragraph 1 TOO**

In connection with this Offer, all companies and persons (directly or indirectly) controlled by the Offeror are deemed to be acting in concert with the Offeror within the meaning of article 11 paragraph 1 TOO. Generally, according to disposition number 1. of the Swiss Takeover Board's Decision Number 1 (as defined in Section 0. (*Rights of GAM Shareholders*) below), this includes in particular LIP which was found to be acting in concert with Liontrust with respect to the Offer. However, Liontrust and LIP were granted an exemption to the effect that acquisitions of shares in GAM by Liontrust respectively LIP for the account of funds managed by it, which have been made without knowledge of a possible public exchange offer to acquire shares in GAM and no later than 18 April 2023, are not subject to acting in concert pursuant to disposition number 1. of the Swiss Takeover Board Decision 1 (as defined in Section 0. (*Rights of GAM Shareholders*) below).

In addition, for the time period after 4 May 2023, the date on which Liontrust and GAM signed the Transaction Agreement described in below Section E.4.1 (*Agreements in Connection with the Offer between Liontrust and GAM*), GAM and all companies and persons (directly or indirectly) controlled by it are deemed to be acting in concert with the Offeror within the meaning of article 11 paragraph 1 TOO.

## **7. Purchases and Sales in Shares and Securities of GAM**

During the twelve (12) months period preceding the date of the Pre-Announcement, the Offeror and the persons acting in concert with the Offeror within the meaning of article 11 paragraph 1 TOO (excluding GAM and its subsidiaries) did not purchase any GAM Shares or any equity derivatives with respect to GAM Shares. During the same period LIP increased its short position in GAM Shares it held on behalf of and for the account of GF LESEF and sold a total of 341,369 GAM Shares which it had borrowed from a third party.

Following the date of the Pre-Announcement until the last trading day at SIX Swiss Exchange prior to the date of this Offer Prospectus, the Offeror and the persons acting in concert with the Offeror within the meaning of article 11 paragraph 1 TOO (excluding GAM and its subsidiaries) did not purchase or sell any GAM Shares and did not purchase or sell any equity derivatives with respect to GAM Shares, except that LIP purchased 549,012 GAM Shares at a price of CHF 0.6036 per GAM Share on behalf of and for the account of the (sub-)fund GF LESEF managed by it in order to close a short position and return the borrowed 549,012 GAM Shares to the third-party lender on 8 May 2023. Such purchase for the purpose of closing the existing short position of GF LESEF are, according to the Swiss Takeover Board Decision 1 (as defined in Section 0. (*Rights of GAM Shareholders*) below), not subject to and exempt from the duty to offer a cash alternative or the duty to comply with the best price rule.

According to GAM, since 4 May 2023, the date on which the Offeror and GAM signed the Transaction Agreement described in below Section E.4.1 (*Agreements in Connection with the Offer between Liontrust and GAM*), until the last trading day at SIX Swiss Exchange prior to the date of this Offer Prospectus, neither GAM nor any of its subsidiaries have purchased or sold any GAM Shares or equity derivatives with respect to GAM Shares.



## 8. Participations in GAM

As of the last trading day at SIX Swiss Exchange prior to the date of this Offer Prospectus, the share capital of GAM (as registered with the Commercial Register of the Canton of Zurich as of the last trading day at SIX Swiss Exchange prior to the date of this Offer Prospectus) amounts to CHF 7,984,126.55, divided into 159,682,531 registered shares with nominal value of CHF 0.05 each. The Offeror and the persons acting in concert with the Offeror within the meaning of article 11 paragraph 1 TOO (excluding GAM and its subsidiaries) do not as the last trading day at SIX Swiss Exchange prior to the date of this Offer Prospectus hold any GAM Shares nor equity derivatives with respect to GAM Shares.

As at the same date, GAM and its subsidiaries held, according to GAM, 473,153 GAM Shares in treasury<sup>4</sup> (corresponding to approximately 0.3% of GAM's share capital (and the voting rights) registered in the Commercial Register of the Canton of Zurich as of such date) and no equity derivatives with respect to GAM Shares.

## 9. Supplementary General Information on the Offeror

### 9.1 Articles of Association

Liontrust's latest articles of association were adopted by a special resolution passed on 23 September 2021.

### 9.2 Board of Directors and Management

The board of directors of Liontrust is composed of the following members:

- Alastair Barbour (non-executive chairman)
- John Ions (chief executive)
- Vinay Abrol (chief operating officer and chief financial officer)
- Mandy Donald (non-executive director)
- Rebecca Shelley (senior independent director)
- George Yeandle (non-executive director)

For further details on Liontrust's board of directors, please see Liontrust's annual report 2022 on page 76 *et. seqq.* and the following section on its website: <https://www.liontrust.co.uk/about-us/our-people/board-of-directors>.

On 23 March 2023, former Liontrust directors Emma Howard Boyd and Quintin Price notified Liontrust of their decision to step down from the Liontrust board with immediate effect.

---

<sup>4</sup> Not including the 793,244 GAM Shares held, according to information received by GAM, by The GAM Employee Benefit Trust.

### 9.3 Dividend Payments

In the past five (5) years, Liontrust has paid out the following dividends:

<b>Year</b>	<b>Total Annual Dividend Payment per Liontrust Share</b>
2018 (for the financial year ended 31 March 2018)	GB pence 21
2019 (for the financial year ended 31 March 2019)	GB pence 27
2020 (for the financial year ended 31 March 2020)	GB pence 33
2021 (for the financial year ended 31 March 2021)	GB pence 47
2022 (for the financial year ended 31 March 2022)	GB pence 72

It is expected that Liontrust will declare a second interim dividend for its financial year ending 31 March 2023 when it announces its full year audited results for the financial year ended 31 March 2023 on 21 June 2023, which is expected to be paid out in August 2023. It is expected that such second interim dividend will be in accordance with Liontrust's dividend policy as stated at the publication date of the Pre-Announcement and paid in accordance with its usual practice.

Liontrust's dividend policy is to grow the dividend progressively in line with its view of the underlying adjusted diluted earnings per share (excluding performance fees)<sup>5</sup>, and the cash flow of Liontrust. This remains unchanged and the board of directors of Liontrust intends to maintain the progressive dividend policy. For the financial year ending 31 March 2024 the board of director of Liontrust will target a dividend of at least GB pence 72 per Liontrust Share.

### 9.4 Auditors

Liontrust's external auditor is KPMG LLP (Company number OC301540), 15 Canada Square, London, E14 5GL, United Kingdom.

### D. Financing

The New Liontrust Shares required in connection with the Offer will be created by way of a capital increase through an allotment of shares. A general meeting of the shareholders of Liontrust will be required to resolve on and approve the authorization to the board of directors of Liontrust to effect such capital increase.

Liontrust will finance the cash amounts to be paid with respect to the fractions to which the GAM shareholders who have accepted the Offer may be entitled by selling in the open market

---

<sup>5</sup> Adjusted diluted earnings per share and adjusted diluted earnings per share (excluding performance fees) are alternative performance measures, see page 30 of the Liontrust Annual Report and Financial Statements 2022 for further details.

the Liontrust Shares corresponding to the sum of such fractions.

## **E. Information on GAM (Target Company)**

### **1. Name, Domicile, Share Capital, Business Activity and Annual Report**

GAM Holding Ltd. is a stock corporation (*Aktiengesellschaft*) incorporated under the laws of Switzerland for an indefinite duration with its registered office at Hardstrasse 201, 8005 Zurich, Switzerland.

The purpose of the Company shall be the acquisition and management of permanent participations, particularly in investment companies. The Company may purchase, pledge as collateral or sell real estate. The Company may be active domestically and abroad. Otherwise, the Company may execute all transactions directly or indirectly related to the purpose of the Company as well as all transactions which may further the purpose of the Company.

As of the last trading day at SIX Swiss Exchange prior to the publication of this Offer Prospectus, GAM has a share capital of CHF 7,984,126.55, divided into 159,682,531 fully paid in registered shares with a nominal value of CHF 0.05 each.

The GAM Shares are separately listed on SIX Swiss Exchange (securities number: 10265962; ISIN: CH0102659627; ticker symbol: GAM) since 1 October 2009 (after spin-off of Julius Baer Group Ltd).

The annual report of the Company, containing its audited annual financial statements, for the business year which ended 31 December 2022 is available at GAM's website at <https://www.gam.com/de/our-company/investor-relations/results-centre>.

For purposes of this Offer, GAM will prepare unaudited interim financial statements for the first quarter 2023 ending 31 March 2023 currently expected to be published in the week of 19 June 2023. Such unaudited interim financial statements will be made available at GAM's website as stated above.

### **2. Offeror's Intentions with regard to GAM, its Board of Directors and Management**

By way of the Offer, the Offeror intends to obtain full (100%) control of GAM.

With effect from 9 May 2023, Liontrust initiated a six (6) week project, led by a team of experienced consultants from Alpha FMC Limited ("**Alpha**") to work with Liontrust and GAM management to pre-discuss a target operating model (the "**TOM**") for the Enlarged Group (the "**TOM Project**"). Upon the Settlement of the Offer, it is intended to commence a twelve (12) month integration project (the "**Integration Project**") using a team of consultants from Alpha to implement the TOM and to realize the synergies and potential of the Enlarged Group. The TOM and the Integration Project aim to maximise operating efficiencies by means of combining the Liontrust and GAM management teams, employees, members and all relevant stakeholders to create value and for the Enlarged Group to be better positioned to meet all Strategic Objectives to the benefit of clients, shareholders, employees and members.

The governance arrangement for the TOM Project and Integration Project will be managed by the TOM Project steering committee (the "**TOM SteerCo**") and the Integration Project steering committee ("**Integration SteerCo**") respectively, each consisting of the senior members of the

Alpha team, Vinay Abrol (Liontrust COO/CFO) and David Boyle (Liontrust Head of Corporate Development). The TOM SteerCo shall oversee the definition of TOM and the Integration SteerCo shall oversee the integration process and create an evaluation framework to be applied for the nomination of regional and country management and specialist functions.

The Offeror intends to replace the members of the board of directors of GAM as per Settlement. It is intended that one representative for the Liontrust London management team and two members of the GAM Zurich management team shall have a seat on the new board of directors of GAM. In the Transaction Agreement, GAM agreed to procure that, subject to the condition that the Offer will be settled and the Offeror will hold more than 50% of the GAM Shares immediately after the Settlement of the Offer, all members of the board of directors of GAM resign as members of GAM's board of directors or equivalent corporate bodies of any of the Company's subsidiaries with effect as of Settlement. In addition, in the Transaction Agreement GAM agreed to call an extraordinary shareholders' meeting of the Company to be held during the Additional Acceptance Period (or, only if not possible at this stage due to outstanding mandatory regulatory approvals for certain Offeror nominees, as soon as possible thereafter) in accordance with applicable legal requirements and the Company's articles of association, and put to a vote of such meeting the election of each individual designated by the Offeror as members of the Company's board of directors as well as one (1) individual as chairperson of the Company's board of directors and certain individuals as members of the nomination and compensation committee, in each case as designated by the Offeror, and all with effect as per the Settlement and subject to the condition that the Offeror will hold more than 50% of the Shares immediately after the Settlement. If not all Offeror nominees are elected at such shareholders' meeting or upon the Offeror's request, the Company shall use commercially reasonable efforts to procure that such number of members of the Company's board of directors as is necessary for the Offeror to control a majority of the members of the Company's board of directors as of the settlement of the Offer will remain on the Company Board and enter into a certain mandate agreement with the Offeror.

In the event that the Offeror holds more than 98% of the voting rights in GAM after the Settlement, the Offeror intends to request before the competent court the cancellation of the remaining GAM Shares in accordance with article 137 FinMIA.

In the event that the Offeror, as a consequence of the Offer, holds between 90% and 98% of the voting rights in GAM after the Settlement, it intends to merge GAM with a Swiss company directly or indirectly controlled by Liontrust whereby the remaining public shareholders of GAM would be compensated by Liontrust in cash or with Liontrust Shares (and cash payments in CHF for fractions, see Section B.3.1 (*General*)) and would not receive any shares in the surviving company (so-called squeeze-out merger).

If the Offeror holds less than 90% of the voting rights in GAM after the Settlement, the Offeror intends to, depending on the circumstances, purchase additional GAM Shares from remaining shareholders of GAM and/or combine the Offeror's business or other businesses of Liontrust Group with GAM through a contribution in kind to GAM of assets, businesses or shareholdings in a capital increase of GAM with respect to which the pre-emptive rights of the remaining public shareholders of GAM would be excluded and new GAM Shares would be issued only to the contributing company. Furthermore, the Offeror may consider implementing one or several other transactions under the Swiss Merger Act.

After the Settlement of the Offer and irrespective of the acceptance level, the Offeror intends to have GAM vote on, and subsequently submit an application to SIX Swiss Exchange for, the delisting of the GAM Shares in accordance with the listing rules of SIX Swiss Exchange and,

in the event that the Offeror holds more than 98% of the voting rights in GAM after the Settlement, for an exemption from certain disclosure and publicity obligations under the listing rules of SIX Swiss Exchange until the date of delisting of the GAM Shares.

### **3. Equity Plans**

For information on GAM's equity plans and the treatment of awards granted thereunder, please see Section H.4. (*Equity Plans and Treatment of Equity Awards*) below.

### **4. Agreements between Liontrust and its Shareholders and GAM, its Corporate Bodies and Shareholders**

#### **4.1 Agreements in Connection with the Offer between Liontrust and GAM**

*Confidentiality Agreement:* On 30 September 2022, the Company and Liontrust entered into a confidentiality agreement customary for this phase and type of transaction, pursuant to which the parties essentially agreed to treat any non-public information which may be exchanged between them as confidential. Furthermore, the parties agreed under this confidentiality agreement that in the period up to the publication of the Pre-Announcement Liontrust shall not and shall procure that each of its affiliates shall not, directly or indirectly, make any transactions in GAM Shares and any equity derivatives with respect to GAM Shares nor enter into any agreement relating to such possible transactions in GAM Shares and any equity derivatives with respect to GAM Shares, provided that this shall not restrict transactions conducted for managed funds or discretionary clients of Liontrust or its group undertakings where the investment manager has no knowledge of the potential transaction or the confidential information (*standstill undertaking*).

*Transaction Agreement:* On 4 May 2023, the Company and Liontrust entered into a Transaction Agreement under which the parties essentially agreed as follows:

- Liontrust agreed to submit the Offer to the shareholders of GAM and GAM agreed to support the Offer and confirmed that its board of directors has duly resolved to unconditionally and unanimously recommend acceptance of the Offer by way of, among other things, the unconditional and unanimous recommendation contained in the board report included in Section H. (*Report of the Board of Directors of GAM Holding Ltd. on the Public Exchange Offer of Liontrust Asset Management PLC*) below, subject to the right of GAM's board of directors to withdraw, modify or qualify the unconditional recommendation of the Offer under certain circumstances (e.g., in case of a competing offer, provided certain conditions are met).
- GAM may not solicit any competing transaction or take any other action which may encourage, facilitate, support or assist in the preparation of a competing transaction. However, GAM may, before the expiration of the Main Offer Period, after prompt (but no later than within twenty-four (24) hours) notification of the Offeror and if and to the extent deemed required by the fiduciary duties of the board of directors of the Company as determined by the board of directors in good faith, by majority vote and, to the extent reasonably possible and practical, following receipt of advice of outside counsel and its financial advisers, and after giving the Offeror and their legal counsel the opportunity to present their view on the matter, in response to an unsolicited alternative transaction proposal to GAM which is deemed likely to be more favourable to GAM's shareholders, provide information with respect to GAM to the proposing party pursuant to a customary confidentiality and standstill agreement and participate in discussions or negotiations

with the proposing party regarding such alternative transaction proposal. GAM shall procure that neither its board of directors, nor any committee thereof, or any other person on their behalf is permitted to (i) withdraw, modify or qualify the unconditional and unanimous recommendation, (ii) approve or enter into any binding or non-binding letter of intent, agreement or other agreement relating to a competing offer, (iii) approve or recommend any restricted transaction or (iv) make any announcement to that effect, unless a competing offer was submitted in accordance with Swiss takeover legal requirements before the expiration of the Main Offer Period and GAM has discharged its notification obligations towards the Offeror, GAM's board of directors has properly determined such competing offer being a superior transaction, GAM has notified the Offeror of its intention to take restricted actions, the matching period as described below has expired and the Offeror has failed to exercise its matching right as described below within such period. If, and only to the extent, such competing offer was submitted at least six (6) trading days at SIX Swiss Exchange prior to the end date of the unextended Main Offer Period (or, if the Main Offer Period has been extended, at least six (6) trading days at SIX Swiss Exchange prior to the end date of the extended Main Offer Period), the Company shall give the Offeror five (5) trading days at SIX Swiss Exchange (*matching period*) to submit to the Company a binding proposal for an improved Offer (*matching right*), provided that if such competing offer is submitted during the five (5) trading days at SIX Swiss Exchange before and including the end date of the unextended Main Offer Period (or, if such competing offer is submitted after the Main Offer Period has been extended, during the five (5) trading days at SIX Swiss Exchange before and including the end date of the extended Main Offer Period), GAM and its board of directors shall refrain from including its recommendation towards shareholders' acceptance of such competing offer in the offer prospectus for such competing offer and instead publish such recommendation separately and no earlier than five (5) trading days after publication of the respective offer prospectus in order to give the Offeror sufficient time to submit to the Company a binding proposal for an improved Offer.

