IOOF Holdings Ltd
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FOR IMMEDIATE RELEASE

NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES

7 September 2020

IOOF Retail Entitlement Offer opens

IOOF Holdings Ltd ACN 100 103 722 (**IOOF** or **Company**) confirms that the retail entitlement offer booklet (**Retail Offer Booklet**) and personalised entitlement and acceptance form in connection with the fully underwritten 1 for 2.09 pro rata accelerated non-renounceable entitlement offer (**Entitlement Offer**) as announced to ASX on 31 August 2020 are being despatched to Eligible Retail Shareholders today.

A letter to Ineligible Retail Shareholders notifying them of the Entitlement Offer and their ineligibility to participate is also being despatched.

A copy of the Retail Offer Booklet and the letter to Ineligible Retail Shareholders is attached.

A copy of the Retail Offer Booklet (and the personalised entitlement and acceptance form) is also accessible to Eligible Retail Shareholders at https://www.investorserve.com.au/ (where Eligible Retail Shareholders will need to provide their SRN or HIN to obtain a copy of the relevant documents).

Retail Entitlement Offer

The retail component of the fully underwritten Entitlement Offer opens today on Monday, 7 September 2020 and is expected to close at 5pm (AEST) on Wednesday, 16 September 2020. Application monies must be received prior to this time, in accordance with the Retail Offer Booklet and the personalised entitlement and acceptance form.

Shareholder Enquiries

Eligible Retail Shareholders are encouraged to carefully read the Retail Offer Booklet for further details relating to the Retail Entitlement Offer.

Shareholders with questions about the Retail Entitlement Offer may call the IOOF Offer Information Line on 1800 222 722 (within Australia) or +61 2 9290 9699 (outside Australia) between 8:30am and 5:30pm (AEST), on Monday to Friday from Monday, 7 September 2020 to Wednesday, 16 September 2020.

Additional Information

Further details about the capital raising are set out in the investor presentation released to the ASX on Monday, 31 August 2020.

-ENDS-

Authorised for release by the CEO of IOOF Holdings Ltd.

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About IOOF Holdings Ltd

IOOF has been helping Australians secure their financial future since 1846. During that time, we have grown substantially to become one of the largest groups in the financial services industry.

IOOF provides advisers and their clients with the following services:

- **Financial Advice** services via our extensive network of financial advisers;
- **Portfolio & Estate Administration** for advisers, their clients and hundreds of employers in Australia; and
- **Investment Management** products that are designed to suit any investor's needs.

Further information about IOOF can be found at www.ioof.com.au

IMPORTANT NOTICE AND DISCLAIMER

Not for distribution or release in the United States

This announcement is not financial product advice and has not taken into account your objectives, financial situation or needs. This announcement has been prepared for release in Australia. This announcement may not be released or distributed in the United States. This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States or in any other jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. The offer and sale of the new Shares referred to in this announcement have not been, and will not be, registered under the United States Securities Act of 1933 (the U.S. Securities Act), or the securities laws of any state or other jurisdiction of the United States. The new Shares to be offered and sold in the Retail Entitlement Offer may not be offered or sold, directly or indirectly, to any person in the United States or any person acting for the account or benefit of a person in the United States.

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

IOOF Holdings Ltd

IOOF Holdings Ltd ACN 100 103 722

Retail Entitlement Offer Information Booklet

Details for a 1 for 2.09 pro rata accelerated non-renounceable entitlement offer of IOOF Holdings Ltd ordinary shares at an offer price of $3.50 per New Share.

The Retail Entitlement Offer closes at 5.00pm (AEST) on Wednesday, 16 September 2020.

The Retail Entitlement Offer is open to Eligible Retail Shareholders who were a registered holder of IOOF ordinary shares at 7:00pm (Melbourne time) on Wednesday, 2 September 2020. If you were also a registered holder of IOOF ordinary shares at 7.00pm (Sydney time) on Friday, 28 August 2020 and shown on the IOOF share register to have an address in Australia or New Zealand, you will also be eligible to participate in the share purchase plan announced by IOOF on 31 August 2020. Please see the Share Purchase Plan Booklet for more details.

This Information Booklet requires your immediate attention. It is an important document which is accompanied by a personalised Entitlement and Acceptance Form and both should be read in their entirety. This document is not a prospectus under the Corporations Act and has not been lodged with the Australian Securities and Investments Commission.

If you have any questions, you should seek advice from your stockbroker, accountant or other independent professional adviser or call the IOOF Offer Information Line on 1800 222 722 or +61 2 9290 9699 (outside Australia) at any time between 8:30am and 5:30pm (AEST) on Monday to Friday during the Retail Entitlement Offer period.

Important notices

Nature of this Information Booklet

This Information Booklet has been prepared and issued by IOOF Holdings Ltd (ACN 100 103 722) (**IOOF** or the **Company**) and is dated 7 September 2020. Capitalised terms in this section have the meaning given to them in this Information Booklet.

The Retail Entitlement Offer is made in accordance with section 708AA of the Corporations Act (as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84*). This Information Booklet does not contain all of the information which an investor may require to make an informed investment decision. The information in this Information Booklet does not constitute financial product advice and does not take into account your investment objectives, financial situation or particular needs.

This Information Booklet should be read in its entirety before you decide to participate in the Retail Entitlement Offer. This Information Booklet is not a prospectus or other disclosure document under the Corporations Act and has not been lodged with ASIC.

By returning an Entitlement and Acceptance Form or otherwise paying for your New Shares through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have read this Information Booklet and you have acted in accordance with and agree to the terms of the Retail Entitlement Offer detailed in this Information Booklet.

Neither the Underwriter nor any of its related bodies corporate or affiliates, nor any of their respective directors, officers, partners, employees, representatives, contractors, consultants, agents or advisers (together, the **Underwriter Parties**) has authorised, permitted or caused the issue or lodgement, submission, despatch or provision of this Information Booklet and there is no statement in this Information Booklet which is based on any statement made by the Underwriter or by any Underwriter Party. To the maximum extent permitted by law, each Underwriter Party expressly disclaims all duties and liabilities (including for fault, negligence and negligent misstatement) in respect of, and makes no representations or warranties regarding, and takes no responsibility for, any part of this Information Booklet or any action taken by you on the basis of the information in this Information Booklet, and makes no representation or warranty as to the fairness, currency, accuracy, reliability or completeness of this Information Booklet.

No overseas offering

This Information Booklet and the accompanying Entitlement and Acceptance Form do not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. In particular, this Information Booklet does not constitute an offer to Ineligible Retail Shareholders. This Information Booklet is not to be distributed in, and no offer of New Shares under the Retail Entitlement Offer is to be made, in countries other than Australia and New Zealand. No action has been taken to register or qualify the Retail Entitlement Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than in Australia and New Zealand.

The distribution of this Information Booklet (including an electronic copy) outside Australia and New Zealand, is restricted by law. If you come into possession of the information in this booklet, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

Foreign exchange control restrictions or restrictions on remitting funds from your country to Australia may apply. Your Application for New Shares is subject to all requisite authorities and clearances being obtained for IOOF to lawfully receive your Application Monies.

New Zealand disclaimer

The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of IOOF with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Financial Markets Conduct Act 2013 (New Zealand) and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016 (New Zealand).

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (New

Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

United States disclaimer

This Information Booklet and any accompanying ASX announcements and the Entitlement and Acceptance Form do not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. **Neither this Information Booklet nor the Entitlement and Acceptance Form may be distributed or released in the United States.** Neither the Entitlements nor the New Shares offered in the Retail Entitlement Offer have been, or will be, registered under the U.S. Securities Act of 1933 (**U.S. Securities Act**) or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be taken up by, and the New Shares may not be offered, sold or resold to persons in the United States or persons who are acting for the account or benefit of a person in the United States unless they have been registered under the U.S. Securities Act or offered or sold in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable U.S. state securities laws. The Entitlements and the New Shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in compliance with Regulation S under the U.S. Securities Act.