- The parties have entered into customary undertakings to pursue the due satisfaction of the Offer Conditions as expeditiously as reasonably possible.
- GAM agreed to use its commercially reasonable efforts to support the tender of the GAM Shares by its shareholders, including all members of GAM's board of directors and group executive board.
- GAM agreed, at all times from (and including) the date of execution of the Transaction Agreement until the earlier of (i) the day falling six (6) months after the end of the Additional Acceptance Period, and (ii) the termination of the Transaction Agreement, to comply, and to procure that all of its subsidiaries comply, with the obligations set forth in article 12 paragraph 1 TOO, including without limitation to refrain, and to procure that all of its subsidiaries refrain, from doing anything that would trigger the best price rule pursuant to article 10 TOO.
- GAM agreed to procure that, subject to the condition that the Offer will be settled and the Offeror will hold more than 50% of the GAM Shares immediately after the settlement of the Offer, all members of its board of directors shall resign as members thereof and the board of directors (or equivalent corporate body) of any of the Company's subsidiaries, if applicable, no later than by the end of the Main Offer Period and with effect as of the Settlement.

- GAM agreed to call an extraordinary shareholders' meeting to take place during the Additional Acceptance Period and to propose and recommend at such shareholders' meeting the election of nominees to be designated by Liontrust for election as members to the board of directors of GAM as well as one individual as chairman and certain individuals as members of the nomination and compensation committee with effect as of the Settlement and subject to the condition that the Offeror will hold more than 50% of the GAM Shares immediately after the settlement of the Offer.
- GAM has agreed that following the Settlement, GAM will support any such actions proposed by Liontrust in order for Liontrust to achieve control of 100% of the GAM Shares or GAM, to de-list the GAM Shares from SIX Swiss Exchange and to prepare and facilitate the combination and integration of the GAM Group with and into the Liontrust Group.
- Under the Transaction Agreement, GAM is subject to certain customary restrictions and obligations in the period up to Settlement in relation to the conduct of the business and operations of GAM. These include in particular an obligation on GAM's board of directors to procure that the GAM Group continues to operate its business as a going concern in the ordinary course of business, and not to (without the prior written consent of Liontrust), do or agree to do certain actions which actions likely to interfere with, hinder or delay the consummation of the Offer, enter into, terminate or amend certain material contracts, and incur certain borrowings. In addition to the customary restrictions and obligations outlined above, GAM has also agreed to write off (to a value of zero (0)) all items classed as intangible assets in its financial statements.
- The Transaction Agreement contains customary representations and warranties given by GAM, in particular in relation to capacity and authority of GAM to enter into the Transaction Agreement as well as certain representations and warranties in relation to the nature, business, affairs and operations of GAM. The representations and warranties given by GAM in the Transaction Agreement are subject to the disclosures (i) set out in the 2022 annual report of GAM, (ii) set out in any ad hoc statement or press release of GAM published in the period between 31 December 2022 and the date of the Transaction Agreement; and (iii) made by GAM to Liontrust prior to the date of the Transaction Agreement.
- The Transaction Agreement also contains customary representations and warranties given by Liontrust, in particular in relation to capacity and authority of Liontrust to enter into the Transaction Agreement and make the Offer as well as certain representations and warranties in relation to Liontrust's share capital.
- The Transaction Agreement can be terminated by Liontrust or GAM in certain circumstances, including termination by (i) either Liontrust or GAM if Liontrust publicly declares in accordance with Swiss takeover laws and regulation that the Offer will not be further pursued or has failed or if Liontrust otherwise withdraws from launching, continuing or settling the Offer in accordance with Swiss takeover laws and regulation, if the Swiss Takeover Board permits the Offer not to be launched, no longer to remain open or not to be settled, (ii) Liontrust or GAM if the other party materially breaches its obligations or its representations and warranties under the Transaction Agreement (subject to a ten (10) trading days remedy period), (iii) Liontrust if GAM or any person acting on behalf of GAM entered into an agreement or arrangement with a third party regarding a restricted transaction (i.e. a transaction which may compete with or hinder the Offer or which may substantially change the business, assets or liabilities of GAM

or its subsidiaries) or makes an announcement to that effect, (iv) Liontrust if a competing offer for GAM has an acceptance rate of more than 10% of the GAM Shares then-outstanding and is declared successful, (v) Liontrust or GAM if the other party's board withdraws or adversely modifies its recommendation of the Offer, and (vi) Liontrust if an "Event of Default" has occurred pursuant to either of the Facility Arrangements or if a Facility Arrangement terminates or is terminated. If the Transaction Agreement is terminated according to its provisions, such termination shall be without liability of any party to the other party, provided that, if such termination shall result from the breach by any party of its obligations or representations and warranties under the Transaction Agreement, such party shall be fully liable for all direct damages suffered by the other party, including for costs and expenses incurred that become futile as a result of such breach or termination, and provided further that any such termination shall be without prejudice to the liability of either party for a breach of the Transaction Agreement prior to such termination.

*Tranche 1 Facility Agreement:* On 4 May 2023, prior to the entry into the Transaction Agreement, Liontrust and GAM entered into the Tranche 1 Facility Agreement under which the parties essentially agreed as follows:

- Liontrust agreed to provide GAM with short-term secured financing.
- Liontrust will make available to GAM a loan facility in a maximum principal amount of GBP 8,900,000 (the "**Tranche 1 Facility**").
- GAM shall apply all amounts borrowed by it under the Tranche 1 Facility Agreement towards (i) restructuring costs approved by Liontrust; (ii) the FMS Exit; and (iii) funding the ordinary course of business of the GAM Group.
- GAM acknowledges that subject to other cash needs of its group it should prioritise the application of the loan towards the restructuring costs approved by Liontrust.
- The rate of interest on each loan is 7% per annum.
- The Tranche 1 Facility is principally secured against the investment management agreements of GAM International Management Limited (and certain other assets as further described below in this Section under "*Debenture*").
- GAM may repay Tranche 1 Facility at any time and may re-draw any repaid amounts.
- The final maturity date is 31 December 2023.

*Tranche 2 Facility Agreement:* On 4 May 2023, after the entry into the Tranche 1 Facility Agreement and prior to the entry into the Transaction Agreement, Liontrust and GAM entered into the Tranche 2 Facility Agreement under which the parties essentially agreed as follows:

- Liontrust agreed to provide GAM with short-term secured financing.
- Liontrust will make available to GAM a loan facility in a maximum principal amount of GBP 8,900,000 (the "**Tranche 2 Facility**"), drawdown is conditional on Liontrust shareholder approval of the Offer and evidence that the holders of no less than 66.66% of the issued share capital of GAM have accepted the Offer.



- GAM shall apply all amounts borrowed by it under the Tranche 2 Facility Agreement towards (i) restructuring costs approved by Liontrust; (ii) the FMS Exit; and (iii) funding the ordinary course of business of the GAM Group.
- GAM acknowledges that subject to other cash needs of its group it should prioritise the application of the loan towards the restructuring costs approved by Liontrust.
- The rate of interest on each loan is 7% per annum.
- The Tranche 2 Facility is principally secured against the investment management agreements of GAM International Management Limited (and certain other assets as further described below in this Section under "*Debenture*").
- GAM may repay Tranche 2 Facility at any time and may re-draw any repaid amounts.
- The final maturity date is the earlier of 30 days after Settlement and 31 December 2023.

*Debenture:* On 4 May 2023, after the entry into the Facility Agreements and prior to the entry into the Transaction Agreement, Liontrust and GAM International Management Limited (the "**Chargor**") entered into a certain debenture agreement (the "**Debenture**") under which the following was agreed:

- The Chargor granted security over certain of its assets securing the obligations of GAM and the Chargor under the Finance Documents (as defined in the Facility Agreements), including third party security in respect of the GAM's obligations under the Facility Agreements and in respect of the Chargor's obligations under the Debenture.
- The Chargor also granted a "covenant to pay" under the Debenture in favour of the Lender, whereby the Chargor agrees that it will on demand pay and discharge GAM's obligations under the Facility Agreements. However, this payment obligation is limited to such amount as the Chargor is capable of paying without breaching applicable regulatory cash retention requirements.
- The assets secured in favour of the Lender under the Debenture comprise all assets of the Chargor including, among other assets, the Chargor's rights and interests under any investment management services contacts to which it is party as well as any "Investments" or cash owned by the Chargor, provided that all cash or cash-equivalent investments required to be maintained by the Chargor for regulatory purposes are expressly excluded from the scope of the security assets.
- The security created under the Debenture becomes enforceable upon a notification issued by Liontrust to GAM under clause 18.17 (*Acceleration*) of either Facility Agreement.
- Until the security under the Debenture becomes enforceable, the Chargor may exercise all its rights under the relevant contracts to which it is party and deal with the relevant counterparties in the usual way.
- If the security created under the Debenture becomes enforceable, the Lender may exercise a number of powers including (among others) selling or otherwise disposing of the security assets, or appointing a receiver to the security assets.

- The Debenture will remain in force until the secured liabilities are irrevocably discharged in full.

#### **4.2 Agreements in Connection with the Offer between Liontrust and Shareholders of GAM respectively members of the board of directors and management of GAM**

Liontrust did not enter into any agreements in connection with the Offer with shareholders of GAM in the period between the publication date of the Pre-Announcement and the date of this Offer Prospectus, except for certain tender undertakings delivered by each member of the board of directors and management of GAM to Liontrust prior to publication of this Offer Prospectus. Such tender undertaking obligates the respective persons to tender their GAM Shares. However, under certain circumstances, the members of the board of directors and of the management of GAM have the right to withdraw any tender of their GAM Shares, including if a competing offer is launched by a third party.

Liontrust's board of directors understands that whilst there are no formal agreements in place, GAM shareholders, including GAM directors and senior management, representing, as at the date of the Pre-Announcement, approximately 19.6% of GAM's issued share capital have provided verbal indications that they will support the Offer.

#### **4.3 No further Agreements**

Apart from the agreements summarised above, no agreements exist in connection with or related to the Offer between Liontrust and its shareholders on the one hand and GAM and the members of its board of directors and management and shareholders on the other hand.

### **5. Confidential Information**

The Offeror confirms pursuant to article 23 paragraph 2 TOO that, with the exception of information which has been publicly announced in this Offer Prospectus and in the report of GAM's board of directors (see Section H. (*Report of the Board of Directors of GAM Holding Ltd. on the Public Exchange Offer of Liontrust Asset Management PLC*)), neither the Offeror nor the persons acting in concert with the Offeror within the meaning of article 11 paragraph 1 TOO (excluding GAM and its subsidiaries) have received either directly or indirectly from GAM confidential information concerning GAM which might materially influence the decision of the recipients of the Offer.

#### **F. Additional Information according to article 24 TOO**

##### **1. Information regarding Liontrust Shares (article 24 paragraph 1 TOO)**

###### **1.1 Form and Transfer of Liontrust Shares**

The Liontrust Shares have a nominal value of GBP 0.01 each.

No shares in Liontrust have special rights. The Liontrust Shares are issued in registered form and are capable of being held in certificated and uncertificated form.

The registrar of Liontrust is Equiniti Financial Services Limited.

The Liontrust Shares are denominated in pounds sterling.

Title to the certificated Liontrust Shares can be evidenced by entry in the register of members of Liontrust and title to uncertificated Liontrust Shares can be evidenced by entry in the operator register maintained by Equiniti Financial Services Limited (which forms part of the register of members of Liontrust).

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

There are (i) no restrictions concerning the transfer of Liontrust Shares, (ii) no special rights with the regard to control attached to Liontrust Shares and (iii) no agreement between holders of Liontrust Shares as regards their transfer known to Liontrust.

The existing Liontrust Shares have been admitted to the premium listing segment of the official list of the London Stock Exchange, and to trading on the London Stock Exchange's main market for listed securities.

## **1.2 Register of Members**

Title to the certificated Liontrust shares is evidenced by entry in the register of members of Liontrust and title to uncertificated Liontrust shares is evidenced by entry in the operator register maintained by Equiniti Financial Services Limited (which will form part of the register of members of Liontrust).

## **1.3 Voting Rights and Representation at General Meetings**

Every shareholder who (being an individual) is present in person or by proxy or every corporate representative present who has been duly authorised by a corporation shall have one (1) vote usually conducted on a show of hands. On a poll every shareholder present in person or by representative or by proxy shall have one (1) vote for every Liontrust share in the capital of Liontrust held by them.

Where there are joint shareholders, any one of them may vote at a meeting either personally or by proxy in respect of the share as if they were solely entitled to it, but if more than one joint shareholder is present, the one of them whose name appears first in the register of members in respect of the share shall alone be entitled to vote, to the exclusion of the votes of the other joint shareholders.

Unless the board of directors otherwise decides, no shareholder shall have the right to vote at any general meeting, either in person or by proxy, in respect of any share held by them unless all amounts presently payable by them in respect of that share have been paid.

Liontrust shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at a general meeting. A shareholder may appoint more than one (1) 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 that shareholder. A proxy need not be a shareholder of Liontrust. To be valid, any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand no later 48 hours prior to the time of the meeting. It should be accompanied by the power of attorney or other authority (if any) under which it is signed or a duly certified copy of such power or authority. Completion of the proxy form or the appointment of a proxy electronically will not prevent a member from attending and voting in person. The return of a completed proxy form will not prevent a shareholder attending a general meeting and voting in person if he/she

wishes to do so.

To be entitled to attend and vote at a general meeting (and for the purpose of the determination by Liontrust of the votes they may cast), shareholders must be registered in the register of members of the Company not more than 48 hours prior to the time of the meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.

#### **1.4 Entitlement to Dividends and other Distributions**

The holders of Liontrust Shares are entitled to dividends and other distributions resolved by a shareholders' meeting of Liontrust for final dividends or, for interim dividends, declared by the Liontrust board, in proportion of their shareholdings, and in the event of a liquidation of Liontrust's assets, they are entitled to a proportional share after all debts have been paid.

#### **1.5 Shareholders' Meetings**

Shareholders' meetings can be held anywhere within the United Kingdom.

Notices for annual general meetings are sent by the board of directors with at least twenty-one (21) clear days notice. Notice is sent in writing to the Liontrust's registered shareholders.

The notice convening the shareholders to annual general meetings must contain at least the information prescribed the Companies Act 2006, and in particular sections 307 to 313. Not later than twenty-one (21) clear days before each general meeting (inclusive of the date of the general meeting) (or fourteen (14) days if short notice has been granted), the following documents and information must be made available to the shareholders on Liontrust's website:

- The notice with the information listed in the Companies Act 2006, including the time, date(including the day of the week) and place of the meeting.
- The total number of shares and voting rights at the date of the notice.
- The documents to be presented to the general meeting; as far as annual general meetings are concerned, they will generally include the audited annual report with the audit report and any consolidated financial statements.
- The agenda and full text of the proposed resolutions.
- A statement informing shareholders of their rights to appoint a proxy.
- If relevant, the forms to be used for voting by proxy and for voting by letter, unless such forms are sent directly to the shareholders.

The annual general meeting must be held not later than six (6) months after expiry of the financial year.

It is usual for the agenda of the annual general meeting to include the following items:

- Presentation of the annual report with the audit report for adoption.

- Approval of the directors' remuneration report
- Approval of the directors' remuneration policy (at least every three (3) years).
- Election and re-election of members for the board of directors.
- Appointment of auditor(s).
- Director's authority to allot shares.
- The disapplication of pre-emption rights
- The authority to buy-back shares
- Any other business.

Proposals from the shareholders representing at least 5% of the total voting rights or at least 100 members with the right to vote on the resolution at the annual general meeting and each holding, on average, at least GBP 100 of paid-up share capital (pursuant to s.338(3) of the Companies Act 2006) to be considered at the annual general meeting must be submitted in writing to the board of directors not later than six (6) weeks before the date of the general meeting. Such requests must follow the manner prescribed in the Companies Act 2006.

The shareholders' right to pass resolutions is exercised at the general meetings of Liontrust. A minimum quorum of two (2) is required in accordance with the terms of the articles of association of Liontrust.

Resolutions will be passed as ordinary resolutions (being a simple majority) or special resolutions (not less than 75%) as required by the Companies Act 2006.

## **1.6 Issuance of Additional Liontrust Shares**

The general meeting may pass a resolution to allot additional shares by an ordinary resolution passed by Liontrust shareholders who vote at the general meeting.

Regarding the issuance of the New Liontrust Shares for purposes of this Offer, see Section C.3.2 (*Changes to Share Capital in Connection with the Exchange Offer and Information on New Liontrust Shares*).

## **1.7 Requirements for Distribution of Dividends**

Subject to the applicable law, Liontrust's general meeting may by ordinary resolution declare final dividends in accordance with the respective rights of the members, but no final dividend shall exceed the amount recommended by the board of directors.

All New Liontrust Shares will, when issued and fully paid, rank *pari passu* in all respects with the existing Liontrust Shares, including the right to receive all dividends and other distributions made, paid or declared after the date of issue of the New Liontrust Shares.

The board of directors may pay interim dividends if it appears to them that they are justified by the financial position of Liontrust. The board of directors may also pay any dividends on any

class of shares payable at a fixed rate on dates decided by the board of directors whenever the financial position of the Liontrust justifies payment. If the board of directors board of directors acts in good faith, they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights.

Except as otherwise provided by the articles of association or the rights attached to shares, or the terms of their issue, all dividends will be apportioned and paid pro rata according to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid. No amount paid up on a share in advance of calls will be treated as paid up on the share.

Unless the rights attached to any shares say otherwise, no dividend or other monies payable on or in respect of a share shall bear interest as against Liontrust.

Any dividend which has remained unclaimed for twelve (12) years from the date when it became due for payment shall, unless the board of directors resolve otherwise, be forfeited will revert to Liontrust.

## **1.8 Capitalisation of Reserves or Profits**

The board of directors may, with the authority of an ordinary resolution of Liontrust, capitalise any profits of Liontrust whether or not they are available for distribution or any sum standing to the credit of any reserve or fund of Liontrust (including the profit and loss account). The board of directors will appropriate the capitalised sum to the holders of Liontrust Shares in proportion to the nominal amount of the ordinary share capital held by them at such date.

## **1.9 Return of Capital**

On a winding-up, the liquidator may, with the authority of a special resolution of Liontrust and any other sanction required by the Companies Act 2006, divide among the shareholders the whole or any part of the assets of Liontrust. No shareholder shall be compelled to accept any assets upon which there is a liability.

## **2. Information on the Listing of the Liontrust Shares (article 24 paragraph 2 TOO)**

The Liontrust Shares are listed on the London Stock Exchange since 21 July 1999 (securities number: 0738840; ISIN: GB0007388407; ticker symbol: LIO).

An application will be made to the London Stock Exchange to admit to trading and official listing the New Liontrust Shares to be newly created by way of a resolution of the board of directors of Liontrust pursuant to an authorization to increase the share capital in connection with the Offer.

The New Liontrust Shares will be, and on admission will be, denominated in pounds sterling.

It is currently anticipated that the New Liontrust Shares will be eligible to join CREST, the computerised, paperless system for settlement of sales and purchases of shares in the London securities market, with effect immediately upon admission and the commencement of dealings on the London Stock Exchange.

There is no intention to delist the Liontrust Shares following the Settlement of the Offer.

English law requires Liontrust shareholders to give notice of changes in their shareholdings if, as a result of an acquisition or disposal of shares or financial instruments in Liontrust, the percentage of those voting rights reaches, exceeds or falls below 3% and each 1% threshold above 3% up to 100%. For the shareholders holding 3% or more of the total share capital of Liontrust, see above Section C.4. (*Identity of Offeror's Shareholders and Groups holding more than 3% of the Offeror's Voting Rights and Shareholders controlling the Offeror directly or indirectly*).

By law, a mandatory offer must be made for all shares in a United Kingdom listed company, if a person (or persons acting in concert) acquires 30% of the voting rights unless a dispensation from such mandatory tender offer requirement applies. No such dispensation applies with regard to Liontrust, nor is any such dispensation required in connection with the Offer because the issue of new Liontrust Shares to tendering GAM shareholders in connection with Settlement will not involve the acquisition of 30% or more the voting rights in Liontrust.

For the performance of the Liontrust Share on London Stock Exchange in the last three (3) years, see above Section B.3.2 (*Compliance with Minimum Price Rules*) above.

### **3. Annual Reports of Liontrust and significant Changes (article 24 paragraphs 3 and 4 TOO)**

For the annual reports of Liontrust of the last three (3) years and the latest interim report of Liontrust as of 30 September 2022, see Section C.5. (*Annual Reports*) above.

Save as disclosed below, there has been no significant change in assets and liabilities, financial position and/or earnings and prospects of the Liontrust Group since 30 September 2022, the date to which the last financial period for which the latest interim report for Liontrust has been published:

- In common with the asset management industry as a whole, the Liontrust Group has faced challenging investment market conditions. Two (2) recent events, being the continued invasion of Ukraine by Russia and the credit issued faced by banks including SVB, Credit Suisse and First National have caused significant volatility and de-rating of asset values in certain financial and commodities markets worldwide. Lower values of AuMA have resulted in decreased revenues or investment managers that generate revenues on an *ad valorem* basis.
- On 18 November 2022, Liontrust released its unaudited half year results for the six (6) months ended 30 September 2022 reporting adjusted profit before tax<sup>6</sup> of GBP 42.9 million, profit before tax of GBP 14.1 million, gross profit of GBP 108.8 million and adjusted diluted earnings per share<sup>7</sup> of GB pence 53.87. The first interim dividend per Liontrust Share was resolved to be GB pence 22.00.
- On 18 January 2023, Liontrust released its trading update for both the three (3) months

---

<sup>6</sup> Adjusted profit before tax is an alternative performance measure, see page 30 of the Liontrust Annual Report and Financial Statements 2022 for further details.

<sup>7</sup> Adjusted diluted earnings per share is an alternative performance measure, see page 30 of the Liontrust Annual Report and Financial Statements 2022 for further details.

and nine (9) months ended 31 December 2022 (the "**Q3 Period**" and "**9M Period**") announcing net outflows of GBP 0.6 billion in the Q3 Period and GBP 2.8 billion for the 9M Period. AuMA were GBP 32.6 billion as at 31 December 2022.

- On 19 April 2023, Liontrust released its trading update for both the twelve (12) months and three (3) months ended 31 March 2023 (the "**2023 Financial Year**" and the "**Q4 Period**"). The adjusted profit before tax<sup>8</sup> was to be ahead of expectations for the 2023 Financial Year and will be not less than GBP 86 million. Over the Q4 Period there were net outflows of GBP 2 billion which included GBP 608 million related to the termination of a life company advisory agreement for Liontrust Group's multi asset team and GBP 149 million related to the termination of the agreement with Majedie Investments plc (as at 31 January 2023) for Liontrust Group's global fundamental team. There were net outflows of about GBP 4.8 billion for the 2023 Financial Year.
- As at 31 March 2023, AuMA were GBP 31.4 billion, a decrease of 3.6% over the Q4 Period. As at 17 April 2023, AuMA were GBP 31.8 billion.

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Liontrust's board of directors is aware) which may have, or have had during the twelve (12) months prior to the date of this Offer Prospectus, a significant effect on the Liontrust Group or the financial position or profitability of the Liontrust Group.

It is noted that it was a challenging year in terms of net outflows and mixed performance, but that this was set against a backdrop of the industry in aggregate suffering United Kingdom retail net outflows in ten (10) out of the last twelve (12) months, according to the Investment Association. Liontrust's board of directors believes that the business of the Liontrust Group as a whole is operating well and that the Enlarged Group will continue to broaden its products and distribution channels. It is further believed that the Liontrust brand remains strong and will be a key driver of the growth of the Enlarged Group.

#### **4. Anticipated Effects of successful Offer (article 24 paragraph 5 TOO)**

##### **4.1 Strategic Rationale and Synergy Benefits**

###### *Strategic Rationale*

A successful Offer provides the opportunity for Liontrust to accelerate its Strategic Objectives. Liontrust views itself to already have the people, infrastructure and operating model in place to take advantage of the significant potential of the Enlarged Group and to manage and support the expansion of the Enlarged Group.

The acquisition of GAM is expected to make Liontrust a global investment manager with about GBP 52 billion in AuMA on a combined basis<sup>9</sup>. Liontrust believes that there are number of strategic benefits resulting from such acquisition, including enhancing and expanding

---

<sup>8</sup> Adjusted profit before tax is an alternative performance measure, see page 30 of the Liontrust Annual Report and Financial Statements 2022 for further details.

<sup>9</sup> Liontrust AuMA of GBP 31,760 million as at 17 April 2023 (source: Liontrust). GAM's Investment Management division AuMA of CHF 23,280 million (GBP 20,512 million) as at 31 March 2023 (source: GAM). GBP/CHF exchange rate 1.1349 as at 9 June 2023 (Source: Bloomberg).



Liontrust's investment capability and product range and providing global distribution with a physical sales and marketing presence in the United States of America and multiple countries in Europe and Asia.

Liontrust believes that the acquisition of GAM will offer the stability to GAM, lacking in recent years, which will enable its distribution team to attract new clients who have been deterred from investing by the previous corporate and financial uncertainty, as well as provide what Liontrust believes will be significant economies of scale for investment teams.

In the view of Liontrust, GAM has highly regarded and strongly performing investment teams that will complement and enhance Liontrust's existing investment capability. 75% of GAM's funds are rated in the 1st and 2nd quartile of their respective Morningstar sector in terms of performance weighed by AuMA. GAM's investment managers have also received independent recognition, with nine rated A to AAA by Citywire. At the FE Fundinfo Alpha Manager of the Year awards for 2023, three (3) out of 59 managers nominated across twelve (12) categories were from GAM. Only one investment manager had more nominations. Of the five (5) managers shortlisted for overall Alpha Manager of the Year, one was Anthony Smouha of Atlanticomnium (who is the delegated manager of certain GAM funds) while Anthony Cross and Julian Fosh of Liontrust were also jointly on the list.

Liontrust believes that the quality of the investment capability within GAM will enhance the opportunities for the combined distribution teams in the UK and internationally. Liontrust also believes that the diversification of investment styles and product type will appeal to a wider client base and enable the Enlarged Group to have funds that perform well in different parts of the market cycle. We believe that this will enable the Enlarged Group to provide more sustainable growth in the future.

GAM has a global distribution presence that the board of directors of Liontrust believes Liontrust will be able to enhance and significantly leverage. The demand for product varies between markets and the expanded fund range – through both GAM and Liontrust – will help enable the Enlarged Group to meet the different client requirements. Liontrust believes that the physical presence in international markets will accelerate the opportunity to take advantage of the significant potential in countries such as Switzerland (especially with GAM's long heritage in Switzerland), Spain, Germany and Italy in the shorter term and other markets over the medium term.

Liontrust proposes to acquire GAM at  $0.9 \times^{10}$  revenues, as at the date of the Pre-Announcement, which Liontrust believes is a material discount to revenue multiples of mid-cap UK quoted asset managers, and, when considering the significant expected run-rate synergies of about CHF 64 million (GBP 56 million)<sup>11</sup> per annum, expects a successful Offer to create value for the Enlarged Group's shareholders through significant earnings accretion in the financial year 2025.

Liontrust is proud of its track record of integration of acquisitions and is highly confident it can deliver success following the Settlement to create a specialist global investment manager. Further, Liontrust believes there is a strong cultural fit between the two businesses and is encouraged by early feedback from clients, senior investment managers at GAM and other

---

<sup>10</sup> Based on annualised run rate revenues of CHF 118 million (representing the month of March 2023 and multiplied by twelve (12)) and CHF 107 million divided by CHF 118 million is 0.89x and rounded to one significant figure is 0.9x.

<sup>11</sup> GBP/CHF exchange rate 1.1349 as at 9 June 2023 (Source: Bloomberg).

stakeholders as to the prospects and the brand penetration that can be achieved for the Enlarged Group.

Liontrust believes that a successful Offer will result in a strong capital base for the Enlarged Group, supported by cash generation, with significant surplus capital able to support regulatory requirements as well as continued investment, and support for shareholder dividends, for the future.

Liontrust's strategic rationale for the Offer can be summarized as follows:

- creation of a global investment manager with about GBP 52 billion in AuMA on a combined basis<sup>12</sup>;
- acceleration of the development of Liontrust meeting all its Strategic Objectives, and in particular expanding the product range, growing distribution and attracting and developing talent;
- a successful Offer, before transaction costs and re-organisation costs, is expected to be significantly earnings enhancing with regards to adjusted diluted earnings per share<sup>13</sup> for the financial year ending 31 March 2025 (being the expected first full year after completion of the integration process) and in future years;
- the consideration will be satisfied by the issue of New Liontrust Shares (expected to be 9,377,433 New Liontrust Shares) to GAM shareholders, thereby broadening Liontrust shareholder base – GAM shareholders will own approximately 12.6% of the Enlarged Group on Settlement;
- broaden Liontrust's fund range and asset classes, including in fixed income, thematic equities and alternatives;
- strengthen Liontrust's distribution opportunities and expand distribution globally, with 62% of GAM Investment Management division AuMA sourced from continental Europe while Liontrust is a leading asset manager in the United Kingdom with the 6<sup>th</sup> strongest brand (Source: Broadridge); and
- adding experienced investment teams to the Liontrust's proposition, including nine fund managers rated A to AAA by Citywire.

### *Synergy Benefits*

While GAM is a high quality investment manager, consistently outperforming the majority of its peers according to Morningstar, it has suffered from consistent net outflows of AuMA for the

---

<sup>12</sup> Liontrust AuMA of GBP 31,760 million as at 17 April 2023 (source: Liontrust). GAM's Investment Management division AuMA of CHF 23,280 million (GBP 20,512 million) as at 31 March 2023 (source: GAM). GBP/CHF exchange rate 1.1349 as at 9 June 2023 (Source: Bloomberg).

<sup>13</sup> Adjusted diluted earnings per share is an alternative performance measure, see page 30 of the Liontrust Annual Report and Financial Statements 2022 for further details.

last eight (8) quarters to December 2022<sup>14</sup>. The result of this is that the cost base relative to assets is disproportionately higher than Liontrust's.

When considering GAM's relatively higher costs than Liontrust, a successful Offer creates the opportunity to unlock significant cost synergies whilst at the same time creating an efficient, global platform for growth capable of winning market share from competitors.

Liontrust estimates that cost synergies of CHF 64 million (GBP 56 million)<sup>15</sup> per annum on a pre-tax basis will be generated as a result of a successful Offer. The cost base used for the assessment of synergies is GAM's actual costs (such as current personnel costs, current third-party contract costs, etc.), supplemented by estimates of forecast 2023 costs where needed for other individual cost line item. The synergy plan has been prepared on a CHF basis and for the purpose of this document the relevant savings have been translated with the use of the relevant FX rate as referenced.

Liontrust expects to deliver these run-rate cost savings, primarily via a reduction of duplicate administration costs, including savings from duplication of personnel, co-location in GAM's London Office and rationalisation of other costs, for example data and technology. All of the identified benefits are expected to be recurring.

Liontrust expect the cost synergies to be delivered across a number of key areas, as outlined below:

- It is recognised that there is significant overlap of the activities undertaken and synergies would be generated through rationalisation of these roles. In total, Liontrust expects to generate savings of GBP 33 million (CHF 38 million)<sup>16</sup> per annum.
- It is intended to optimise the Enlarged Group's property portfolio principally through co-location of its London Office, in the current office of GAM at 8 Finsbury Circus, London EC2M 7GB. This, combined with other optimisations, is expected to generate savings of GBP 4 million (CHF 4 million)<sup>17</sup> per annum.
- Two other significant fixed costs of asset management are data and technology. Liontrust expect, through removal of duplicate contracts to save GBP 9 million (CHF 11 million)<sup>18</sup> per annum.
- Other areas of savings include professional services and administration e.g. removing the duplicate costs of running two listed businesses, marketing and travel which Liontrust estimates may save GBP 10 million (CHF 12 million)<sup>19</sup> per annum.

---

<sup>14</sup> The quarter to end of March 2023 there was a technical rise in AuMA due to FX movements.

<sup>15</sup> GBP/CHF exchange rate 1.1349 as at 9 June 2023 (Source: Bloomberg).

<sup>16</sup> GBP/CHF exchange rate 1.1349 as at 9 June 2023 (Source: Bloomberg).

<sup>17</sup> GBP/CHF exchange rate 1.1349 as at 9 June 2023 (Source: Bloomberg).

<sup>18</sup> GBP/CHF exchange rate 1.1349 as at 9 June 2023 (Source: Bloomberg).

<sup>19</sup> GBP/CHF exchange rate 1.1349 as at 9 June 2023 (Source: Bloomberg).

- In total, Liontrust estimates savings of GBP 56 million (CHF 64 million)<sup>20</sup> per annum can be achieved from these areas.

The re-organisation costs of CHF 50 million (GBP 44 million), excluding transaction costs, will be treated as exceptional items to be incurred in the period from 4 May 2023 to Settlement and in the twelve (12) months following Settlement. The majority of synergies will be realised in the first twelve (12) months following Settlement, with the full CHF 64 million (GBP 56 million)<sup>21</sup> benefits realised in the second year following Settlement. These benefits are expected to be recurring.