Definitions and time

Defined terms used in this Information Booklet are contained in the Glossary in section 9. All references to time are to the time in Sydney (Australia), unless otherwise indicated.

Foreign exchange

All references to "$" are AUD unless otherwise noted.

Taxation

There will be tax implications associated with participating in the Retail Entitlement Offer and receiving New Shares. Section 6 provides for a general guide to the Australian income tax, GST and stamp duty implications of the Retail Entitlement Offer for Eligible Retail Shareholders. The guide does not take account of the individual circumstances of particular Eligible Retail Shareholders and does not constitute tax advice. IOOF recommends that you consult your professional tax advisor in connection with the Retail Entitlement Offer.

Past performance

Investors should note that the past Share price performance of IOOF provides no guarantee or guidance as to future Share price performance.

Future performance

This Information Booklet contains certain “forward looking statements”. Forward looking statements can generally be identified by the use of forward looking words such as, "expect", "anticipate", "likely", "intend", "should", "could", "may", "predict", "plan", "propose", "will", "believe", "forecast", "estimate", "target" and other similar expressions. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. You are cautioned not to place undue reliance on any forward-looking statement. While due care and attention has been used in the preparation of forward-looking statements, forward looking statements, opinions and estimates provided in this Information Booklet are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends which are based on interpretations of current market conditions.

Forward looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance and involve known and unknown risks, uncertainties and other factors, many of which are outside the control of IOOF and its directors and management. A number of important factors could cause the Company’s actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward looking statements, including the risk factors described in the "Key Risks" section of the investor presentation included in section 7 of this Information Booklet.

Actual results, performance or achievements may vary materially from any forward-looking statements and the assumptions on which statements are based. To the maximum extent permitted by law, IOOF and its directors, officers, employees, agents, associates and advisers disclaim any obligations or undertaking to update publicly any forward-looking statements, whether as a result of new information, future events or results or otherwise.

Risks

Refer to the "Key Risks" section of the Investor Presentation included in section 7 of this Information Booklet for a summary of certain risk factors that may affect IOOF.

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Chairman's letter

7 September 2020

Dear Shareholder,

As announced on 31 August 2020, IOOF Holdings Ltd ACN 100 103 722 (ASX Code: IFL) (**IOOF** or the **Company**) has entered into a binding agreement to acquire 100% of NAB's wealth management business (MLC) for $1,440 million, subject to completion adjustments (**Acquisition**).

On behalf of the directors of IOOF, I am pleased to invite you to participate in a fully underwritten 1 for 2.09 accelerated, non-renounceable entitlement offer of new fully paid ordinary shares in the Company (**New Shares**) at an offer price of $3.50 (**Offer Price**) per New Share (**Entitlement Offer**).

Gross proceeds raised as a result of the Entitlement Offer will be approximately $588 million and will be used to partly fund the Acquisition. The Entitlement Offer comprises an institutional component (**Institutional Entitlement Offer**) and a retail component (**Retail Entitlement Offer**), and is being conducted in conjunction with a fully underwritten placement of ordinary shares to institutional investors (**Placement**) to raise approximately $452 million. IOOF will also undertake a non-underwritten share purchase plan (**SPP**) to raise approximately $50 million, although this amount may be increased in IOOF's absolute discretion. The balance of the consideration for the Acquisition will be funded through cash and available debt facilities, including a new $200 million subordinated loan note issued to NAB.

Details of the Acquisition

The Acquisition is a significant opportunity for IOOF and will create a leading diversified advice-led wealth manager in Australia. The transaction will position the combined entity as the largest retail wealth management platform provider by FUA ($196 billion) and the largest advice business by number of financial advisers (~1,800[1]) as at 30 June 2020.

Further information about the Acquisition, including its strategic and financial benefits, is detailed in IOOF's ASX announcement and investor presentation lodged with the ASX on Monday, 31 August 2020 (and included in this Information Booklet in section 7). The Acquisition is subject to APRA and ACCC regulatory approvals and other customary conditions and is expected to complete before 30 June 2021.

Details of the Entitlement Offer

As announced on 2 September 2020, the Institutional Entitlement Offer and the Placement have been completed, together raising approximately A$734 million. Under the Retail Entitlement Offer, eligible shareholders with a registered address in Australia or New Zealand are entitled to subscribe for 1 New Share for every 2.09 existing fully paid ordinary shares in IOOF (**Shares**) held at 7.00pm (AEST) on 2 September 2020 (**Record Date**), at the Offer Price of $3.50 per New Share.

The Offer Price is the same price that was offered to investors who participated in the Placement and the Institutional Entitlement Offer.

The Entitlement Offer is fully underwritten[2] by Citigroup Global Markets Australia Pty Limited (**Underwriter**).

How to Apply?

This Information Booklet is important and requires your immediate attention. It is accompanied by your personalised Entitlement and Acceptance Form which contains details of your Entitlement as well as important information including:

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[1] Assumes all current MLC financial advisers transition to IOOF.
[2] Please refer to the summary of the underwriting agreement contained in the Investor Presentation released on 31 August 2020.

- Key dates for the Entitlement Offer;
- Instructions on How to Apply, setting out how to accept all or part of your Entitlement in the Retail Entitlement Offer if you choose to do so; and
- ASX Announcements relating to the Entitlement Offer.

The Retail Entitlement Offer is scheduled to open on 7 September 2020 and closes at 5.00pm (AEST) on 16 September 2020.

To participate, you need to ensure that you have completed your application by:

- paying Application Monies via BPAY® pursuant to the instructions that are set out on the Entitlement and Acceptance Form so that your payment via BPAY® has been received by IOOF by 5.00pm (AEST) on 16 September 2020;

OR

- lodging your Entitlement and Acceptance Form, together with payment of Application Monies, by cheque, bank draft or money order so that it is received by IOOF (care of the Registry) by 5.00pm (AEST) on 16 September 2020.

Entitlements cannot be able to be traded on the ASX or privately transferred.

Separate SPP offer

In addition to the Entitlement Offer and Placement, IOOF is also making a separate offer to shareholders to participate in a SPP, under which eligible shareholders will be entitled to apply for up to A$30,000 worth of New Shares at the Offer Price.

If you are eligible to participate in the SPP, you will receive a separate offer document that contains details of that offer and how you can participate.

To the extent you are eligible to participate in both the Entitlement Offer and the SPP, you can elect to participate and purchase New Shares under either or both the Entitlement Offer and the SPP, or neither of them.

Additional information

Further information on the Retail Entitlement Offer is detailed in this Information Booklet. You should read the entirety of this Information Booklet carefully (including the "Key Risks" section of the Investor Presentation released to ASX on 31 August 2020 and included in section 7 of this Information Booklet) before deciding whether to participate in the Retail Entitlement Offer.

If you have any further questions about the Retail Entitlement Offer, you should seek advice from your stockbroker, accountant or other independent professional adviser, or you can call the IOOF Offer Information Line on 1800 222 722 or +61 2 9290 9699 (outside Australia) at any time between 8:30am and 5:30pm (AEST) on Monday to Friday during the Retail Entitlement Offer period.

On behalf of the board of directors of IOOF, I thank you for your ongoing support of IOOF and look forward to your participation in the Retail Entitlement Offer.