## 4.2 Impact of the Offer on Liontrust and Key Figures

For certain information on Liontrust's strategic rationale for the Offer and its expected synergy benefits resulting from a successful Offer, see above Section F.4.1 (*Strategic Rationale and Synergy Benefits*) and for certain information on the expected financial effects of a successful Offer, reference is made to Part 1 Section 3 of the Circular (*Financial effects of the Proposed Acquisition*) which is made freely available on Liontrust's website at <https://www.liontrust.co.uk/gam-acquisition/documents>.

For certain pro forma financial information relating to the Enlarged Group, reference is made to the unaudited pro forma income statement relating to the Enlarged Group, which has been prepared based on the audited consolidated statement of comprehensive income of the Liontrust Group for the year ended 31 March 2022 and the audited consolidated income statement of GAM Group for the year ended 31 December 2022, illustrating the effects of the Settlement as if it had taken place as at 1 April 2021, and the unaudited pro forma statement of assets, which has been prepared based on the unaudited consolidated statement of comprehensive income of the Liontrust Group as at 30 September 2022 and the audited consolidated balance sheet of GAM Group as at 31 December 2022, illustrating the effects of the Settlement as if it had taken place as at 30 September 2022, each as contained and outlined in Part 4 of the Circular (*Unaudited Pro Forma Financial Information for the Enlarged Group*) which is made freely available on Liontrust's website at <https://www.liontrust.co.uk/gam-acquisition/documents>.

Generally, Liontrust believes that the Enlarged Group has sufficient working capital for its present requirements, that is, for at least the next twelve (12) months from the date of publication of this Offer Prospectus.

## 4.3 Expected Significant Shareholders

Assuming that all shareholders of GAM accept the Exchange Offer and no shareholder purchases or sells any Liontrust Share or GAM Shares respectively, the following shareholders or group of shareholders will hold 3% or more Liontrust Shares as per the Settlement\*:

Hargreaves Lansdown	5.65%
Martin Currie Investment Management Ltd	5.04%

<sup>20</sup> GBP/CHF exchange rate 1.1349 as at 9 June 2023 (Source: Bloomberg).

<sup>21</sup> GBP/CHF exchange rate 1.1349 as at 9 June 2023 (Source: Bloomberg).

Sanford DeLand Asset Management Ltd	4.68%
abrdn	4.62%
BlackRock	4.29%
The Vanguard Group, Inc.	3.95%
Slater Investments Ltd	3.20%

\* *The illustrated distribution of ownership as per the Settlement is based on the information known to Liontrust until 31 May 2023 as well as on the latest notifications submitted by shareholders to the Swiss Takeover Board pursuant to article 134 FinMIA.*

## **G. Report of the Review Body pursuant to article 128 FinMIA**

### **Report of the Review Body pursuant to article 128 of the Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (Financial Market Infrastructure Act, FMIA)**

As a review body recognized according to the FMIA to review public takeover offers, we have reviewed the offer prospectus of Liontrust Asset Management Plc (the "Offeror"). The report of the board of directors of the target company and the Fairness Opinion of IFBC AG were not subject to our review.

The preparation of the offer prospectus is the responsibility of the Offeror. Our responsibility is to express an opinion on the offer prospectus based on our review. We confirm that we comply with the independence requirements provided by takeover law and there are no circumstances incompatible with our independence.

Our review was conducted in accordance with the Swiss Auditing Standard on the examination of Public Takeover Offers (AS 880), which requires that a review pursuant to article 128 FMIA be planned and performed to verify the formal completeness of the offer prospectus pursuant to the FMIA and its ordinances, and to obtain reasonable assurance about whether the offer prospectus is free from any material misstatements in consequence of violations or errors. It has to be noted that ciphers 3 to 6 below cannot be verified with the same assurance as ciphers 1 and 2. We have reviewed the information in the offer prospectus by means of analyses and ascertainties on a test basis. Furthermore, we have verified the compliance with the FMIA and its ordinances. We believe that our review provides a reasonable basis for our opinion.

In our opinion:

1. the Offeror has taken the necessary measures in order for the shares offered in exchange to be available on the settlement date;
2. the Best Price Rule has been observed until the publication of the offer prospectus.

Moreover, we have not encountered any facts from which we had to infer that:

3. the recipients of the offer are not treated equally;

4. the offer prospectus is not complete and accurate;
5. the offer prospectus is not in accordance with the FMIA, its ordinances and Decision 844/01;
6. the provisions regarding the effects of the pre-announcement have not been observed.

This report is neither a recommendation for the acceptance or rejection of the offer nor a confirmation (Fairness Opinion) regarding the financial appropriateness of the offer price.

Zurich, 12 June 2023

BDO Ltd

Marcel Jans  
Partner

Klaus Krohmann  
Partner

## **H. Report of the Board of Directors of GAM Holding Ltd. on the Public Exchange Offer of Liontrust Asset Management PLC**

The board of directors of GAM Holding AG (the **Board of Directors**), a company limited by shares with registered office in Zurich, Switzerland (**GAM**; GAM together with its subsidiaries, the **GAM Group**), hereby takes position pursuant to article 132 para. 1 of the Federal Financial Market Infrastructure Act (**FinMIA**) and articles 30-32 of the Takeover Ordinance (**TOO**) on the public exchange offer (the **Offer**) of Liontrust Asset Management PLC, a public limited company governed by the laws of England and Wales with registered office in London, United Kingdom (the **Offeror**; the Offeror together with its subsidiaries, the **Offeror Group**), for all publicly held registered shares in GAM with a nominal value of CHF 0.05 each (each a **GAM Share**) traded on the SIX Swiss Exchange (**SIX**).

### **1. Recommendation**

After due and careful inquiry and analysis of the Offer and taking into account the results of the Fairness Opinion (as defined below) of IFBC AG, Zurich (**IFBC**) (cf. Section 2.2 hereafter), the Board of Directors has unanimously resolved to recommend to the shareholders of GAM to accept the Offer.

### **2. Considerations**

The recommendation of the Board of Directors is based on the following considerations.

#### **2.1 Offer Price**

The Offeror offers 0.0589 ordinary shares of the Offeror with a nominal value of GBP 0.01 each (each a **Liontrust Share**) for each GAM Share (the **Offer Price**). The Liontrust Shares are traded on the London Stock Exchange. Fractions of Liontrust Shares will be settled in cash in CHF.

On the basis of the volume-weighted average price (VWAP) of the on-exchange trades in Liontrust Shares on the London Stock Exchange over the last sixty (60) trading days on the London Stock Exchange prior to the date of publication of the pre-announcement of the Offer (the **Pre-Announcement**) and the average GBP / CHF exchange rate of 1.1197 (16:00 BST/GMT Fixing), accessed through Bloomberg (BFIX) over the last sixty (60) trading days on the London Stock Exchange prior to the publication of the Pre-Announcement, as at the Pre-Announcement the Offer values each GAM Share at CHF 0.6723 (the **Implied GAM Share Price**).

The Implied GAM Share Price as at the Pre-Announcement implies a positive premium of 12% compared to the on-exchange closing price of the GAM Shares of CHF 0.598 on the SIX on April 17, 2023, the trading day at SIX immediately prior to the day on which GAM confirmed, given media speculation, that it was in discussions with the Offeror. The Implied GAM Share Price as at the Pre-Announcement, however, implies a negative premium of 16% compared to the on-exchange closing price of the GAM Shares of CHF 0.801 on the SIX on May 3, 2023, the trading day at SIX immediately prior to the publication of the Pre-Announcement.

The price of the Liontrust Shares and the GBP / CHF exchange rate, and as a result the Implied GAM Share Price, may change between the Pre-Announcement and the settlement of the Offer.

## 2.2 Fairness Opinion

The Board of Directors has received financial advice on the transaction from the investment banking advisors retained by GAM. In addition, the Board of Directors mandated IFBC AG, as independent expert, to prepare and issue a fairness opinion on the financial fairness of the Offer. Based on and subject to the assumptions set out therein, in its fairness opinion dated June 12, 2023 (the **Fairness Opinion**), IFBC determined a value range from CHF 0.54 to CHF 0.73 per GAM Share applying the dividend discount model (DDM) and assessed the Implied GAM Share Price of CHF 0.6723 per GAM Share as at the Pre-Announcement to be fair from a financial point of view.

The Fairness Opinion can be ordered in German, French and English at no cost from GAM at Hardstrasse 201, 8005 Zurich, Switzerland (phone: +41 (0) 58 426 30 30, fax: +41 (0) 58 426 30 31, email: [investorrelations@gam.com](mailto:investorrelations@gam.com)) and is also available on <https://www.gam.com/liontrust-asset-management-plc-public-tender-offer-documents>. The Fairness Opinion forms an integral part of this report.

## 2.3 Business Rationale

The Board of Directors, after consultation with the Group Management Board (*Konzernleitung*) of GAM (the **Group Management Board**) and external advisors, has made a detailed assessment of the short- and long-term prospects of GAM as an independent group and as a partner in combination with the Offeror Group. Based on this assessment, the Board of Directors believes that a combination with the Offeror Group is strategically, operationally and financially more advantageous to GAM, compared to the other alternatives considered.

Despite having taken measures over the past four years with a view to reducing its operating costs, GAM Group recently suffered significant losses because of the revenue declines resulting from recent market decreases. During 2022, it became increasingly clear to the Board of Directors that a detailed review was required as to whether GAM's strategy was still

appropriate and in the best interests of all stakeholders in the context of the challenging environment (including GAM's recent client outflows and reduction in assets under management, rising inflation, interest rate hikes and continuing global uncertainty resulting from the war in Ukraine) and its impact on GAM Group's financial performance. Following the losses reported by GAM in 2022, the liquidity and regulatory capital forecasts of GAM showed GAM's vulnerability in terms of liquidity and capital, thereby threatening not only GAM's ability to continue as a going concern in the medium and long term, but ultimately also its very existence.

As a result of the deteriorating liquidity and capital position of the GAM Group, the underlying loss in 2022 and expected continued losses in 2023, and the need to provide a solution to secure GAM's near term ability to function on a business-as-usual basis, the Board of Directors met on a weekly basis during the second half of 2022 and during the first quarter of 2023 to carry out a detailed strategic review of the situation and consider the strategic options of the firm. In this context, the Board of Directors retained advisors to assist in considering all alternatives. Various alternatives were considered, including the granting of loans by third parties, the sale of certain assets of the GAM Group, a public tender / exchange offer and a rights offering as well as a share capital increase with exclusion of subscription rights of the current shareholders.

After weighing the identified advantages and challenges of the alternatives considered and in reflection of the practicability and likelihood of near-term realization, the Board of Directors believes that a combination of the GAM Group with the Offeror Group by means of the Offer is the best available option to safeguard GAM Group's ability to continue as a going concern in the medium and long term. The Board of Directors believes that the Offer – combined with the financial support of the Offeror in the form of two loan facilities up to GBP 17.8 million (approx. CHF 20 million) (cf. Section 5.4 hereafter) – not only provides GAM Group with greater stability and financial strength in the near term due to the immediate new liquidity, but also creates new opportunities for the staff, gives clients access to a broader range of investment strategies and/or services and enables shareholders to participate in the potential future growth and success of the new combined group. In its decision, the Board of Directors also noted that the Offeror is committed to maintain GAM's international presence and client relationships, particularly in Switzerland, which is important to GAM's heritage.

## **2.4 Squeeze-out and Delisting**

The Board of Directors understands that, after the settlement of the Offer, the Offeror intends to request the cancellation of the outstanding publicly held GAM Shares in accordance with article 137 FinMIA, or to merge GAM with a Swiss company directly or indirectly controlled by the Offeror whereby the remaining public shareholders of GAM would be compensated by the Offeror in cash or with Liontrust Shares (and cash payments in CHF for fractions) and would not receive any shares in the surviving company. Furthermore, after the Settlement of the Offer, the Offeror intends to have GAM apply to SIX Swiss Exchange for the delisting of the GAM Shares in accordance with the listing rules of SIX Swiss Exchange.



### 3. Additional Information Required by Swiss Takeover Law

#### 3.1 Board of Directors and Group Management Board

The Board of Directors of GAM is currently composed of David J. Jacob (Chairman), Nancy Mistretta, Katia Coudray, Jacqui Irvine, Monika Machon and Frank Kuhnke (for resignations, see Section 3.2(a)).

The Group Management Board of GAM is currently composed of Peter Sanderson (Group Chief Executive Officer), Steve Rafferty (Group Chief Operating Officer) and Elmar Zumbuehl (Group Chief Risk Officer).

Sally Orton has decided to step down as a member of the Group Management Board (effective as at May 26, 2023) and Group CFO (effective as at June 12, 2023). Richard McNamara, GAM's previous CFO, who returned to GAM in February 2023 to support the Board in its strategic review, has agreed to assume the Group CFO position as of June 12, 2023, until the transaction is complete.

#### 3.2 Potential Conflicts of Interest of the Members of the Board of Directors and the Group Management Board

##### (a) Board of Directors

The Offer has the potential financial consequences for the members of the Board of Directors as set out in further detail in Section 3.3 below.

GAM and the Offeror have agreed in the Transaction Agreement (as described under Section 5.2 below) that GAM shall procure that all members of the Board of Directors shall, subject to the condition that the Offer will be settled and the Offeror will hold more than 50% of the GAM Shares immediately after the settlement of the Offer, resign as members of the Board of Directors and the board of directors or equivalent corporate bodies of any of GAM's subsidiaries, if applicable, by signing a resignation declaration no later than by the end of the main offer period (*Angebotsfrist*) of the Offer (the **Main Offer Period**) and with effect as of the date on which the Offer is settled (the **Settlement Date**).

Further, GAM agreed to call an extraordinary general meeting of shareholders of GAM to be held during the additional acceptance period of the Offer (or, only if not possible at this stage due to outstanding mandatory regulatory approvals for certain Board Nominees (as defined below), as soon as possible thereafter) in accordance with applicable legal requirements and GAM's articles of association, and put to a vote of such meeting the election of each individual designated by the Offeror as members of the Board of Directors (the **Board Nominees**) as well as one individual as chairperson of the Board of Directors and certain individuals as members of the Compensation Committee, in each case as designated by the Offeror, and all with effect as per the Settlement Date and subject to the condition that the Offeror will hold more than 50% of the GAM Shares immediately after the settlement of the Offer.

Except as set forth in this report, (i) no member of the Board of Directors has entered into any contractual or other relationship with any member of the Offeror Group, and there is currently no intention to enter into any such relationship, (ii) no member of the Board of Directors has been elected at the request of any member of the Offeror Group or is

exercising his or her function(s) on the Board of Directors following instructions from any member of the Offeror Group, (iii) no member of the Board of Directors holds any equity in the Offeror or its affiliates, and (iv) the members of the Board of Directors are neither employees nor members of any corporate body of any member of the Offeror Group or of companies having significant business relationships with any member of the Offeror Group (other than the GAM Group, to the extent such business relationships exist). Nancy Mistretta is a director of HSBC North American Holding Inc, an affiliate of which is currently providing financial services to the Offeror Group in the ordinary course of business.

(b) Group Management Board

The Offer has the potential financial consequences for the members of the Group Management Board as set out in further detail in Section 3.3.

Except as set forth in this report, (i) no member of the Group Management Board has entered into any contractual or other relationship with any member of the Offeror Group, and there is currently no intention to enter into any such relationship; (ii) no member of the Group Management Board holds any equity in the Offeror or its affiliates and (iii) the members of the Group Management Board are neither employees nor members of any corporate bodies of any member of the Offeror Group or of companies having significant business relationships with the Offeror Group (other than of companies of the GAM Group, to the extent such business relationships exist).

### **3.3 Potential Financial Consequences of the Offer for Members of the Board of Directors and the Group Management Board**

(a) Overview of Relevant Existing Equity Plans Relevant for Members of the Board of Directors and/or the Group Management Board

GAM has a share-based equity plan which applies, among others, to certain members of the Group Management Board and under which there are still unvested awards: the Discretionary Equity Scheme (DES) dated March 1, 2019, as described in further detail in Section 4(a)(2) below. Section 4(b) below describes the treatment of the awards granted thereunder in the context of the Offer.

GAM has put other share-based equity plans in place: as no unvested awards are currently outstanding in favor of members of the Board of Directors or Group Management Board under such other plans, these will not be further analyzed here.

(b) GAM Shares and Equity or Equity-Based Awards Held by Members of the Board of Directors and the Group Management Board

The members of the Board of Directors and of the Group Management Board hold the following GAM Shares and awards relating to GAM Shares as of June 12, 2023:

(1) Board of Directors

<b>Name</b>	<b>GAM Shares</b>
David J. Jacob	174,327
Nancy Mistretta	102,954
Katia Coudray	106,548
Jacqui Irvine	57,015
Monika Machon	57,171
Frank Kuhnke	0

(2) Group Management Board

<b>Name</b>	<b>GAM Shares</b>	<b>Restricted GAM Share Units (RSUs)</b>
Peter Sanderson	152,679	0
Steve Rafferty	57,180	0
Elmar Zumbuehl	60,937	4,388

(c) Undertakings to Tender

All members of the Board of Directors and of the Group Management Board have entered into a tender undertaking with the Offeror as set out in further detail in Section 5.3 below.

(d) Directors' and Officers' Insurance

GAM has taken out an insurance policy for professional liability, directors' and officers' liability and fraud insurance in favor of the members of the Board of Directors and of the

Group Management Board for the period until July 31, 2023. GAM is currently in contact with its insurance broker with the aim to extend the insurance policy for an additional period of up to six months. In the Transaction Agreement (as defined below), the Offeror has agreed to ensure that all members of the Board of Directors and of the Group Management Board resigning or being dismissed from GAM and / or its subsidiaries continue to be covered by directors' and officers' insurance.

(e) Conclusion

Other than due to the fact that they are holders of GAM Shares and/or of awards related to GAM Shares, and except as otherwise described above or elsewhere in this report, the Offer has no financial consequences for the members of the Board of Directors and of the Group Management Board, and the members of the Board of Directors and of the Group Management Board will not receive any additional benefits in connection with the Offer. Based on the Board of Directors' assessment, no members of the Board of Directors or of the Group Management Board is affected by any relevant potential conflicts of interest in connection with the Offer.

The resolution to recommend the acceptance of the Offer was therefore passed unanimously by all members of the Board of Directors.

In addition, and as a basis for its resolution, the Board of Directors mandated IFBC AG, as independent expert, to prepare and issue the Fairness Opinion on the financial fairness of the Offer. Based on and subject to the assumptions set out in its Fairness Opinion, IFBC determined a value range from CHF 0.54 to CHF 0.73 per GAM Share applying the dividend discount model and assessed the Implied GAM Share Price of CHF 0.6723 per GAM Share as at the Pre-Announcement to be fair from a financial point of view (see Section 2.2 above).

#### 4. Equity Plans and Treatment of Equity Awards

(a) Overview of Equity Plans

GAM has share-based payment arrangements for the employees of GAM Group and/or members of the Board of Directors (the **Participants**) granted under the following incentive plans (each an **Equity Plan** and together the **Equity Plans**):

- (1) *Deferred Variable Compensation Award Scheme (DVCAS)* dated 1 March 2019, under which Fund Units, Restricted Stock or Restricted Stock Units are granted as part of GAM's annual variable compensation plan.
- (2) *Discretionary Equity Scheme (DES)* dated 1 March 2019 (the **DES**), under which Share Options or Conditional Awards are granted.

The DES provides in particular for awards of Restricted Share Units (RSUs) to employees outside the annual bonus deferral cycle, typically for new joiners in senior positions. RSUs normally vest over three years in equal thirds annually on the anniversary of the grant date, other than RSUs granted following performance testing of long-term incentive (LTI) awards which vest five years from the grant of the original LTI award. LTI awards are also made under the DES.

- (3) *Board of Directors Share Scheme (BODSS)* dated 1 October 2020, under which GAM Shares are conditionally granted to members of the Board of Directors.

(b) Treatment of Equity Awards in Connection with the Offer

(1) In General

Pursuant to the Transaction Agreement, any existing awards that vest between the date on which the Offeror published the Pre-Announcement, i.e. May 4, 2023 (the **Announcement Date**), and the Settlement Date will be satisfied solely by equity and the Board of Directors will not exercise its discretion to make cash payments without the prior written approval of the Offeror. Moreover, if any existing awards vest before the Settlement Date, GAM will ensure that it meets in a timely manner any liability to taxation, duties, social security contributions or other amounts in respect of the awards.

(2) Upon Change of Control

Notwithstanding any discretion of the Board of Directors to determine the treatment of the awards on a Change of Control (as defined in the Equity Plans and the Transaction Agreement): (i) any outstanding equity or equity-based awards will neither vest, nor be exchangeable for cash on the Change of Control date; and (ii) the Board of Directors will not exercise its discretion to accelerate the vesting of the awards.

The Board of Directors will cooperate with the Offeror and take all necessary measures to achieve the following outcomes:

- i. As soon as practicable after the Change of Control, the Participants will be granted new awards (which in this context will not include Fund Units) in exchange for their existing awards. The new awards:
  - a) must be made in respect of Liontrust Shares;
  - b) must be equivalent to the existing awards;
  - c) shall be treated as having been acquired at the same time as the existing awards and, subject to d) below, vest, become exercisable, are settled and lapse in the same manner and at the same time;
  - d) will be subject to any performance conditions and any other conditions (including malus and clawback, where applicable) which are, so far as possible, equivalent to any performance conditions and other conditions which apply to the existing awards; and
  - e) will be governed by the applicable equity plan under which they are granted as if: (i) references to Restricted Stock, Restricted Stock Unit, Shares and Share Options were references to the Liontrust Shares over which the new awards are granted; and (ii) references to GAM were references to the Offeror.

- ii. As regards Fund Units:
  - a) the Participants will retain their vested and unvested Fund Units in the applicable investment funds with respect to which those Fund Units were granted;
  - b) the Fund Units awarded will continue to be governed by the rules of the Equity Plan under which they were granted; and
  - c) the Offeror will take all necessary steps to ensure the continued operation of the Equity Plan under which Fund Units were granted until the vesting of all outstanding Fund Units.
- iii. GAM will procure that the GAM Shares held by the GAM Employee Benefit Trust will be used in priority to any treasury shares to satisfy the outstanding awards that vest in the period from the Announcement Date to the Settlement Date.

## 5. Agreements between the Offeror Group and GAM and between the Offeror Group and Shareholders of GAM Relevant for the Decision of the Board of Directors

### 5.1 Confidentiality Agreement

On September 30, 2022, GAM and the Offeror entered into a confidentiality agreement customary for this phase and type of transaction, pursuant to which the parties essentially agreed to treat any non-public information which may be exchanged between them as confidential. Furthermore, the parties agreed under this confidentiality agreement that in the period up to the publication of the Pre-Announcement the Offeror shall not and shall procure that each of its affiliates shall not, directly or indirectly, make any transactions in GAM Shares and any equity derivatives with respect to GAM Shares nor enter into any agreement relating to such possible transactions in GAM Shares and any equity derivatives with respect to GAM Shares, provided that this shall not restrict transactions conducted for managed funds or discretionary clients of the Offeror or its group undertakings where the investment manager has no knowledge of the potential transaction or the confidential information (*standstill undertaking*).

### 5.2 Transaction Agreement

On May 4, 2023, GAM and the Offeror entered into a transaction agreement (the **Transaction Agreement**) under which the parties essentially agreed as follows:

- The Offeror agreed to submit the Offer to the shareholders of GAM and GAM agreed to support the Offer and confirmed that its board of directors has duly resolved to unconditionally and unanimously recommend acceptance of the Offer, subject to the right of GAM's board of directors to withdraw, modify or qualify the unconditional recommendation of the Offer under certain circumstances (e.g., in case of a competing offer, provided certain conditions are met).
- GAM may not solicit any competing transaction or take any other action which may encourage, facilitate, support or assist in the preparation of a competing transaction. However, GAM may, before the expiration of the Main Offer Period, after prompt (but

no later than within twenty-four (24) hours) notification of the Offeror and if and to the extent deemed required by the fiduciary duties of the board of directors of GAM as determined by the board of directors in good faith, by majority vote and, to the extent reasonably possible and practical, following receipt of advice of outside counsel and its financial advisors, and after giving the Offeror and their legal counsel the opportunity to present their view on the matter, in response to an unsolicited alternative transaction proposal to GAM which is deemed likely to be more favourable to GAM' shareholders, provide information with respect to GAM to the proposing party pursuant to a customary confidentiality and standstill agreement and participate in discussions or negotiations with the proposing party regarding such alternative transaction proposal. GAM shall procure that neither its board of directors, nor any committee thereof, or any other person on their behalf is permitted to (i) withdraw, modify or qualify the unconditional and unanimous recommendation, (ii) approve or enter into any binding or non-binding letter of intent, agreement or other agreement relating to a competing offer, (iii) approve or recommend any restricted transaction or (iv) make any announcement to that effect, unless a competing offer was submitted in accordance with Swiss takeover legal requirements before the expiration of the Main Offer Period and GAM has discharged its notification obligations towards the Offeror, GAM's board of directors has properly determined such competing offer being a superior transaction, GAM has notified the Offeror of its intention to take restricted actions, the matching period as described below has expired and the Offeror has failed to exercise its matching right as described below within such period. If, and only to the extent, such competing offer was submitted at least six (6) trading days at SIX Swiss Exchange prior to the end date of the unextended Main Offer Period (or, if the Main Offer Period has been extended, at least six (6) trading days at SIX Swiss Exchange prior to the end date of the extended Main Offer Period), GAM shall give the Offeror five (5) trading days at SIX Swiss Exchange (*matching period*) to submit to the GAM a binding proposal for an improved Offer (*matching right*), provided that if such competing offer is submitted during the five (5) trading days at SIX Swiss Exchange before and including the end date of the unextended Main Offer Period (or, if such competing offer is submitted after the Main Offer Period has been extended, during the five (5) trading days at SIX Swiss Exchange before and including the end date of the extended Main Offer Period), GAM and its board of directors shall refrain from including its recommendation towards shareholders' acceptance of such competing offer in the offer prospectus for such competing offer and instead publish such recommendation separately and no earlier than five (5) trading days after publication of the respective offer prospectus in order to give the Offeror sufficient time to submit to GAM a binding proposal for an improved Offer.

- The parties have entered into customary undertakings to pursue the due satisfaction of the Offer Conditions as expeditiously as reasonably possible.
- GAM agreed to use its commercially reasonable efforts to support the tender of the GAM Shares by its shareholders, including all members of GAM's board of directors and group executive board.
- GAM agreed, at all times from (and including) the date of execution of the Transaction Agreement until the earlier of (i) the day falling six (6) months after the end of the Additional Acceptance Period, and (ii) the termination of the Transaction Agreement, to comply, and to procure that all of its subsidiaries comply, with the obligations set forth in art. 12 para. 1 TOO, including without limitation to refrain, and to procure that

all of its subsidiaries refrain, from doing anything that would trigger the best price rule pursuant to art. 10 TOO.

- GAM agreed to procure that, subject to the condition that the Offer will be settled and the Offeror will hold more than 50% of the GAM Shares immediately after the settlement of the Offer, all members of its board of directors shall resign as members thereof and the board of directors (or equivalent corporate body) of any of GAM's subsidiaries, if applicable, no later than by the end of the Main Offer Period and with effect as of the Settlement.
- GAM agreed to call an extraordinary shareholders' meeting to take place during the Additional Acceptance Period and to propose and recommend at such shareholders' meeting the election of nominees to be designated by the Offeror for election as members to the board of directors of GAM as well as one individual as chairman and certain individuals members of the Compensation Committee with effect as of the Settlement and subject to the condition that the Offeror will hold more than 50% of the GAM Shares immediately after the settlement of the Offer.
- GAM has agreed that following the Settlement, GAM will support any such actions proposed by the Offeror in order for the Offeror to achieve control of 100% of the GAM Shares or GAM, to de-list the GAM Shares from SIX Swiss Exchange and to prepare and facilitate the combination and integration of the GAM Group with and into the Offeror Group.
- Under the Transaction Agreement, GAM is subject to certain customary restrictions and obligations in the period up to Settlement in relation to the conduct of the business and operations of GAM. These include in particular an obligation on GAM's board of directors to procure that the GAM Group continues to operate its business as a going concern in the ordinary course of business, and not to (without the prior written consent of the Offeror) do or agree to do certain actions which actions likely to interfere with, hinder or delay the consummation of the Offer, enter into, terminate or amend certain material contracts, and incur certain borrowings. In addition to the customary restrictions and obligations outlined above, GAM has also agreed to write off (to a value of zero (0)) all items classed as intangible assets in its financial statements.
- The Transaction Agreement contains customary representations and warranties given by GAM, in particular in relation to capacity and authority of GAM to enter into the Transaction Agreement as well as certain representations and warranties in relation to the nature, business, affairs and operations of GAM. The representations and warranties given by GAM in the Transaction Agreement are subject to the disclosures (i) set out in the 2022 annual report of GAM, (ii) set out in any ad hoc statement or press release of GAM published in the period between December 31, 2022 and the date of the Transaction Agreement; and (iii) made by GAM to the Offeror prior to the date of the Transaction Agreement.
- The Transaction Agreement also contains customary representations and warranties given by the Offeror, in particular in relation to capacity and authority of the Offeror to enter into the Transaction Agreement and make the Offer as well as certain representations and warranties in relation to the Offeror's share capital.



- The Transaction Agreement can be terminated by the Offeror or GAM in certain circumstances, including termination by (i) either the Offeror or GAM if the Offeror publicly declares in accordance with Swiss takeover laws and regulation that the Offer will not be further pursued or has failed or if the Offeror otherwise withdraws from launching, continuing or settling the Offer in accordance with Swiss takeover laws and regulation, if the Swiss Takeover Board permits the Offer not to be launched, no longer to remain open or not to be settled, (ii) the Offeror or GAM if the other party materially breaches its obligations or its representations and warranties under the Transaction Agreement (subject to a ten (10) trading days remedy period), (iii) the Offeror if GAM or any person acting on behalf of GAM entered into an agreement or arrangement with a third party regarding a restricted transaction (i.e. a transaction which may compete with or hinder the Offer or which may substantially change the business, assets or liabilities of GAM or its subsidiaries) or makes an announcement to that effect, (iv) the Offeror if a competing offer for GAM has an acceptance rate of more than 10% of the GAM Shares then-outstanding and is declared successful, (v) the Offeror or GAM if the other party's board withdraws or adversely modifies its recommendation of the Offer, and (vi) the Offeror if an "Event of Default" has occurred pursuant to either of the Facility Arrangements or if a Facility Arrangement terminates or is terminated. If the Transaction Agreement is terminated according to its provisions, such termination shall be without liability of any party to the other party, provided that, if such termination shall result from the breach by any party of its obligations or representations and warranties under the Transaction Agreement, such party shall be fully liable for all direct damages suffered by the other party, including for costs and expenses incurred that become futile as a result of such breach or termination, and provided further that any such termination shall be without prejudice to the liability of either party for a breach of the Transaction Agreement prior to such termination.

### 5.3 Tender Undertakings

Before the publication of the Offer Prospectus by the Offeror, each member of the Board of Directors and of the Group Management Board entered into a tender undertaking whereby they agreed with the Offeror to tender their GAM Shares into the Offer. Under certain circumstances, the members of the Board of Directors and of the Group Management Board will not be bound by their undertaking and will have the right to withdraw any tender of their GAM Shares, including if a competing offer is launched by a third party.

### 5.4 Facility Agreements and Debenture

*Tranche 1 Facility Agreement:* On May 4, 2023, prior to the entry into the Transaction Agreement, the Offeror and GAM entered into the Tranche 1 Facility Agreement (the **Tranche 1 Facility Agreement**) under which the parties essentially agreed as follows:

- The Offeror agreed to provide GAM with short-term secured financing.
- The Offeror will make available to GAM a loan facility in a maximum principal amount of GBP 8,900,000 (the **Tranche 1 Facility**).
- GAM shall apply all amounts borrowed by it under the Tranche 1 Facility Agreement towards (i) restructuring costs approved by the Offeror; (ii) the FMS Exit; and (iii) funding the ordinary course of business of the GAM Group.

- GAM acknowledges that subject to other cash needs of its group it should prioritise the application of the loan towards the restructuring costs approved by the Offeror.
- The rate of interest on each loan is 7% per annum.
- The Tranche 1 Facility is principally secured against the investment management agreements of GAM International Management Limited (and certain other assets as further described below in this Section under "*Debenture*").
- GAM may repay the Tranche 1 Facility at any time and may re-draw any repaid amounts.
- The final maturity date is December 31, 2023.

*Tranche 2 Facility Agreement:* On May 4, 2023, after the entry into the Tranche 1 Facility Agreement and prior to the entry into the Transaction Agreement, the Offeror and GAM entered into the Tranche 2 Facility Agreement (the **Tranche 2 Facility Agreement**; together with the Tranche 1 Facility Agreement, the **Facility Agreements**) under which the parties essentially agreed as follows:

- The Offeror agreed to provide GAM with short-term secured financing.
- The Offeror will make available to GAM a loan facility in a maximum principal amount of GBP 8,900,000 (the **Tranche 2 Facility**), subject to the Offeror shareholder approval of the Offer and evidence that the holders of no less than 66.66% of the issued share capital of GAM have accepted the Offer.
- GAM shall apply all amounts borrowed by it under the Tranche 2 Facility Agreement towards (i) restructuring costs approved by the Offeror; (ii) the FMS Exit; and (iii) funding the ordinary course of business of the GAM Group.
- GAM acknowledges that subject to other cash needs of its group it should prioritise the application of the loan towards the restructuring costs approved by the Offeror.
- The rate of interest on each loan is 7% per annum.
- The Tranche 2 Facility is principally secured against the investment management agreements of GAM International Management Limited (and certain other assets as further described below in this Section under "*Debenture*").
- GAM may repay the Tranche 2 Facility at any time and may re-draw any repaid amounts.
- The final maturity date is the earlier of 30 days after Settlement and December 31, 2023.