Yours sincerely,

Allan Griffiths
Chairman

1. Summary of the Entitlement Offer

Summary

Institutional Entitlement Offer	
Ratio	1 New Share for every 2.09 Shares held
Offer Price	$3.50 per New Shares
Size	Approximately 80 million New Shares
Gross Proceeds	Approximately $282 million
Retail Entitlement Offer	
Ratio	1 New Share for every 2.09 Shares held (same as Institutional Entitlement Offer)
Offer Price	$3.50 per New Shares (same as Institutional Entitlement Offer)
Maximum size	Approximately 87 million New Shares
Maximum gross proceeds	Approximately $306 million
Total gross proceeds	
Expected total gross proceeds of the Entitlement Offer	Approximately $588 million

Key Dates

Event	Date
SPP Record Date	7:00pm Friday, 28 August 2020
Trading halt and announcement of Placement and accelerated non-renounceable entitlement offer	Mon, 31 August 2020
Entitlement Offer record date	7:00pm Wednesday, 2 September 2020
Placement and Institutional Entitlement Offer	
Placement and Institutional Entitlement Offer opens	Mon, 31 August 2020

Placement and Institutional Entitlement Offer closes	Tue, 1 September 2020
Announcement of results of Placement and Institutional Entitlement Offer	Wed, 2 September 2020
Shares recommence trading	Wed, 2 September 2020
Settlement of New Shares issued under the Placement and Institutional Entitlement Offer	Monday, 7 September 2020
Issue and commencement of trading of New Shares under the Institutional Entitlement Offer	Tuesday, 8 September 2020
Retail Entitlement Offer and SPP	
Retail offer booklet despatched to Eligible Retail Shareholders and Retail Entitlement Offer opens	Monday, 7 September 2020
SPP offer booklet despatched to Eligible Retail Shareholders and SPP opens	Monday, 7 September 2020
Retail Entitlement Offer and SPP closes	5:00pm Wednesday, 16 September 2020
Announcement of results of Retail Entitlement Offer and SPP	Friday, 18 September 2020
Settlement of New Shares issued under the Retail Entitlement Offer	Tuesday, 22 September 2020
Issue of New Shares under the Retail Entitlement Offer	Wednesday, 23 September 2020
Commencement of trading of New Shares issued under the Retail Entitlement Offer	Thursday, 24 September 2020
Holding statements in respect of New Shares issued under the Retail Entitlement Offer despatched	Thursday, 24 September 2020
Allotment of New Shares under the SPP	Thursday, 24 September 2020
Commencement of trading of New Shares issued under the SPP	Friday, 25 September 2020
Holding statements in respect of New Shares issued under the SPP despatched	Friday, 25 September 2020

Note: The timetable above is indicative only and subject to change. The Company reserves the right to amend any or all of these events, dates and times subject to the consent of the Underwriter, the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, IOOF reserves the right to extend the closing date of the Retail Entitlement Offer, to accept late applications either generally or in particular cases or to withdraw the Retail Entitlement Offer without prior notice.

The commencement of quotation of New Shares is subject to confirmation from ASX.

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been accepted. Eligible Retail Shareholders wishing to participate in the Retail Entitlement Offer are encouraged to submit their Entitlement and Acceptance Form as soon as possible after the Retail Entitlement Offer opens.

Enquiries

If you have questions on how to complete the Entitlement and Acceptance Form or how to take up your Entitlement or have lost your Entitlement and Acceptance Form and would like a replacement form, please call 1800 222 722 or +61 2 9290 9699 (outside Australia) between 8:30am and 5:30pm (AEST) Monday to Friday during the Retail Entitlement Offer period.

2. Summary of options available to you

If you are an Eligible Retail Shareholder (as defined in section 3.3) you may take one of the following actions:

(a) take up all of your Entitlement;

(b) take up part of your Entitlement and allow the balance to lapse, in which case you will receive no value for the lapsed Entitlement; or

(c) do nothing, in which case your Entitlement will lapse and you will receive no value for your Entitlement.

Options available to you	Key considerations
Option 1. Take up all of your Entitlement	• You may elect to purchase New Shares at the Offer Price (see section 4.3 for instruction on how to take up your Entitlement) • The New Shares will be fully paid and rank equally in all respects with existing Shares, except that they will not be eligible for the dividend declared on 31 August 2020. • The Retail Entitlement Offer closes at 5.00pm (AEST) on Wednesday, 16 September 2020. • Eligible Retail Shareholders are not able to apply for New Shares in excess of their Entitlement as set out in their personalised Entitlement and Acceptance Form.
Option 2. Take up part of your Entitlement	• If you only elect to take up part of your Entitlement, the part you do not take up will lapse and the New Shares not subscribed for will form part of the Retail Shortfall which may be acquired by the Underwriter or any sub-underwriter. • If you do not take up your Entitlement in full, you will not receive any payment or value for that part of your Entitlement not taken up. • See section 4.4 for how to take up part of your Entitlement.
Option 3. Do nothing and let all or part of your Entitlement lapse	• If you do not take up your Entitlement, you will not be allocated New Shares and your Entitlement will lapse (see section 4.5 for instructions on how to allow your Entitlement to lapse).

3. Overview of the Entitlement Offer

3.1 Entitlement Offer

The Entitlement Offer is an offer of approximately 168 million New Shares at the Offer Price of $3.50 per New Share. All eligible Shareholders are entitled to subscribe for 1 New Share for every 2.09 Shares held at 7.00pm (AEST) on the Record Date.

All eligible Shareholders are being invited to take up all or part of their Entitlements. The Company intends to raise up to approximately A$588 million under the Entitlement Offer (after costs).

The Entitlement Offer comprises of three components

- **Institutional Entitlement Offer** – Eligible Institutional Shareholders (as defined in section 8.4 below) were given the opportunity to take up all or part of their Entitlement.

- **Institutional Shortfall Bookbuild** - Institutional Entitlements not taken up and Entitlements of Ineligible Institutional Shareholders were sold through a bookbuild process on Tuesday, 1 September 2020 at the Offer Price (**Institutional Shortfall Bookbuild**).

- **Retail Entitlement Offer** – Eligible Retail Shareholders (as defined in section 3.3 below) will be allotted their Entitlements under the Retail Entitlement Offer which can be taken up in whole or in part. Retail Entitlements cannot be traded.

The Entitlement Offer is fully underwritten by the Underwriter, who will act as lead manager, bookrunner and underwriter for the Entitlement Offer and the Placement.[3] Further details on the Retail Entitlement Offer are set out below. The SPP is not underwritten.

3.2 Retail Entitlement Offer

Under the Retail Entitlement Offer, Eligible Retail Shareholders are invited to apply for 1 New Share for every 2.09 existing Shares held as at the Record Date at the Offer Price of A$3.50 per New Share.

The offer ratio and Offer Price under the Retail Entitlement Offer are the same as for the Institutional Entitlement Offer.

The Retail Entitlement Offer opens at 9.00am (AEST) Monday, 7 September 2020 and will close at 5.00pm (AEST) on Wednesday, 16 September 2020.

3.3 Eligible Retail Shareholders

Eligible Retail Shareholders (as defined in this section) are being invited to subscribe for all or part of their Entitlement, and are being sent this Information Booklet with a personalised Entitlement and Acceptance Form.

The Retail Entitlement Offer constitutes an offer only to **Eligible Retail Shareholders**, being Shareholders who:

- are registered as a holder of Shares as at the Record Date, being 7.00 pm (AEST) on 2 September 2020;

- as at the Record Date, have a registered address in Australia or New Zealand;

[3] Please refer to the summary of the underwriting agreement in the Investor Presentation released to ASX on 31 August 2020.

- are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent they are holding Shares for the account or benefit of such person in the United States);
- are not an Eligible Institutional Shareholder or an Ineligible Shareholder; and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered.

IOOF, in its absolute discretion, reserves the right to determine whether a security holder is an Eligible Retail Shareholder and therefore able to participate in the Retail Entitlement Offer, or an Ineligible Retail Shareholder and therefore unable to participate in the Retail Entitlement Offer. IOOF disclaims all liability to the maximum extent permitted by law in respect of the determination as to whether a security holder is an Eligible Retail Shareholder or an Ineligible Retail Shareholder.

3.4 Ineligible Retail Shareholders

All Shareholders who are not Eligible Retail Shareholders are Ineligible Retail Shareholders. Ineligible Retail Shareholders will not be entitled to participate in the Retail Entitlement Offer.

IOOF has determined that it would be unreasonable on this occasion to extend the Retail Entitlement Offer to Ineligible Retail Shareholders, having regard to the number of Shares held by Ineligible Retail Shareholders, the number and value of New Shares that they would be offered, and the costs of complying with the legal and regulatory requirements which would apply to an offer of Shares to Ineligible Retail Shareholders in those places.