*Debenture:* On May 4, 2023, after the entry into the Facility Agreements and prior to the entry into the Transaction Agreement, the Offeror and GAM International Management Limited (the **Chargor**) entered into a certain debenture agreement (the **Debenture**) under which the following was agreed:

- The Chargor granted security over certain of its assets securing the obligations of GAM and the Chargor under the Finance Documents (as defined in the Facility Agreements), including third party security in respect of GAM's obligations under the Facility Agreements and in respect of the Chargor's obligations under the Debenture.
- The Chargor also granted a "covenant to pay" under the Debenture in favour of the Offeror, whereby the Chargor agrees that it will on demand pay and discharge GAM's obligations under the Facility Agreements. However, this payment obligation is limited to such amount as the Chargor is capable of paying without breaching applicable regulatory cash retention requirements.
- The assets secured in favour of the Offeror under the Debenture comprise all assets of the Chargor including, among other assets, the Chargor's rights and interests under any investment management services contracts to which it is party as well as any "Investments" or cash owned by the Chargor, provided that all cash or cash-equivalent investments required to be maintained by the Chargor for regulatory purposes are expressly excluded from the scope of the security assets.
- The security created under the Debenture becomes enforceable upon a notification issued by the Offeror to GAM under clause 18.17 (*Acceleration*) of either Facility Agreement.
- Until the security under the Debenture becomes enforceable, the Chargor may exercise all its rights under the relevant contracts to which it is party and deal with the relevant counterparties in the usual way.
- If the security created under the Debenture becomes enforceable, the Offeror may exercise a number of powers including (among others) selling or otherwise disposing of the security assets, or appointing a receiver to the security assets.
- The Debenture will remain in force until the until the secured liabilities are irrevocably discharged in full.

## 5.5 Further Agreements

Except as described above or elsewhere in this report or in the Offer Prospectus, as of the date of this report and as far as the Board of Directors is aware, there exist no further agreements between the Offeror Group, on the one hand, and GAM, any of its shareholders, any of its subsidiaries or any of its or its subsidiaries' directors or officers (including the members of the GAM Group Management Board), on the other hand.

## 6. Intentions of Holders of Significant Positions in GAM

To the knowledge of the Board of Directors, on June 12, 2023 (as at 17.00 CET), the following persons or entities have reported positions of, or relating to, 3% or more of the voting rights of GAM:

Person / Entity	Percentage of GAM Shares and/or of Other Positions held
Silchester International Investors LLP <sup>22</sup>	18.08% <sup>23</sup>
Xavier Niel, Michael Golan, Anthony Maarek, Albert Saporta, Bruellan Holding SA (through Newgame SA, Rock Investment SAS, Bruellan Corporate Governance Action Fund and The Phoenix Insurance Company) <sup>22</sup>	9.31% <sup>24</sup>
Schroders plc <sup>22</sup>	5.30% <sup>25</sup>
Solas Capital Management, LLC <sup>26</sup>	5.10% <sup>27</sup>
Christopher Brown <sup>26</sup>	5.00% <sup>28</sup>
Gothic Corporation <sup>29</sup>	4.33% <sup>30</sup>
BlackRock, Inc. <sup>22</sup>	4.11% <sup>31</sup>
Mario J. Gabelli <sup>26</sup>	3.02% <sup>32</sup>

<sup>22</sup> Information based on latest notification submitted by the shareholder to the Swiss Takeover Board pursuant to article 134 FinMIA.

<sup>23</sup> GAM Shares: 18.08%.

<sup>24</sup> GAM Shares: 6.50%; Other Purchase Positions (delegated voting rights): 2.81%.

<sup>25</sup> GAM Shares: 5.30%.

<sup>26</sup> Information based on latest notification submitted by the shareholder to the SIX Swiss Exchange and to GAM pursuant to article 120 et seq. FinMIA.

<sup>27</sup> GAM Shares: 5.10%.

<sup>28</sup> GAM Shares: 5.00%.

<sup>29</sup> Pursuant to notification received by GAM on June 10, 2023, which has not yet been published as of the date of this board report on the website "*Significant Shareholders*" of SIX Exchange Regulation. Based on separate communication, the Board of Directors, however, understands that these GAM Shares are already part of the GAM Shares notified by Solas Capital Management, LLC to SIX Swiss Exchange.

<sup>30</sup> GAM Shares: 4.33%

<sup>31</sup> GAM Shares: 4.06%; Other Purchase Positions: 0.05%.

<sup>32</sup> GAM Shares: 1.65%; Other Purchase Positions (delegated voting rights): 1.38%.

Dimensional Holdings Inc.<sup>22</sup>3.22%<sup>33</sup>GAM Holding AG<sup>34</sup>4.80%<sup>35</sup>

On May 9, 2023, Rock Investment SAS, one of the entities holding GAM Shares for one or more members of the group of shareholders composed of Xavier Niel, Michael Golan, Anthony Maarek, Albert Saporta and Bruellan Holding SA, filed an objection against parts of the decision 844/01 of the Swiss Takeover Board of April 21, 2023, regarding the Offer. The objection was against decision points 2 (exception from acting in concert) and 4 (offer condition (i): implementation of the FMS Exit (as defined below)) of the Swiss Takeover Board's decision. Per decision 844/02 of June 5, 2023, the Swiss Takeover Board rejected the above-mentioned objection. This decision may be challenged with the Swiss Financial Market Supervisory Authority FINMA within a period of five trading days, *i.e.*, until June 12, 2023. This decision may be challenged with the Swiss Financial Market Supervisory Authority FINMA within a period of five trading days, *i.e.* until June 12, 2023. At this stage, the Board of Directors is not aware whether a challenge has been filed within this timeframe.

The following persons or entities have communicated their intentions regarding the Offer as follows:

- Silchester International Investors LLP has indicated that it is supportive of the Offer, subject to overall market conditions and the evolution of GAM's business environment.
- The Board understands based on public statements that an investor group comprised of Newgame SA and Bruellan is rejecting the Offer.

At this stage, the Board of Directors is not aware of the intentions of the other persons or entities listed above.

## 7. Defense Measures

The Board of Directors has no knowledge of defense measures that have been taken against the Offer nor does it intend to take any defense measures against the Offer or to propose any defense measures to a general meeting of shareholders of GAM.

In its decision 844/01 dated April 21, 2023, the Swiss Takeover Board confirmed that the FMS Exit by GAM does not constitute an inadmissible or unlawful defensive measure within the meaning of article 132 para. 2 FinMIA and article 36 TOO. **FMS Exit** means exit of GAM and its subsidiaries from the fund management services business undertaken by GAM's subsidiaries in Luxembourg and Switzerland in respect of all third party funds that have no GAM branding, including through those subsidiaries transferring or terminating the FMS Service Contracts in accordance with their terms and applicable law, such that those

---

<sup>33</sup> GAM Shares: 3.22%.

<sup>34</sup> Information provided directly by GAM.

<sup>35</sup> GAM Shares: 0.79%; Other Purchase Positions: 4.008%; Sale Positions: 7.58%.

subsidiaries have ceased to provide services under such contracts, subject always to those subsidiaries complying with all necessary regulatory approvals or directions in relation to the exit from that business. **FMS Service Contracts** means all contracts, agreements and arrangements pursuant to which all third party funds that have no GAM branding receive fund management services from GAM's subsidiaries in Luxembourg and Switzerland.

## 8. Financial Reports; Disclosure of Material Changes in the Assets and Liabilities, Financial Condition, Profits and Losses and Business Perspectives

The audited consolidated full-year financial report of GAM as of and for the year ended December 31, 2022, is available on GAM's website (<https://www.gam.com/resultscentre>).

Save for the transaction to which this board report relates and except as disclosed prior to or on the date of this report (including in this report), the Board of Directors is not aware of significant changes in the assets and liabilities, financial condition, profits and losses or business perspectives of GAM since December 31, 2022, which could influence the decision of the shareholders of GAM regarding the Offer.

GAM will publish a consolidated Q1-2023 financial report of GAM as of and for the three months ended March 31, 2023. GAM currently expects to publish this consolidated Q1-2023 financial report in the week of June 19, 2023. This report will also be available on GAM's website (<https://www.gam.com/resultscentre>).

Zurich, June 12, 2023

For the Board of Directors of GAM Holding AG

---

David J. Jacob  
Chairman

## I. Rights of GAM Shareholders

On 4 May 2023, the first decision (*Verfügung*) (decision 844/01 dated 21 April 2023) of the Swiss Takeover Board in connection with the Exchange Offer (the "**Swiss Takeover Board Decision 1**") was published (<https://www.takeover.ch/transactions/document/id/3697>). Also on 4 May 2023, the Pre-Announcement was published on Liontrust's website and disseminated in accordance with the TOO. The Pre-Announcement states in its Section C. the dispositions issued by the Swiss Takeover Board under the Swiss Takeover Board Decision 1 (in the form of an unofficial translation of the German original) as well as provided information within which period an under which conditions a qualified GAM's shareholder may file an objection (*Einsprache*) against the decision (*Verfügung*) of the Swiss Takeover Board.

On 9 May 2023, Rock Investment SAS, one of the entities holding GAM Shares for one or more members of the group of shareholders composed of Xavier Niel, Michael Golan, Anthony

Maarek, Albert Saporta and Bruellan Holding SA, filed an objection (*Einsprache*) with the Swiss Takeover Board against parts of the Swiss Takeover Board Decision 1 pursuant to article 58 paragraph 1 letter b TOO. The objection (*Einsprache*) was against disposition points 2. (exception from acting in concert) and 4. (offer condition (i): implementation of the FMS Exit) of the Swiss Takeover Board Decision 1.

On 7 June 2023, the second decision (*Verfügung*) (decision 844/02 dated 5 June 2023) of the Swiss Takeover Board in connection with the Exchange Offer and addressing the objection (*Einsprache*) filed by Rock Investment SAS against the Swiss Takeover Board Decision 1 (the "**Swiss Takeover Board Decision 2**") was published (<https://www.takeover.ch/transactions/document/id/3712>). The Swiss Takeover Board rejected the above-mentioned objection (*Einsprache*). For the dispositions issued by the Swiss Takeover Board under the Swiss Takeover Board Decision 2, see below Section J. (*Second Decision of the Swiss Takeover Board*).

Liontrust understands that late on the evening of 7 June 2023, GAM received a request from Rock Investment SAS who holds 5.11% of GAM Shares to hold an extraordinary general shareholders' meeting on or about 16 August 2023. The proposed extraordinary general shareholders' meeting would contemplate the replacement of the existing board as well as a significant change in the capital structure of GAM to allow additional issuance of capital and the suspension of current shareholder participation rights.

Other than Rock Investments SAS, no shareholder of GAM who, since the time of publication of the Pre-Announcement, holds at least 3% of the voting rights in GAM, has filed a request to be and has been granted party status to the Swiss Takeover Board within the deadline of five (5) trading days at SIX Swiss Exchange after the date of the publication of the Swiss Takeover Board Decision 1 or has within the same deadline filed an objection against the Swiss Takeover Board Decision 1. As a consequence, no shareholder of GAM may file an objection (*Einsprache*) against the Swiss Takeover Board Decision 2 and the third decision (*Verfügung*) of the Swiss Takeover Board (decision 844/03 dated 12 June 2023) in connection with the Exchange Offer (the "**Swiss Takeover Board Decision 3**").

## **J. Second Decision of the Swiss Takeover Board**

On 5 June 2023, the Swiss Takeover Board issued the following Swiss Takeover Board Decision 2 (unofficial translation of the German original):

- "1. *The objection of Rock Investment SAS is rejected insofar as it is accepted and not irrelevant.*
2. *This decision shall be published on the website of the Swiss Takeover Board after it has been notified to the parties."*

## **K. Third Decision of the Swiss Takeover Board**

It is expected that the Swiss Takeover Board publishes the following Swiss Takeover Board Decision 3 on 13 June 2023 (unofficial translation of the German original):

- "1. *The public exchange offer by Liontrust Asset Management Plc to the shareholders of GAM Holding AG complies with the legal provisions on public takeover offers.*

2. *It is declared that the passage of the exclusivity agreement in the transaction agreement dated 4 May 2023, according to which GAM Holding AG may only participate in discussions or negotiations on an alternative transaction proposal if it is considered likely to be more advantageous for GAM shareholders, is invalid.*
3. *This decision will be published on the website of the Swiss Takeover Board on the day of the publication of the offer prospectus.*
4. *The fee chargeable to Liontrust Asset Management Plc shall amount to CHF 53,535."*

## **L. Implementation of the Offer**

### **1. Information / Registration**

GAM shareholders will be informed of the procedure for accepting the Offer by their broker or custodian bank and will have to act in accordance with such instructions.

### **2. Financial Advisers, Brokers, Vendor Placement Agent and Offer Manager**

Alantra has been appointed to act as Financial Adviser to the Offeror, Singer has been appointed to act as Sole UK Sponsor and Lead Broker, Panmure Gordon has been appointed as Joint Broker and Vendor Placement Agent and ZKB has been appointed to act as Offer Manager.

### **3. Tendered GAM Shares**

Tendered GAM Shares (other than the GAM Shares referred in the following paragraph) will be booked to the separate Swiss securities number 127626946 (ticker symbol: GAME2). The Offer Manager applied on behalf of the Offeror for the opening of a second trading line for the tendered GAM Shares as of 28 June 2023. It is expected that the trading on the second trading line will be terminated shortly before Settlement.

GAM Shares tendered by any U.S. Shareholder who purports to accept the Offer, but (i) does not satisfy Liontrust and the Vendor Placement Agent that it may receive the Liontrust Shares without filing of a registration statement with the SEC or another relevant regulatory body at Liontrust's and the Vendor Placement Agent's sole discretion, (ii) fails to complete the eligibility questionnaire and/or provide the required supporting documentation, at Liontrust's and the Vendor Placement Agent's sole discretion, and/or (iii) is otherwise discretionarily determined by Liontrust and the Vendor Placement Agent to be not eligible to receive Liontrust Shares without a registration pursuant to the U.S. Securities Act, will participate in the Vendor Placement (all such shareholders, the "**Vendor Placement Shareholders**"), and their tendered GAM Shares will be booked to the separate Swiss securities number 127626948. These tendered GAM Shares will not be tradeable on SIX Swiss Exchange, whether they are tendered during the (possibly extended) Main Offer Period or during the Additional Acceptance Period. Until the last trading day of the second trading line on SIX Swiss Exchange, if such U.S. Shareholders, having already tendered their GAM Shares booked to the separate Swiss securities number 127626948, wish to sell such tendered GAM Shares, the relevant U.S. Shareholders may instruct their custodian bank to exchange such GAM Shares for GAM Shares booked to the separate Swiss securities number 127626946 (ticker symbol: GAME2) and to sell them on the second trading line.



U.S. Shareholders participating in the Vendor Placement will not be allowed to buy tendered GAM Shares on the separate Swiss securities number 127626946 (ticker symbol: GAME2). The Offer Manager will, on an ongoing basis, instruct the custodian banks to book all tendered GAM Shares held by Vendor Placement Shareholders, if any, to the separate Swiss securities number 127626948, and notice will be given to the relevant shareholders, through the relevant shareholder's custodian bank, to the extent that it has not done so previously. Upon receipt of such notice, the shareholder may object by contacting its custodian bank and may establish its eligibility, to Liontrust's and the Vendor Placement Agent's satisfaction in their sole discretion, to receive Liontrust Shares by completing an eligibility questionnaire attached to the form of acceptance and returning any required supporting documentation to the receiving agent.

#### **4. Issue of New Liontrust Shares and related Authorizations**

Through acceptance of the Exchange Offer, the GAM shareholders accept that, within the context of the issuance of the New Liontrust Shares as described in Section C.3.2 (*Changes to Share Capital in Connection with the Exchange Offer and Information on New Liontrust Shares*), ZKB as Offer Manager will undertake exchange and transfer to Liontrust of the GAM Shares as consideration for the issuance of New Liontrust Shares to the GAM shareholders in its own name, but for the account of the GAM shareholders who have accepted the Exchange Offer. Thus, each GAM shareholder tendering his or her GAM Shares into the Exchange Offer will be deemed to have authorized ZKB to exchange and transfer the GAM Shares tendered in the Exchange Offer and to accept the new Liontrust Shares acting in its own name, but for the account of the tendering shareholder, and to take other necessary or advisable action for their account to effect the exchange.

In accordance with English law requirements, ZKB will complete the exchange and transfer of GAM Shares and transfer title to such shares to Liontrust in connection with the issue of the New Liontrust Shares by Liontrust.