3.5 What is your Entitlement?

Your Entitlement is set out on the accompanying personalised Entitlement and Acceptance Form and has been calculated as 1 New Share for every 2.09 Shares you held as at the Record Date, being 7.00pm (AEST) on 2 September 2020. If the result is not a whole number, your Entitlement will be rounded up to the nearest whole number.

If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding.

New Shares issued under the Retail Entitlement Offer will be fully paid and rank equally in all respects with existing Shares, except that they will not be eligible for the dividend declared on 31 August 2020.

The Entitlement stated on your personalised Entitlement and Acceptance Form may be in excess of the actual Entitlement you may be permitted to take up; for example, you are not permitted to take up an Entitlement to the extent you are holding Shares for the account or benefit of a person in the United States (see definition of Eligible Retail Shareholders in section 3.3 of this Information Booklet).

3.6 Can you trade your Entitlement?

Your Entitlement is personal and cannot be traded on ASX, transferred, assigned or otherwise dealt with. If you do not take up your Entitlement by 5.00pm (AEST) on 16 September 2020, your rights will lapse.

By allowing your Entitlement to lapse you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up your Entitlement. Your interest in IOOF will also be diluted.

The New Shares not subscribed for under the Retail Entitlement Offer (**Retail Shortfall**) may be taken up by the Underwriter or any sub-underwriters.

4. How to Apply

4.1 Important Information

You should read the following information carefully and in its entirety before making a decision about your Entitlement:

- Important notices;
- Chairman's letter;
- ASX Announcements and the Investor Presentation[4] (and in particular the "Key Risks" section of the Investor Presentation);
- Additional Information;
- Entitlement and Application Form; and
- other information made publically available by IOOF.

If you have any questions, you should seek advice from your stockbroker, accountant or other independent professional adviser, or call the IOOF Offer Information Line on 1800 222 722 or +61 2 9290 9699 (outside Australia) at any time between 8:30am and 5:30pm (AEST) on Monday to Friday during the Retail Entitlement Offer period.

4.2 Summary of the options available to you

If you are an Eligible Shareholder, you may do any one of the following:

- take up all of your Entitlement (see section 4.3 of this Information Booklet);
- take up part of your Entitlement (see section 4.4 of this Information Booklet); or
- not take up your Entitlement (see section 4.5 of this Information Booklet).

You should note that if you do not take up all of your Entitlement, your percentage shareholding in IOOF will be diluted. The New Shares not subscribed for will form part of the Retail Shortfall.

4.3 If you wish to take up all of your Entitlement

If you decide to take up all of your Entitlement and you wish to pay by cheque, bank draft or money order you should:

- complete the personalised Entitlement and Acceptance Form by following the instructions set out on the personalised Entitlement and Acceptance Form;
- attach payment for the full amount payable (being the Offer Price multiplied by the number of New Shares comprising your Entitlement) to the form; and
- return the Entitlement and Acceptance Form together with payment to the Registry so that it is received by 5.00pm (AEST) on 16 September 2020.

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[4] The enclosed ASX Announcements and the Investor Presentation are current as at 7 September 2020. There may be other announcements that have been made by IOOF after 7 September 2020 and before the Retail Entitlement Offer closes at 16 September 2020 that may be relevant in your consideration of whether to take part in the Retail Entitlement Offer. Therefore, it is prudent that you check whether any further announcements have been made by IOOF before submitting your application.

For instructions on payment by cheque, bank draft or money order, refer to section 5.1.

If you wish to take up all of your Entitlement and you wish to pay by BPAY®[5] you should make your payment by BPAY® for the full amount payable (being the Offer Price multiplied by the number of New Shares comprising your Entitlement) so that it is received by 5.00pm (AEST) on 16 September 2020. Note that if you choose to pay by BPAY® you are not required to submit the personalised Entitlement and Acceptance Form but are taken to make the statements on that form.

For instructions on how to pay by BPAY® refer to section 5.2 below.

4.4 If you wish to take up part of your Entitlement

If you decide to take up part of your Entitlement and reject the balance and you wish to pay by cheque, bank draft or money order you should:

- complete the personalised Entitlement and Acceptance Form by following the instructions set out on the personalised Entitlement and Acceptance Form indicating the number of New Shares you wish to take up. This will be less than your Entitlement as specified on the Entitlement and Acceptance Form;

- attach payment for the full amount payable (being the Offer Price multiplied by the number of New Shares you are taking up – you will need to calculate this number yourself) to the form; and

- return the Entitlement and Acceptance Form to the Registry so that it is received by 5.00pm (AEST) on 16 September 2020.

For instructions on payment by cheque, bank draft or money order, refer to section 5.1.

If you wish to take up part of your Entitlement and reject the balance and you wish to pay by BPAY® you should make your payment by BPAY® for the full amount payable (being the Offer Price multiplied by the number of New Shares you are taking up – you will need to calculate this number yourself) so that it is received by 5.00pm (AEST) on 16 September 2020. If you choose to pay by BPAY® you are not required to submit the personalised Entitlement and Acceptance Form but are taken to make the statements on that form.

For instructions on how to pay by BPAY® refer to section 5.2 below.

4.5 If you do not wish to take up your Entitlement

If you do not wish to take up your Entitlement you should do nothing.

By letting your Entitlement lapse you will forgo any exposure to increases or decreases in the value of New Shares. Your percentage shareholding in IOOF will also be diluted.

4.6 Ineligible Retail Shareholders

Ineligible Retail Shareholders may not take up all or any part of their Entitlement.

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[5] BPAY® is a bill payment service. For further information, please see www.bpay.com.au.

5. How to pay

The Offer Price of $3.50 per New Share accepted is payable on acceptance of your Entitlement.

You can pay in the following ways:

- BPAY®; or
- cheque, bank draft or money order.

Cash payments will not be accepted. Receipts for payment will not be issued.

If you wish to participate in the Retail Entitlement Offer, you are encouraged to apply via BPAY in light of delays to postal services caused by the COVID-19 pandemic, as you do not need to return your personalised Entitlement and Acceptance Form enclosed with this Information Booklet if you choose this option.

IOOF will treat you as applying for as many New Shares as your payment will pay for in full, up to your Entitlement. If your payment will pay for more than your full Entitlement, IOOF will treat you as applying for your full Entitlement. Any Application Monies received for more than your final allocation of New Shares will be refunded except for where the amount is less than $1.00 in which case it will be donated to a charity chosen by the Company. No interest will be paid on any Application Monies received or refunded.

Application Monies received from Eligible Retail Shareholders will be held in the IOOF Retail Entitlement Offer Account solely for the purpose of holding the Application Monies.

To the fullest extent permitted by law, each Eligible Shareholder agrees that any Application Monies paid by them to IOOF will not entitle them to any interest against IOOF and that any interest earned in respect of Application Monies will belong to IOOF. This will be the case, whether or not all or none (if the Retail Entitlement Offer is withdrawn) of the New Shares applied for by a person are issued to that person.

5.1 Payment by cheque, bank draft or money order

For payment by cheque, bank draft or money order, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the form and return it to the address in section 5.3 accompanied by a cheque, bank draft or money order:

- for an amount equal to the Offer Price multiplied by the number of New Shares that you are applying for;
- in Australian currency drawn on an Australian branch of a financial institution; and
- payable to "IOOF Holdings Entitlement Offer" and crossed "Not Negotiable".

You should ensure that sufficient funds are held in the relevant account(s) to cover the Application Monies. If the amount of your cheque for Application Monies (or the amount for which the cheque clears in time for allocation) is insufficient to pay in full for the number of New Shares you have applied for in your personalised Entitlement and Acceptance Form, you will be taken to have applied for such lower number of whole New Shares as your cleared Application Monies will pay for (and you will be taken to have specified that number of New Shares on your personalised Entitlement and Acceptance Form). Alternatively, your application will not be accepted.

5.2 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the personalised Entitlement and Acceptance Form (which includes the biller code and your unique reference number). You can only make a payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, please make sure to use the specific Biller Code and unique CRN provided on your Entitlement and Acceptance Form. If you have multiple holdings and receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings, please only use the Reference Number specific to the Entitlement on that form. If you do not use the correct Reference Number specific to that holding, or inadvertently use the same Reference Number for more than one of your Entitlements, your application will not be recognised as valid.

Please note that should you choose to pay by BPAY®:

- you do not need to submit the personalised Entitlement and Acceptance Form but are taken to have made the statements on that personalised Entitlement and Acceptance Form; and
- if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies.

You should be aware that your Australian financial institution branch may implement earlier cut-off times with regard to electronic payment and you should therefore take this into consideration when making payment. It is your responsibility to ensure that your BPAY® payment is received by the Registry by no later than 5.00pm (AEST) on 16 September 2020.

5.3 Mail and hand delivery

Shareholders who make payment via cheque, bank draft or money order should send their completed personalised Entitlement and Acceptance Form together with Application Monies to:

Mailing Address
IOOF Holdings Ltd
C/- Boardroom Pty Limited
GPO Box 3993 Sydney NSW 3993

Hand Delivery
Boardroom Pty Limited
Level 12, 225 George Street Sydney NSW 2000
(Please do not use this address for mailing purposes)

5.4 Effect of participating in Retail Entitlement Offer

By completing and returning your personalised Entitlement and Acceptance Form or making a payment by BPAY®, or otherwise applying to participate in the Retail Entitlement Offer, you will be deemed to have acknowledged, represented and warranted on behalf of each person on whose account you are acting that:

- all details and statements made in the personalised Entitlement and Acceptance Form are complete and accurate;
- you are (or the person on whose account you are acting is) an Eligible Retail Shareholder;

- you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Retail Entitlement Offer;
- you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- once IOOF receives the Entitlement and Acceptance Form with the requisite Application Monies or your payment by BPAY®, you may not withdraw it except as allowed by law;
- you have read and understood this Information Booklet and the personalised Entitlement and Acceptance Form;
- the information contained in this Information Booklet is not investment advice nor a recommendation that the New Shares are suitable for you, given your investment objectives, financial situation or particular needs;
- this Information Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in IOOF and is given in the context of IOOF's past and on-going continuous disclosure announcements to ASX;
- you have read and understand the statement of risks in the "Key Risks" section of the Investor Presentation included in section 7 of this Information Booklet, and that investments in IOOF are subject to risk;
- neither IOOF nor the Underwriter, nor their respective related bodies corporate or affiliates nor any of their respective directors, officers, partners, employees, representatives, contractors, consultants, agents or advisors (together, the **Beneficiaries**), warrants or guarantees the future performance of IOOF, nor do they guarantee any repayment of capital or return on any investment made pursuant to the Retail Entitlement Offer;
- you agree to:
  - apply for, and be issued with up to, the number of New Shares that you apply for at the Offer Price of $3.50 per New Share;
  - provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of Shares on the Record Date; and
  - be bound by the terms of this Information Booklet and the provisions of the Company's constitution;
- you authorise IOOF to:
  - register you as the holder of New Shares and you authorise IOOF, the Underwriter, the Registry and their respective Beneficiaries to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instruction of the Registry by using the contact details set out in the personalised Entitlement and Acceptance Form; and
  - correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- you acknowledge and agree that:
  - determination of eligibility of investors for the purposes of the Institutional Entitlement Offer and the Retail Entitlement Offer was determined by reference to a number of

matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of IOOF and/or the Underwriter; and

  - each of IOOF and the Underwriter, and each of their respective Beneficiaries, disclaim any duty or liability (including for fault, negligence and negligent misstatement) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law;

- you represent and warrant that:
  - (for the benefit of IOOF, the Underwriter and their respective Beneficiaries) you are not an Ineligible Retail Shareholder and are otherwise eligible to participate in the Retail Entitlement Offer;
  - the law of any place does not prohibit you from being given this Information Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an application for New Shares and that you are otherwise eligible to participate in the Retail Entitlement Offer; and
  - (for the benefit of IOOF, the Underwriter and their respective Beneficiaries) you are an Eligible Shareholder.

By completing and returning your Entitlement and Acceptance Form with the requisite Application Monies or making a payment by BPAY® or otherwise applying to participate in the Retail Entitlement Offer you will also be treated as:

- having represented and warranted that:
  - you are not in the United States and are not applying for New Shares on behalf of, or for the account or benefit of, a person in the United States;
  - you and each person on whose account you are acting are not engaged in the business of distributing securities;
  - you and each person on whose account you are acting have not and will not send any materials relating to the Retail Entitlement Offer, including this Information Booklet and the Entitlement and Acceptance Form, to any person that is in the United States; and
- acknowledging on your own behalf and on behalf of each person on whose account you are acting that:
  - you are not in the United States and you are not acting for the account or benefit of a person in the United States;
  - you understand and acknowledge that neither the Entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction in the United States and that, accordingly, the Entitlements may not be taken up or exercised by a person in the United States, and the New Shares may not be offered or sold, directly or indirectly, in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws;
  - you are subscribing for and purchasing the Entitlements and the New Shares outside the United States in an 'offshore transaction' (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act;

- you have not and will not send this Information Booklet, the Entitlement and Acceptance Form or any other materials relating to the Retail Entitlement Offer to any person in the United States or any other country outside Australia or New Zealand;
- you agree that if in the future you decide to sell or otherwise transfer the New Shares, you will only do so in standard (regular way) brokered transactions on the ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States; and
- if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or New Zealand and is not in the United States and is not acting for the account or benefit of a person in the United States, and you have not sent this Information Booklet, the Entitlement and Acceptance Form or any information relating to the Retail Entitlement Offer to any such person.

6. Australian tax implications

6.1 General

The section below provides a general summary of the Australian income tax, GST and stamp duty implications of the Retail Entitlement Offer for certain Eligible Retail Shareholders. For the avoidance of doubt, this summary does not consider the tax implications for shareholders participating in the SPP.

This section is intended to provide a summary for Eligible Retail Shareholders who are permanent residents for Australian income tax purposes and hold their Shares on capital account. This summary does not consider the implications for Eligible Retail Shareholders who:

- are exempt from Australian income tax;
- acquired their Shares as a result of an employment or services arrangement;
- are banks or insurance companies;
- hold their Shares on revenue account or as trading stock;
- are non-residents for Australian tax purposes; or
- are subject to the Australian taxation of financial arrangement (TOFA) rules under Division 230 of the *Income Tax Assessment Act 1997* (Cth).

The information in this section is general in nature and is based on the relevant Australian tax legislation in force, and the administrative practice of the relevant revenue authorities, as at the date of this Entitlement Information Booklet. IOOF and its officers, employees, taxation or other advisers do not accept any liability or responsibility in respect of any statement concerning tax consequences, or in respect of the tax consequences. It is strongly recommended that each Eligible Shareholder seeks their own independent professional tax advice applicable to their particular circumstances.

6.2 Issue of Entitlements

The issue of the Entitlements should not, of itself, result in any amount being included the assessable income of an Eligible Shareholder.

6.3 Exercise of Entitlements

The exercise of an Entitlement should not, of itself, result in an amount being included in the assessable income of an Eligible Shareholder.

Eligible Retail Shareholders who exercise their Entitlements will acquire New Shares.

Each New Share will constitute a separate asset for CGT purposes. The Offer Price for the New Shares will form part of the cost base (or reduced cost base) of the New Shares. Each of the New Shares will be taken to be acquired on the day that the Entitlement in respect of the New Share is exercised.

6.4 Entitlements not taken up

Any Entitlements not taken up under the Retail Entitlement Offer will lapse and the Eligible Shareholder will not receive any consideration for those Entitlements. There should not be any tax implications for the Eligible Shareholder in these circumstances.