The New Liontrust Shares to be issued and delivered to GAM shareholders are expected to be issued and delivered in dematerialized form through SIX SIS AG within about two (2) trading days at SIX Swiss Exchange after the implementation of Liontrust's capital increase as described in Section C.3.2 (*Changes to Share Capital in Connection with the Exchange Offer and Information on New Liontrust Shares*) above and the listing of the New Liontrust Shares on the London Stock Exchange. Under English law, such Liontrust Shares will be deemed registered in the name of a nominee and are generally not considered to comply with the above registration requirements for attending and voting at general meetings, neither in person, by postal vote or by proxy.

In order to be entitled to attend or vote on the Liontrust Shares, the GAM shareholders must therefore choose one of the following options:

- (1) Register their Liontrust Shares directly and permanently in their own name in the members' register (and not through a nominee account). Shareholders seeking to obtain a direct registration should contact and instruct their depositary bank accordingly, and it will depend on the depositary bank, whether this service is offered and the conditions thereof; or
- (2) Obtain a temporary registration for the general meeting in question. To vote on Liontrust Shares held through SIX SIS AG or a custody bank as nominee, shareholders should ensure that the nominee has a power of attorney to vote on behalf of the shareholder.

The notice from the nominee that identifies the GAM shareholder, the relevant share position of the GAM shareholder and a written power of attorney to the nominee must be received by Liontrust before the end of the record date as set out in Section F.1.3 (*Voting Rights and Representation at General Meetings*) above. If the GAM shareholder wants to attend the general meeting in person, the GAM shareholder must ask the custody bank as nominee to request admission cards. Also in case of a temporary registration, voting by proxy, admission cards etc., it will depend on SIX SIS AG or the depositary bank, whether this service is offered and the conditions thereof.

## **5. Settlement of the Exchange Offer**

### **5.1 For Non-U.S. Shareholders**

GAM Shares tendered during the Main Offer Period or the Additional Acceptance Period are expected to be settled in the fourth quarter (Q4) of 2023. GAM Shares validly tendered will be exchanged for Liontrust Shares with fractions being paid in cash in CHF.

### **5.2 For U.S. Shareholders**

All GAM Shares validly tendered and booked on the third line will be exchanged for Liontrust Shares at Settlement. Immediately after Settlement, as part of the Vendor Placement, such Liontrust Shares that are subject to the Vendor Placement will be sold in the open market at prevailing prices and the net cash proceeds (after deduction of applicable taxes, fees, costs and expenses including foreign exchange and dealing commissions), in CHF, of such sales (as well as the fractions) will be distributed, following the sale of all Liontrust Shares subject to the Vendor Placement, pro rata to each Vendor Placement Shareholder, or person acting as agent, nominee, custodian, trustee or otherwise for or on behalf of a Vendor Placement Shareholder, entitled thereto.

Where a U.S. Shareholder makes such representations, warranties and confirmations as Liontrust and the Vendor Placement Agent may require, and Liontrust and the Vendor Placement Agent, in their sole discretion, determine that such holder may receive the Liontrust Shares without filing a registration statement with the SEC or another relevant regulatory body, each such U.S. Shareholder will be entitled to receive Liontrust Shares at Settlement simultaneously with the non-U.S. Shareholders. For further information, see Annex 1 (*Additional Information for U.S. Shareholders*) of this Offer Prospectus and Section L.5.1 (*For non-U.S. Shareholders*) above.

## **6. Entitlement to Dividends and Voting**

The Liontrust Shares to be issued in connection with the Exchange Offer will be entitled to dividend payments from the time of their issuance and will carry the same dividend and voting rights as the existing Liontrust Shares.

## **7. Squeeze-out and Delisting**

After the Settlement of the Offer, as set out in above Section E.2. (*Offeror's Intentions with regard to GAM, its Board of Directors and Management*), the Offeror intends to request the cancellation of the outstanding publicly held GAM Shares in accordance with article 137 FinMIA, or to merge GAM with a Swiss company directly or indirectly controlled by Liontrust whereby the remaining public shareholders of GAM would be compensated by Liontrust in cash or with Liontrust Shares (and cash payments in CHF for fractions – see above

Section B.3.1 (*General*)) and would not receive any shares in the surviving company.

Furthermore, after the Settlement of the Offer, the Offeror intends to have GAM apply to SIX Swiss Exchange for the delisting of the GAM Shares in accordance with the listing rules of SIX Swiss Exchange.

## **8. Costs and Charges**

During the (possibly extended) Main Offer Period and the Additional Acceptance Period, GAM Shares deposited with banks in Switzerland may be tendered free of costs and charges.

Customary stock market charges and brokerage fees will apply to the purchase and sale of shares booked on the second trading line and will be borne by the buying and selling shareholders.

## **9. Potential Swiss Tax Consequences**

*The following is a general summary of certain tax consequences of accepting the Offer and selling GAM Shares based on the Swiss tax laws and regulations in force on the date of this Offer Prospectus. Tax consequences are subject to changes in applicable law, including changes that could have a retroactive effect. This is not a complete summary of the potential Swiss tax effects relevant to the Exchange Offer nor does the summary take into account or discuss the tax laws of any jurisdiction other than Switzerland. It also does not take into account prospective investors' individual circumstances. This summary does not purport to be a legal opinion or to address all tax aspects that may be relevant to investors.*

Acceptance of the Offer and sale of GAM Shares generally result in the following Swiss tax consequences:

GAM shareholders who are not resident in Switzerland for tax purposes, and who, during the respective taxation year, have not engaged in a trade or business carried on through a permanent establishment situated in Switzerland for tax purposes will not be subject to any federal, cantonal or communal income tax as a result of any gain realized on the acceptance of the Offer and sale of GAM Shares.

GAM shareholders who are tax resident in Switzerland and hold their GAM Shares as private assets generate a tax-exempt private capital gain or, where applicable, a non-deductible capital loss.

For GAM shareholders who hold their GAM Shares as part of a trade or business carried on in Switzerland, any capital gain or loss realized are generally includible in, or deductible from, respectively, taxable income in the relevant taxation period for purposes of federal, cantonal and communal personal income taxes (as well as, in general, social security contributions) or corporate income taxes. These tax consequences shall similarly apply to private individuals who, for income tax purposes, qualify as professional securities traders. With respect to the exchange against Liontrust Shares, a taxable profit should only arise to the extent a higher value than for the GAM shares is accounted for by the respective GAM shareholder.

The sale of GAM Shares in the Offer triggers no Swiss withholding tax (*Verrechnungssteuer*) consequences regardless of the tax domicile of the accepting GAM shareholder.

The Offer should qualify as quasi-merger (share for share exchange) and therefore, the acceptance of the Offer should be exempt from Swiss federal stamp duty (*Umsatzabgabe*) which would otherwise apply if a party or intermediary qualifies as a securities trader pursuant to the Federal Stamp Duty Act of 27 June 1973, as amended (the "**SDA**").

If the Offeror holds more than 98% of the voting rights of GAM following Settlement of the Offer and applies for cancellation of the remaining publicly traded GAM Shares in exchange for compensation by the Offeror pursuant to article 137 FinMIA (see above Section E.2. (*Offeror's Intentions with regard to GAM, its Board of Directors and Management*)), the tax consequences for those GAM shareholders who have not accepted the Offer shall be fundamentally the same as if they had tendered their GAM Shares under the Offer.

If Liontrust holds, after the Settlement, 90% to 98% of the voting rights of GAM, the intention is to merge GAM with a Swiss company directly or indirectly controlled by Liontrust according to articles 8 paragraph 2 and 18 paragraph 5 of the Swiss Merger Act of 3 October 2003, as amended, with the remaining public shareholders of GAM not being compensated with shares in the surviving company, but by Liontrust in cash or with Liontrust Shares and a cash amount in CHF for fractions. Under those circumstances, the tax consequences of the squeeze-out merger for those GAM shareholders who have not accepted the Offer shall be fundamentally the same as if they had tendered their GAM Shares under the Offer.

Switzerland has been participating in the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information for the automatic exchange of information (the "**AEOI**") in tax matters on the basis of the OECD Common Reporting Standard. In addition, Switzerland has concluded a number of bilateral agreements with the European Union (which applies to all 27 member states) and other jurisdictions. Based on the above AEOI agreements and the implementing laws of Switzerland (i.e., the Federal Act on the International Automatic Exchange of Information in Tax Matters of 18 December 2015, as amended, and the Ordinance on the International Automatic Exchange of Information in Tax Matters of 23 November 2016, as amended, the Swiss Federal Tax Administration collects certain data in respect of financial assets, including shares, and income derived thereon and credited to, accounts or deposits with a paying agent in Switzerland for the benefit of residents in a EU member state or a treaty state, and exchanges it with the tax authorities of the state of residence. A list of the AEOI agreements of Switzerland in effect or signed and becoming effective can be found on the website of the State Secretariat for International Finance.

Switzerland has concluded an intergovernmental agreement with the U.S. to facilitate the implementation of the Foreign Account Tax Compliance Act (the "**FATCA**"). The agreement ensures that certain accounts held by U.S. persons with Swiss financial institutions are disclosed to the U.S. tax authorities either with the consent of the account holder or by means of group requests within the scope of administrative assistance. In Switzerland, information will not be transferred automatically in the absence of consent and instead, if consent is not given, will be exchanged within the scope of administrative assistance on the basis of the double taxation agreement between the U.S. and Switzerland. On 8 October 2014, the Swiss Federal Council approved a mandate for negotiations with the U.S. on changing the current direct-notification-based regime to a regime whereby the relevant information would be sent to the Swiss Federal Tax Administration, which in turn would provide the information to the U.S. tax authorities. It is currently unclear if and when such new regime comes into force. It should also be noted that FATCA is a global reporting regime and generally requires all non-U.S. financial institutions to ensure the reporting of certain U.S. accounts to the U.S. tax authorities. Information reporting to the U.S. tax authorities may therefore also be made if financial assets are held at financial institutions outside of Switzerland.

For tax considerations for U.S. shareholders, see Annex 2 (*Tax Considerations for U.S. Shareholders*) of this Offer Prospectus.

For tax considerations for United Kingdom shareholders, see Annex 3 (*Tax Considerations for United Kingdom Shareholders*) of this Offer Prospectus.

Annex 2 (*Tax Considerations for U.S. Shareholders*) and Annex 3 (*Tax Considerations for United Kingdom Shareholders*) of this Offer Prospectus contain summaries of limited aspects of certain tax considerations for U.S. Shareholders and United Kingdom shareholders of GAM and relate only to the position of certain categories of GAM shareholders (as explained further therein). The information provided in each of those Annexes does not constitute tax advice and does not purport to be a complete analysis of all potential U.S. or United Kingdom tax consequences relevant in connection with the Offer.

**All GAM shareholders and beneficial owners of GAM Shares are expressly recommended to consult their own tax adviser regarding the Swiss tax effects and, where applicable, foreign tax effects of this Offer (including any U.S. or United Kingdom tax effects) which may apply to them.**

#### **M. Indicative Timetable**

13 June 2023	Publication of Offer Prospectus
13 June 2023	Publication of Liontrust's Class 1 Circular
14 June 2023	Start of Cooling-Off Period
Week of 19 June 2023	Publication of GAM's unaudited interim financial statements for the first quarter 2023 ending 31 March 2023
21 June 2023	Publication of Liontrust's final audited financial results for its financial year ending 31 March 2023
23 June 2023	Publication of Liontrust's supplementary circular
27 June 2023	End of Cooling-Off Period
28 June 2023	Start of Main Offer Period
28 June 2023	Opening of second trading line on SIX Swiss Exchange for tendering GAM Shares
7 July 2023	General shareholders' meeting of Liontrust
25 July 2023*	End of Main Offer Period, 16:00 CEST
26 July 2023*	Publication of provisional notice of interim Offer results
31 July 2023*	Publication of definitive notice of interim Offer results

2 August 2023*	Start of Additional Acceptance Period
Expected during or shortly after Additional Acceptance Period*	Extraordinary shareholders' meeting of GAM
15 August 2023*	End of Additional Acceptance Period, 16:00 CET
16 August 2023*	Publication of provisional notice of final Offer results
21 August 2023*	Publication of definitive notice of final Offer results
Expected in fourth quarter 2023*,**	Closing of second trading line on SIX Swiss Exchange for tendered GAM Shares
Expected in fourth quarter 2023*,**	Meeting of the board of directors of Liontrust re allotment of New Liontrust Shares
Expected in fourth quarter 2023*,**	Issuance of New Liontrust Shares
Expected in fourth quarter 2023*,**	Listing of New Liontrust Shares on London Stock Exchange
Expected in fourth quarter 2023*,**,***	Settlement of the Exchange Offer (delivery of New Liontrust Shares and cash amount in CHF for fractions to tendering GAM shareholders)

\* The Offeror reserves the right to extent the Main Offer Period according to above Section B.5. (Main Offer Period) once or several times and/or to defer Settlement according to Section B.7.3 (Period for which the Offer Conditions are in Force and Effect and Deferral of Settlement) above. In such a case, the timetable will be adjusted accordingly.

\*\* Without any Deferral, Settlement shall occur no later than within ten (10) trading days at SIX Swiss Exchange after the end of the Additional Acceptance Period.

\*\*\* For the Settlement regarding U.S. Shareholders, see above Section on the Offer Restrictions and above Sections B.3.3 (Treatment of U.S. Shareholders) and L.5.2 (For U.S. Shareholders) and Annex 1 (Additional Information for U.S. Shareholders) of this Offer Prospectus.

## **N. Governing Law and Jurisdiction**

The Offer and all rights and obligations arising out of or in connection with the Offer shall be governed by, and construed in accordance with, Swiss substantive law. Zurich 1, Switzerland shall be the place of exclusive jurisdiction for all disputes arising out of or in connection with the Offer.

**O. Security Number / ISIN / Ticker Symbol**

	Security number	ISIN	Ticker Symbol
GAM registered shares <b>not tendered</b> (first trading line)	10265962	CH0102659627	GAM
GAM registered shares <b>tendered</b> (second trading line)	127626946	CH1276269466	GAME2
GAM registered shares <b>tendered</b> (third line, no trading)	127626948	CH1276269482	n/a
Liontrust Shares	0738840	GB0007388407	LIO

**P. Offer Documentation**

This Offer Prospectus and all other publications of the Offeror in connection with the Offer are published on the website of Liontrust (<https://www.liontrust.co.uk/gam-acquisition/documents>) and provided electronically to the major Swiss media, the significant information service agencies operating in Switzerland, the significant electronic media which disseminate stock exchange information, as well as the Swiss Takeover Board.

This Offer Prospectus is available in German, French and English free of charge from Zürcher Kantonalbank, IHKT, P.O. Box, 8010 Zurich (e-mail: [prospectus@zkb.ch](mailto:prospectus@zkb.ch)).

**Q. Annexes**

Annex 1: Additional Information for U.S. Shareholders

Annex 2: Tax Considerations for U.S. Shareholders

Annex 3: Tax Consideration for United Kingdom Shareholders

Sole UK Sponsor and Lead Broker: Singer Capital Markets Advisory LLP

Financial Adviser: Alantra Corporate Finance LLP

Joint Broker and Vendor Placement Agent: Panmure Gordon (UK) Limited

Offer Manager: Zürcher Kantonalbank

## **Annex 1: Additional Information for U.S. Shareholders**

Each U.S. Shareholder who validly accepts the Offer will receive, in lieu of Liontrust Shares to which it would otherwise be entitled under the terms of the Offer, the pro rata portion of the cash proceeds of the sale in the open market at the prevailing prices promptly following Settlement of all Liontrust Shares held by all such accepting U.S. Shareholders net of fees and expenses, unless such holder makes such representations, warranties and confirmations as Liontrust and the Vendor Placement Agent may require, and Liontrust and the Vendor Placement Agent, in their sole discretion, determine that such holder may receive the Liontrust Shares without filing of a registration statement with the SEC or another relevant regulatory body. The sale of Liontrust Shares pursuant to the Vendor Placement will occur promptly following the Settlement outside of the United States pursuant to a centralized sale process and will be subject to applicable fees and expenses. U.S. Shareholders who wish to receive Liontrust Shares (and fractions in cash in CHF) in the Offer will be required to make such acknowledgments and representations to, and agreements with, Liontrust and the Vendor Placement Agent as Liontrust and the Vendor Placement Agent may require to establish that they are entitled to receive Liontrust Shares in a transaction not subject to the registration requirements of the U.S. Securities Act, inter alia, by completing an eligibility questionnaire attached to the form of acceptance and returning any required supporting documentation to the receiving agent.