6.5 Distributions

Any future dividends or other distributions made in respect of New Shares will generally be subject to the same income tax treatment as dividends or other distributions made on existing Shares held in the same circumstances.

6.6 TFN/ABN withholding

IOOF may be required to withhold amounts from income distributions at the highest marginal tax rate plus the Medicare Levy if a TFN, ABN, or evidence of an appropriate exemption from quoting such numbers, has not been provided.

If an Eligible Shareholder has quoted their TFN or ABN or an exemption from quoting such numbers applies in respect of their existing holding of Shares, this quotation or exemption will also apply in respect of any New Shares acquired by that Eligible Shareholder.

6.7 Disposals

The disposal of a New Share will constitute a disposal for CGT purposes.

On disposal of a New Share, an Eligible Shareholder will make a capital gain if the capital proceeds on disposal exceed the cost base of the New Share. An Eligible Shareholder will make a capital loss if the capital proceeds are less than the reduced cost base of the New Share.

Eligible Retail Shareholders that are individuals, trustees or complying superannuation entities and that have held their New Shares for 12 months or more at the time of disposal (excluding the dates of acquisition and disposal) should be entitled to apply the applicable CGT discount factor to reduce the capital gain (after offsetting capital losses). The CGT discount factor is 50% for individuals and trustees and 33.33% for complying superannuation entities.

New Shares will be treated for the purposes of the capital gains tax discount as having been acquired when an Eligible Shareholder exercises their Entitlement. Accordingly, in order to be eligible for the CGT discount, the New Shares must be held for at least 12 months after the date that the Eligible Shareholder exercised their Entitlement (excluding the dates of acquisition and disposal).

Eligible Retail Shareholders that make a capital loss on the disposal of their New Shares can only use that loss to offset other capital gains, i.e. the capital loss cannot be used to offset other assessable income. However, if the capital loss cannot be used in a particular income year, it can be carried forward to use in future income years, provided, in the case of a corporate or trustee Eligible Shareholder, that certain tests are satisfied.

6.8 Other Australian taxes

No Australian GST or stamp duty should be payable in respect of the issue or exercise of the Retail Entitlement Offer, or the acquisition of New Shares pursuant to the Retail Entitlement Offer.

7. ASX Offer Announcements

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Melbourne VIC 3001
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NOT FOR DISTRIBUTON, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES

31 August 2020

Acquisition of MLC and FY20 Results Announcement

Transformational acquisition of MLC

IOOF Holdings Ltd (ASX: IFL; OTC: IOOFY) today announced that it has entered into transaction agreements with National Australia Bank (NAB) to acquire 100% of NAB's wealth management business (MLC) for $1,440 million, subject to completion adjustments.

The acquisition is expected to deliver in excess of 20% EPS accretion on an FY21F pro forma basis, including $150 million of targeted pre-tax synergies, excluding transaction and integration costs.

Mr Renato Mota, Chief Executive Officer of IOOF, said, "The opportunity to acquire a highly complementary business of the quality and size of MLC is compelling. MLC is a natural fit with IOOF and presents a unique opportunity to create value from synergies for the benefit of clients, members and shareholders. This is a once in a generation opportunity to create the leading wealth manager of the future.

"As the financial service industry reshapes, a much bigger and better IOOF will position it at the forefront of the industry transformation. In this new era, and in response to changing societal and technological needs, the new IOOF will have the ability to offer unmatched choice and accessibility of quality financial advisory and wealth management services to all Australians."

Transaction highlights

- IOOF will acquire 100% of MLC comprising its financial advice[1], platforms and asset management businesses for a total purchase consideration of $1,440 million. This represents 7.4x pro forma UNPAT (12 months to 30 September 2020) including full targeted synergies[2]; and 16.2x pro forma UNPAT excluding synergies.[2]
- MLC presents a transformational acquisition that will create a new IOOF, Australia's leading advice-led wealth manager. The new IOOF will be:
    - #1 retail wealth manager by FUMA – $510 billion.[3]
    - #1 advice business by number of advisers – 1,884 advisers.[4]

[1] IOOF is acquiring the Godfrey Pembroke and MLC brands but will not be acquiring the Meritum, Apogee or Garvan brands. NAB will retain the AFSL holders that operate MLC's advice business. MLC self-employed advisers proposed to transfer to IOOF AFSLs at Completion.
[2] Based on IOOF's estimate of MLC's Sep-20 earnings reflecting a standalone cost base.
[3] For MLC, FUMA sourced from NAB as at 30 June 2020. For IOOF, FUMA based on reported FUMA as at 30 June 2020.
[4] IOOF financial adviser numbers sourced from ASIC financial adviser register (as at 20 August 2020). MLC adviser numbers sourced from NAB as at 30 June 2020. Assumes all current MLC financial advisers transition to IOOF. Based on active MLC advisers only.

- #2 superannuation provider by FUAdmin – $173 billion.[5]

- MLC is a highly complementary business to IOOF and the combination provides IOOF with the unique opportunity to lead the transformation of the wealth management industry. The transaction further assists IOOF to utilise its proprietary technology to deliver the lowest cost to operate and ultimately, will enhance IOOF's ability to deliver superior, long-term outcomes for clients, members, advisers and shareholders.
- The new IOOF will look after c. 2.2 million Australians and have the ability to offer broad choice and accessibility of quality financial advice and wealth management services.
- In the past 18 months IOOF has been transforming its business to be fit-for-purpose in the new wealth management environment, spearheaded by ClientFirst, Evolve and Advice 2.0 strategies and the acquisition of MLC is aligned with these strategies.

IOOF's Chief Executive Officer, Renato Mota, said, "We believe scale will be critical for success and ensuring that both clients and shareholders benefit from the industry transformation. Merging two of the longest standing businesses in wealth management brings together a combined culture and common purpose of community spirit and supporting people to achieve their financial goals. The combination of IOOF and MLC brings wide-ranging capabilities, technical expertise and a purpose driven mindset to enable the new-era group to significantly enhance choice, accessibility and client experience."

Attractive financial metrics

The acquisition presents significant opportunities to simplify and streamline the combined operations and deliver targeted synergies:

- Targeting pre-tax synergies of $150 million per annum by the third full year of ownership on a run-rate basis.
- Expected to deliver in excess of 20% EPS accretion on an FY21F pro forma basis[6], including $150 million of targeted pre-tax synergies, excluding transaction and integration costs.
- Targeting return on funds employed of c. 15%[7] by the third full year of ownership.
- One-off pre-tax integration and transaction costs of approximately $360 million to be incurred over ~4 years.

IOOF has a proven track record of successfully integrating acquisitions, and is confident in its ability to realise the targeted $150 million of pre-tax synergies as part of this transaction.

[5] Based on APRA annual fund-level superannuation statistics June 2019 (issued 10 December 2019).
[6] EPS accretion as if the MLC acquisition was effective 1 July 2020. In accordance with AASB133, IOOF's FY21F EPS has been adjusted to account for the bonus element of the Entitlement Offer and the Placement. Calculated excluding the impact of any proceeds received under the proposed Share Purchase Plan.
[7] Calculated as the expected returns in the third full year of ownership (including targeted run-rate synergies of $150m pre-tax, excluding integration and transaction costs) divided by funds employed (inclusive of transaction and integration costs). Funds employed is calculated as capital employed including cumulative capital expenditure less cumulative depreciation and amortisation over 3 years.

Purchase consideration funding

The total purchase consideration of $1,440 million (subject to completion adjustment) and upfront integration and transaction costs (approximately $90 million) will be funded via:

- $1,040 million fully underwritten institutional placement (Placement)[8] and accelerated non-renounceable entitlement offer (Entitlement Offer), launched today;
- $250 million of incremental senior debt via an underwritten syndicated debt facility;
- $200 million in a subordinated loan note issued to NAB; and
- $40 million of existing IOOF cash.

The existing $670 million syndicated facility is expected to remain in place and IOOF will seek consent from its lender group in relation to the acquisition. As part of the transaction, IOOF will expand its total debt facilities by $250 million in total facility limits. To ensure funding certainty, IOOF has engaged Citi and NAB to underwrite $920 million of total debt facilities as a backstop to the syndicated facility.

The $200 million of subordinated loan note issued to NAB has the following key components:

- Coupon of 1% per annum. Steps up to 4% p.a. if Noteholders request redemption more than 42 months after the issue date and IOOF does not redeem;
- Five year maturity date with an early redemption start period of 42 months from Completion;
- Redemption amount equal to principal plus accrued interest plus additional amount equal to any uplift in notional securities over a reference price (being a 15% premium to TERP for the Equity Offer) and subject to adjustment; and
- Subordinated to the Group's senior bank debt financiers.

Other transaction details

IOOF will not assume conduct or remediation liabilities for MLC's advice business arising in relation to pre-completion conduct as the MLC licensed advice entities will remain with NAB.

Other MLC pre-completion conduct or remediation liabilities including for the platform business will be retained by IOOF, which will manage its exposure through a combination of provisions, indemnities and warranties including indemnities for fines and penalties, certain regulatory investigations and certain litigation matters (including for two class actions and one ASIC proceeding).[9]

Completion is expected before 30 June 2021, subject to APRA and ACCC approvals and other customary conditions.

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[8] In accordance with Class Waiver Decision – Temporary Extra Placement Capacity – granted by ASX, the Placement is within the Company's placement capacity calculated as if the Company's placement capacity under Listing Rule 7.1 is 25% and not 15%, and by reference to the number of the Company's shares that may be issued under the Entitlement Offer, and accordingly no shareholder approval is required in connection with the Placement. The Company's shares issued under the Placement do not have rights to participate in the Entitlement Offer.

[9] While the provisions, indemnities and warranties in the Sale and Purchase Agreement have sought to address known issues, those arrangements may not respond in all circumstances and are subject to limitations and as such IOOF could retain economic exposure for certain pre-completion conduct or remediation liabilities– refer to the transaction investor presentation for a summary of the Sale and Purchase Agreement and the Risks Section.

Pro forma leverage and dividends

On transaction completion, IOOF expects its net debt / EBITDA ratio to be less than 1.0x, which is below IOOF's target leverage ratio range of 1.0x to 1.3x.[10] IOOF also expects that its actual leverage ratio to further reduce over time.

Mr. Mota said, "IOOF will maintain a strong balance sheet and liquidity position with a prudent leverage setting, notwithstanding the significant larger scale of the two businesses."

IOOF is restating its commitment to its dividend policy of paying out 60 – 90% of underlying NPAT.

Integration management

In the last 18 months, IOOF has introduced a new leadership team and restructured its teams to deliver its transformation program. IOOF has developed a detailed integration plan for MLC which will ensure a smooth transition, alongside the ongoing integration of the Pensions & Investments (P&I) business. To support this business transformation, IOOF will be creating a new executive role, reporting to the CEO, dedicated to overseeing the Transformation.

Mr Mota said, "The integration of businesses, from small to large and complex, is something IOOF is particularly skilled in and our track record of success attests to the positive outcomes. We have developed a plan for a smooth transition and an effective integration process which we are confident in our ability to execute. We are targeting to complete the integration in around 36 months from completion. There will be clear responsibility and accountability across the organisation, and a dedicated Transformation team will be established to manage the integration. I am confident that we have the experience, ability and the right people to implement a smooth transition and integration process, alongside the ongoing integration of the P&I business."

Details of the fully underwritten Entitlement Offer and Placement

IOOF is undertaking a fully underwritten 1 for 2.09 Entitlement Offer to raise $588 million, and a fully underwritten $452 million Placement, together raising approximately $1,040 million.

The equity raising will be conducted at $3.50 per New Share (Offer Price), representing a:

- 22.5% discount to the dividend adjusted last close price of $4.515 on Wednesday, 26 August 2020; and
- 13.6% discount to the dividend adjusted TERP of $4.05 (including Placement).

The Entitlement Offer and Placement will result in approximately 297 million new shares being issued, representing approximately 85% of IOOF's existing issued capital. New Shares issued will rank equally with existing Shares, except that they will not be eligible for the dividend declared on 31 August 2020.

While the use of funds raised (excluding the non-underwritten share purchase plan (SPP) proceeds) is to fund the consideration and transaction costs for the Acquisition, the Offer will also re-calibrate and strengthen the

[10] Based on IOOF's estimate of MLC's Sep-20 earnings reflecting a standalone cost base. Does not include synergies. Net debt as defined for debt covenants and excludes the subordinated loan note issued to NAB.

IOOF balance sheet to provide greater financial flexibility to continue to execute IOOF's growth strategy in the current Covid-19 environment.

IOOF is also providing eligible retail shareholders with the opportunity to acquire additional New Shares under the non-underwritten SPP to minimise the dilution impact from the Placement. Net proceeds raised from the SPP will add further balance sheet flexibility to IOOF.

Details of the Share Purchase Plan

In addition to the Entitlement Offer and Placement, IOOF will also offer eligible shareholders the opportunity to participate in a non-underwritten SPP. Under the SPP, eligible IOOF shareholders, being shareholders with a registered address in Australia or New Zealand on IOOF's register as at 7:00pm (Sydney time) on 28 August 2020, will have the opportunity to apply up to A$30,000 of New Shares without incurring brokerage, commission or transaction costs.

The issue price of New Shares under the SPP will be the Offer Price. New Shares issued under the SPP will rank equally with existing IOOF shares from the date of issue, except that they will not be eligible for the final FY2020 dividend declared on 31 August 2020.

Full details of the SPP will be set out in the SPP offer booklet, which is expected to be released to the ASX and dispatched to eligible shareholders on Monday, 7 September 2020.

IOOF is aiming to raise up to $50 million via the SPP which is not underwritten, but reserves the right to increase this amount in its absolute discretion.[11]

Transaction timetable

The transaction is subject to regulatory approval from APRA and ACCC. IOOF and NAB have commenced preliminary discussions with both those regulators. Subject to obtaining these approvals, IOOF expects to complete the transaction before 30 June 2021.

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[11] The equity raising structure balances the need for certainty of proceeds received through the underwritten Placement and Entitlement Offer (for the purposes described in this announcement) with IOOF's desire to provide its retail shareholders with the opportunity to further participate in the capital raise through the SPP. The target on the SPP of $50 million is considered appropriate to provide the majority of IOOF's retail shareholders with the opportunity to receive a pro rata allocation having regard to the total equity raising size and structure (including that it is being offered together with the Entitlement Offer) and the construct of the share register. Full details of the SPP will be set out in the SPP offer booklet, which will be sent out to eligible shareholders in due course.

Equity raising timetable

Event	Date
SPP Record Date	7:00pm Friday, 28 August 2020
Announcement of Placement and accelerated non- renounceable entitlement offer	Monday, 31 August 2020
Entitlement Offer record date	7:00pm Wednesday, 2 September 2020
Placement and Institutional Entitlement Offer	
Placement and Institutional Entitlement Offer opens	Monday, 31 August 2020
Placement and Institutional Entitlement Offer closes	Tuesday, 1 September 2020
Announcement of results of Placement and Institutional Entitlement Offer	Wednesday, 2 September 2020
Shares recommence trading	Wednesday, 2 September 2020
Settlement of New Shares issued under the Placement and Institutional Entitlement Offer	Monday, 7 September 2020
Issue and commencement of trading of New Shares under the Institutional Entitlement Offer	Tuesday, 8 September 2020
Retail Entitlement Offer and SPP	
Retail offer booklet despatched to Eligible Retail Shareholders and Retail Entitlement Offer opens	Monday, 7 September 2020
SPP offer booklet despatched to Eligible Retail Shareholders and SPP opens	Monday, 7 September 2020
Retail Entitlement Offer and SPP closes	5:00pm Wednesday, 16 September 2020
Announcement of results of Retail Entitlement Offer and SPP	Friday, 18 September 2020
Settlement of New Shares issued under the Retail Entitlement Offer	Tuesday, 22 September 2020
Issue of New Shares under the Retail Entitlement Offer	Wednesday, 23 September 2020
Commencement of trading of New Shares issued under the Retail Entitlement Offer	Thursday, 24 September 2020
Holding statements in respect of New Shares issued under the Retail Entitlement Offer despatched	Thursday, 24 September 2020
Allotment of New Shares under the SPP	Thursday, 24 September 2020
Commencement of trading of New Shares issued under the SPP	Friday, 25 September 2020
Holding statements in respect of New Shares issued under the SPP despatched	Friday, 25 September 2020

The timetable (and each reference in this presentation to a date specified in the timetable) is indicative only and IOOF may, at its discretion, vary any of the above dates by lodging a revised timetable with the ASX. All times referred to in this presentation are Australian Eastern Standard Time (AEST).