In light of the foregoing, each Shareholder that either:

- (i) warrants in the eligibility questionnaire attached to the form of acceptance that it is either (A) in the United States or (B) acting as agent, nominee, custodian, trustee or otherwise for or on behalf of a person in the United States;
- (ii) completes the form of acceptance with an address in the United States or has a registered address in the United States; or
- (iii) inserts in its form of acceptance the name and address of a person or agent in the United States to whom it wishes the consideration to which it is entitled under the Exchange Offer and/or any, documents to be sent,

shall have its shares allocated to the Vendor Placement be required to make such acknowledgments and representations to, and agreements with, Liontrust and the Vendor Placement Agent as set forth in the eligibility questionnaire, and to satisfy Liontrust and the Vendor Placement Agent, in their sole discretion, that it is entitled to receive Liontrust Shares in a transaction not subject to the registration requirements of the U.S. Securities Act, as well as to provide the required supporting documentation to the receiving agent, in order to be considered for eligibility to receive Liontrust Shares in the Exchange Offer and not participate in the Vendor Placement.

All U.S. Shareholders that validly execute the form of acceptance but do not:

- (i) make such representations, warranties and confirmations as Liontrust and the Vendor Placement Agent may require;
- (ii) complete the eligibility questionnaire and/or provide the required supporting documentation, at Liontrust's and the Vendor Placement Agent's sole discretion; or
- (iii) are otherwise determined by Liontrust and the Vendor Placement Agent (in their sole



discretion) to be not eligible to receive Liontrust Shares without registration under the U.S. Securities Act,

will have their tendered GAM Shares booked on the third line. Those tendered GAM Shares will not be tradeable on SIX Swiss Exchange. Vendor Placement Shareholders may instruct their custodian bank to exchange such GAM Shares for GAM Shares booked to the separate Swiss securities number 127626946 (ticker symbol: GAME2) and to sell them on the second trading line. Vendor Placement Shareholders will not be allowed to buy tendered GAM Shares on the second trading line. All Vendor Placement Shareholders whose GAM Shares are booked on the third line after closing of the second trading line will be deemed to have irrevocably authorized Liontrust, the selling agent and/or the receiving agent to arrange for, or effect, the sale of the Liontrust Shares in the Vendor Placement and to remit the cash proceeds, in CHF, of such sale, net of expenses, to such U.S. shareholder instead. In such event, U.S. Shareholders should be aware that such sale of Liontrust Shares will be made in the open market at prevailing prices promptly following Settlement. This means that the amount of cash proceeds a U.S. Shareholder is entitled to receive in the Exchange Offer may vary from the then-prevailing prices for Liontrust Shares.

None of Liontrust, GAM, the receiving agent or any selling agent will have any obligations whatsoever (subject to the duty of "best execution" under Swiss and United Kingdom rules, to the extent applicable) in relation to the timing of the sales referred to above or the price obtained, and such sales may be made individually or together with other Liontrust Shares to which such provisions apply.

U.S. shareholders should be aware that such sale of Liontrust Shares will not be underwritten and the net cash proceeds (after deduction of applicable taxes, fees, costs and expenses including foreign exchange and dealing commissions) to be received as a result thereof is uncertain. None of Liontrust, the selling agent or the receiving agent or any of their respective directors, affiliates, associates or agents shall have made any assurance as to achieving a particular price per Liontrust Share. The net cash proceeds (after deduction of applicable taxes, fees, costs and expenses including foreign exchange and dealing commissions), in CHF, of such sales (as well as the fractions) will be distributed, following the sale of all Liontrust Shares subject to the Vendor Placement, pro rata to each U.S. shareholder, or person acting as agent, nominee, custodian, trustee or otherwise for or on behalf of a U.S. shareholder, entitled thereto. In connection with any sale of the Liontrust Shares to which a U.S. shareholder may otherwise be entitled pursuant to the Exchange Offer, amounts will be retained in respect of expenses (including, as applicable and without limitation, any brokerage fees and commissions, wire transfer fees, stamp duty or other miscellaneous fees and expenses, together with any applicable value added tax payable thereon) incurred by Liontrust, the selling agent or the receiving agent or any of their respective directors, affiliates, associates or agents acting on behalf of the relevant U.S. shareholder, or person acting as agent, nominee, custodian, trustee or otherwise for or on behalf of a U.S. shareholder, in connection with such sale.

## Annex 2: Tax Consideration for U.S. Shareholders

### I. U.S. Federal Income Tax Considerations of the Exchange Offer

The following is a discussion of the U.S. federal income tax consequences applicable to U.S. Shareholders (as defined below) that accept the Exchange Offer and receive solely cash for their GAM Shares. The following does not discuss the consequences to U.S. Shareholders (as defined below) who exchange their GAM Shares for Liontrust Shares. This discussion is not a complete analysis of all of the possible tax consequences of the Exchange Offer and does not address all tax considerations that may be relevant to you. Special rules that are not discussed in the general descriptions below may also apply. In particular, the description of U.S. federal income tax consequences deals only with U.S. Shareholders (as defined below) that hold GAM Shares as capital assets and that do not own, actually or constructively, 10% or more of the voting power of our aggregate shares outstanding, or any stock of Liontrust. In addition, this description of U.S. federal income tax consequences does not address the tax treatment of special classes of U.S. Shareholders (as defined below), such as banks and other financial institutions, tax-exempt entities, insurance companies, persons holding shares as part of a "straddle", "hedge", "integrated transaction", or "conversion transaction", persons holding shares through partnerships or other pass-through entities, U.S. expatriates, persons liable for alternative minimum tax, broker-dealers or traders in securities or currencies, holders whose "functional currency" is not the U.S. dollar, regulated investment companies, real estate investment trusts, and traders in securities who have elected the mark-to-market method of accounting for their securities.

This discussion is based on the United States Internal Revenue Code of 1986, as amended, final, temporary and proposed Treasury regulations promulgated thereunder, judicial decisions, published rulings and administrative pronouncements as in effect on the date hereof, any of which may change, possibly with retroactive effect. There can be no assurance that the United States Internal Revenue Service (the "**IRS**") will not disagree with or will not challenge any of the conclusions reached and described herein.

For purposes of this section, you are a "**U.S. Shareholder**" if you are a beneficial owner of GAM Shares and you are for U.S. federal income tax purposes: (i) an individual citizen of the United States or a resident alien of the United States; (ii) a corporation (or other entity treated as a corporation) created or organized under the laws of the United States or any state thereof or the District of Columbia; (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source; or (iv) a trust (A) if a court within the United States is able to exercise primary jurisdiction over its administration and one or more U.S. Persons have authority to control all substantial decisions of the trust or (B) that has a valid election in effect under applicable Treasury regulations to be treated as a U.S. Person.

If a partnership or other pass-through entity is a beneficial owner of GAM Shares, the tax treatment of a partner or other owner will generally depend upon the status of the partner (or other owner) and the activities of the entity. Partners (or other owners) of a pass-through entity that exchanges GAM Shares for cash pursuant to the Exchange Offer should consult their tax advisers. This discussion does not address any tax consequences arising under the net investment income tax or the alternative minimum tax, nor does it address any tax consequences arising under the laws of any state, local or foreign jurisdiction, or under any U.S. federal laws other than those pertaining to income taxes.

This discussion assumes that GAM is not a passive foreign investment company (a "**PFIC**") for U.S. federal income tax purposes, which GAM believes to be the case. GAM's possible

status as a PFIC must be determined annually and therefore may be subject to change. If GAM were a PFIC, materially adverse consequences could result for U.S. Shareholders.

**This discussion is for general information only and is not intended to be, nor should it be construed to be, legal or tax advice, and no opinion or representation with respect to the U.S. federal income tax consequences to any person is made. U.S. Shareholders are urged to consult their tax advisers as to the particular consequences to them under U.S. federal, state and local tax laws of accepting the Exchange Offer.**

#### *Consequences of the Exchange Offer*

The receipt of cash in exchange for GAM Shares pursuant to the Exchange Offer will be a taxable transaction for U.S. federal income tax purposes. Subject to the PFIC rules discussed below, a U.S. Shareholder will generally recognize capital gain or loss in an amount equal to the difference between the U.S. dollar value of the amount realized and the U.S. Shareholder's adjusted tax basis (determined in U.S. dollars) in the shares exchanged in the Exchange Offer.

Gain or loss must be calculated separately for each block of shares exchanged by a U.S. Shareholder. A U.S. Shareholder's adjusted tax basis in each block of shares generally will be the cost to such U.S. Shareholder of such block of shares. Capital gains of individuals derived with respect to shares held for more than one year at the time of the exchange may be eligible for preferential long-term capital gains rates. The deductibility of capital losses is subject to limitations. Capital gain or loss realized by a U.S. Shareholder upon a disposition of shares will constitute income or loss from sources within the United States for foreign tax credit limitation purposes.

The amount of any foreign currency a U.S. Shareholder receives will be translated into U.S. dollars for purposes of calculating the gain or loss described above using the exchange rate applicable on the date the foreign currency is received by the U.S. Shareholder, regardless of whether the foreign currency is converted into U.S. dollars. If the foreign currency received is not converted into U.S. dollars on the date of receipt, a U.S. Shareholder will have a basis in the foreign currency equal to the U.S. dollar value of the foreign currency on the date of receipt, and any gain or loss realized on a subsequent conversion or other disposition will generally be treated as ordinary income or loss. A U.S. Shareholder should consult its own tax adviser regarding the United States federal income tax consequences of acquiring, holding and disposing of foreign currency.

#### *Non-tendering U.S. Shareholders*

As discussed above, if, as a result of the Exchange Offer, Liontrust holds more than 90% but not more than 98% of the GAM Shares, Liontrust will initiate appropriate measures to implement the new holding structure. Moreover, if Liontrust holds more than 98% of the GAM Shares after the completion of the Exchange Offer, Liontrust will file a request with the competent court to invalidate the GAM Shares of the remaining minority shareholders based on article 137 FinMIA. To comply with U.S. securities law, those U.S. Shareholders who were not entitled to receive Liontrust Shares in the Exchange Offer will, in either case, receive cash. For U.S. tax purposes, cash received for GAM Shares in a squeeze-out, or any other reorganisation having the same or a similar effect, will generally be treated the same as cash received in any other form of transaction as a result of the Exchange Offer.

### *Passive Foreign Investment Company Considerations*

If GAM were classified as a PFIC with respect to any year during a U.S. Shareholder's holding period, special, possibly materially adverse, consequences would result for such U.S. Shareholder. A foreign corporation will be considered a PFIC for any taxable year in which (1) 75% or more of its gross income is "passive income" under the PFIC rules or (2) 50% or more of the average quarterly value of its assets produce (or are held for the production of) "passive income." For this purpose, "passive income" generally includes interest, dividends, certain rents and royalties, and certain gains. Moreover, for purposes of determining if the foreign corporation is a PFIC, if the foreign corporation owns, directly or indirectly, at least 25%, by value, of the shares of another corporation, it will be treated as if it holds directly its proportionate share of the assets and receives directly its proportionate share of the income of such other corporation. If a corporation is treated as a PFIC with respect to a U.S. Shareholder for any taxable year, the corporation will continue to be treated as a PFIC with respect to that U.S. Shareholder in all succeeding taxable years, regardless of whether the corporation continues to meet the PFIC requirements in such years, unless certain elections are made.

GAM believes that it has not been a PFIC in any prior taxable year, and it does not expect to become a PFIC in 2019. However, PFIC status is fundamentally factual in nature, generally cannot be determined until the close of the taxable year in question, and is determined annually (the average value of assets for each year being the average of the fair market values of the assets determined as of the end of each quarter). Consequently, no assurance can be given that GAM will not be or has not been a PFIC for any year. U.S. Shareholders are urged to consult their own tax advisers regarding the possible applicability of the PFIC rules and the consequences of PFIC status.

To mitigate the application of the PFIC rules, a U.S. Shareholder may make an election to treat the Company as a qualified electing fund (a "**QEF**") for U.S. federal income tax purposes. To make a QEF election, the Company must provide U.S. Shareholders with information compiled according to U.S. federal income tax principles. The Company does not currently intend to prepare or provide the information that would enable a U.S. Shareholder to make a QEF election.

### *Information Reporting and Backup Withholding*

Information returns may be required to be filed with the IRS in connection with the receipt of cash pursuant to the Exchange Offer. A U.S. Shareholder may be subject to U.S. backup withholding on such payments unless such shareholder provides proof of an applicable exemption or a correct taxpayer identification number and otherwise complies with the applicable requirements of the backup withholding rules. U.S. Shareholders should consult with their tax advisers regarding the application of the U.S. information reporting and backup withholding rules. Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against a U.S. Shareholders' U.S. federal income tax liability, and a U.S. Shareholder may obtain a refund of any excess amounts withheld under the backup withholding rules by timely filing the appropriate claim for refund with the Internal Revenue Service and furnishing any required information.

## **Annex 3: Tax Consideration for United Kingdom Shareholders**

### **I. United Kingdom Taxation**

The following is a general summary of certain tax consequences of accepting the Offer and selling GAM Shares based on the United Kingdom tax law as applied in the UK and His Majesty's Revenue and Customs ("**HMRC**") published practice (which may not be binding on HMRC) as at the date of this Offer Prospectus, both of which are subject to change, possibly with retrospective effect. This is not a complete summary of the potential UK tax effects relevant to the Offer nor does the summary take into account or discuss the tax laws of any jurisdiction other than the UK. It also does not take into account prospective investors' individual circumstances. This summary does not purport to be a legal opinion or to address all tax aspects that may be relevant to investors.

This summary only applies to persons who are resident in (and only in) the UK for tax purposes, who hold their GAM Shares as an investment (other than where a tax exemption applies, for example where the GAM Shares are held in an Individual Savings Account or pension arrangement), and who are the absolute beneficial owners of shares. The comments below may not apply to certain classes of persons, such as persons acquiring their GAM Shares in connection with employment, dealers in securities, those subject to UK tax on the remittance basis, insurance companies, collective investment schemes, charities, exempt pension funds, temporary UK non-residents and UK non-residents carrying on a trade, profession or vocation in the UK.

The statements are intended as a general guide only. If any GAM shareholder is in any doubt as to their position or if they are subject to tax in a jurisdiction other than the UK, they should consult an appropriate professional adviser.

#### **a) UK tax on chargeable gains**

##### *(i) UK shareholders receiving New Liontrust Shares*

Subject to the comments below, the disposal of GAM Shares by a UK shareholder in exchange for the issue of New Liontrust Shares pursuant to the Offer should be treated as an exchange of securities for the purposes of section 135 of the Taxation of Chargeable Gains Act 1992. This means that a UK shareholder, to the extent they do not hold (either alone or together with persons connected with him/her) more than 5% of, or of any class of, shares in or debentures of GAM should not be treated as disposing of their GAM Shares. Instead, the New Liontrust Shares received by them should be treated for the purposes of UK taxation as the same asset, acquired at the same time as the GAM Shares in respect of which they are issued as consideration.

A UK shareholder who holds (either alone or together with persons connected with him/her) more than 5% of, or of any class of, shares in or debentures of GAM will be eligible for the above treatment only if the exchange of GAM Shares for New Liontrust Shares and/or cash pursuant to the Offer is effected for *bona fide* commercial reasons and does not form part of a scheme or arrangement of which the main purpose, or one of the main purposes, is an avoidance of liability to UK capital gains tax or corporation tax. UK shareholders are advised that GAM has not sought, and does not intend to seek, clearance under section 138 of the Taxation of Chargeable Gains Act 1992 that HMRC is satisfied that the arrangements will be effected for *bona fide* commercial reasons and will not form part of any such scheme or arrangements described above.

*(ii) Receipt of cash in respect of fractional entitlements*

If a UK shareholder receives cash in respect of fractional entitlements to New Liontrust Shares in addition to New Liontrust Shares, in circumstances where the amount of cash received is small in comparison with the value of their GAM Shares and the base cost attributable to their GAM Shares is equal to or greater than the amount of such cash received, the UK shareholder will not be treated as having disposed of the shares in respect of which the cash was received. Instead, an amount equal to the amount of such cash will be deducted from the base cost of their New Liontrust Shares for the purposes of computing any chargeable gain or allowable loss on a future disposal of the New Liontrust Shares.

Under current HMRC practice, any cash payment of (i) GBP 3,000 or less or (ii) (if greater) which is 5% or less of the market value of a UK shareholder's holding of GAM Shares should generally be treated as small for these purposes.

In all other cases, to the extent a UK shareholder who is an individual receives cash in respect of fractional entitlements of their GAM Shares, that UK shareholder will be treated as making a part disposal of GAM Shares for that cash which may, depending on the UK shareholder's individual circumstances (including the UK shareholder's base cost in their holding of GAM, and the availability of any exemptions, reliefs or allowable losses), give rise to a liability to UK tax on chargeable gains.

**b) UK Stamp Duty and Stamp Duty Reserve Tax ("SDRT")**

No UK stamp duty or SDRT should be payable by UK shareholders on the exchange of their GAM Shares pursuant to the Offer.

**This summary is for general information only and is not intended to be, nor should it be construed to be, legal or tax advice, and no opinion or representation with respect to the UK Tax consequences to any person is made. UK shareholders should consult their own solicitor, independent financial adviser or tax adviser for legal, financial or tax advice in respect of the Offer.**