IOOF Holdings Ltd (ASX: IFL; OTC: IOOFY) FY20 result overview

FY19 comparison metrics below do not include P&I

- Underlying NPAT (UNPAT) $128.8 million, down 34.9%
- Statutory net profit after tax (NPAT) $147.0 million, up 414.6%
- UNPAT from continuing operations $124.0 million, down 32.3%
- Total funds under management, administration and advice (FUMA) $202.3 billion compared to $138.5 billion in FY19
- Successful completion of the P&I business
- Fully franked final dividends of 11.5 cents per share

IOOF Chief Executive Officer, Renato Mota said, “The 2020 financial year has been one of the most challenging and volatile in recent history. In the first half of the financial year Australia experienced serious and prolonged drought conditions; the bush fires in early 2020 caused devastation along the eastern seaboard, and since then, the global COVID-19 pandemic has been causing unprecedented disruption and significant distress to many Australians.

These events have affected the economy, markets and all Australians. There is prevailing concern and uncertainty. This goes to the core of our purpose of serving the community and at IOOF, we have been absolutely focused on welfare of our people, our clients and the community and on delivering the additional support and service they need.

Against this backdrop, IOOF’s performance, including achieving the $200 billion FUMA milestone, has demonstrated the strength and resilience of IOOF’s business and brand.

IOOF has delivered UNPAT of $128.8 million, down 34.9% compared to the prior year (which excludes the P&I business). Total FUMA ended the year at $202.3 billion, which is pleasing given the challenging trading conditions and market volatility.

During FY20, IOOF successfully completed the acquisition of the P&I business, which added significant scale. IOOF remains on track with its integration process, including the delivery of an estimated $68 million in synergies as communicated previously.”

Payments made under the Early Release of Superannuation scheme from 20 April 2020 to 30 June 2020 totalled $743 million across 99,174 requests. IOOF’s ClientFirst approach ensured that 97% of all payments were paid to clients within five business days. For P&I, 83% of payments were made within five business days.

As announced previously, the Board and management team recognise that COVID-19 has had an impact on business outcomes and returns to shareholders. In this context, it is appropriate that no discretionary bonuses be paid to the Executive Team for the year to 30 June 2020. In addition, IOOF’s Chairman and CEO will take a 20% reduction in base pay for 6 months from 1 August 2020. All other IOOF Holdings Ltd Directors and our CFO will take a 10% reduction in base pay for the same period.

The Board declared a final second-half dividend of 11.5 cents per share, down 28% from the prior half dividend of 16 cents per share. The total dividend payout ratio for the year is 75%. The Board has assessed the reduction in dividend to be a prudent measure in the current economic environment. Post completion of the MLC acquisition, the Board will reassess the appropriate dividend setting and payout ratio range.

Advice 2.0

IOOF has unveiled the next phase of its Advice 2.0 transformation strategy, including the acquisition of technology platform Wealth Central.

Advice 2.0 is IOOF's long-term strategy to reshape the Australian advice landscape through the delivery of quality, goals-based advice that is accessible and affordable for all Australians.

In support of the transformation IOOF has announced the acquisition of Wealth Central, a proprietary financial advice and client engagement technology platform.

The next-generation digital tool significantly enhances client and adviser experience by streamlining the advice process and increasing the productivity of face-to-face engagement. The tool simplifies the data collection process for clients and financial advisers, as well as providing clients with greater transparency throughout the advice process and the ability to engage with their adviser digitally via an advice dashboard.

Mr Mota commented: "IOOF has been on the journey of reinventing Advice for a number of years now, spearheaded by initiatives such as ClientFirst and the Advice Academy. The journey accelerated with the acquisition of the ANZ businesses which enlarged the scale and economic diversity of IOOF.

Advice 2.0 is our strategic response to both our transformation and that of the financial advice industry and it defines a new era. In this new era, through Advice 2.0 we will deliver a step-change in the quality and affordability of advice and construct a sustainable long-term advice model."

Evolve

The platform segment of IOOF's business has strong organic growth and increasing inflows over recent years. There were $1.3 billion in net inflows this financial year, and Evolve continued to seeing significant flows.

Mr Mota said, "Evolve is delivering what matters to clients. It is a flexible contemporary platform technology, one of few wholly proprietary platform technologies in the market.

Evolve uniquely integrates the full product suite (workplace super, MySuper and choice, pension, IDPS, Managed Accounts). It is expected to be completed by 2021, the project is currently on time and on budget.

Remediation provisions and Advice liabilities

IOOF's advice remediation provisions for IOOF Advice review remain at $223 million, including costs. IOOF has made significant progress in relation to the review and during the June 2020 quarter, commenced making remediation payments to clients.

As communicated on 30 July 2020, the total advice remediation provision relating to the ex-ANZ ALs has increased by $80 million, offset by a corresponding increase in an equivalent receivable from ANZ.

Balance sheet and funding

As reported in the 4Q20 business update, released on 30 July 2020, IOOF's balance sheet remains strong with total debt facilities of $670 million. At 30 June 2020, IOOF's leverage ratio was 1.3x net debt to pro forma EBITDA.

Post acquisition of MLC, IOOF's total syndicated debt facilities limit will increase by $250 million to $920 million, with a pro forma net debt to EBITDA multiple of ~1.0x. The combined business model will have an attractive high cash flow generation profile, with low capital intensity and net working capital requirements. The leverage multiple is expected to decrease over time as IOOF realises the targeted synergy benefits.

Webcast details:

IOOF will present in relation to its 2020 full year financial results and the acquisition of MLC today, Monday 31 August 2020 at 10:30am AEST. The webcast of the results announcement will be available live at: https://webcast.openbriefing.com/6297/. If you wish to view the presentation live via the webcast it is recommended that you log in 10 to 15 minutes prior to start time.

-ENDS-

Authorised for release by the Board of IOOF Holdings Ltd.

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About IOOF Holdings Ltd

IOOF has been helping Australians secure their financial future since 1846. During that time, we have grown substantially to become one of the largest groups in the financial services industry.

IOOF provides advisers and their clients with the following services:

- **Financial Advice** services via our extensive network of financial advisers;
- **Portfolio & Estate Administration** for advisers, their clients and hundreds of employers in Australia; and
- **Investment Management** products that are designed to suit any investor's needs.

Further information about IOOF can be found at www.ioof.com.au

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The lead manager may rely on information provided by or on behalf of institutional investors in connection with managing, conducting or underwriting the Entitlement Offer and the Placement without having independently verified that information and the lead manager does not assume responsibility for the accuracy or completeness of the information.

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This announcement contains certain “forward looking statements”. Forward looking statements can generally be identified by the use of forward looking words such as, “expect”, “anticipate”, “likely”, “intend”, “should”, “could”, “may”, “predict”, “plan”, “propose”, “will”, “believe”, “forecast”, “estimate”, “target” “outlook”, “guidance” and other similar expressions and include, but are not limited to, indications of, or guidance or outlook on, future earnings or financial position or performance of IOOF, the outcome and effects of the Offer, and the use of proceeds from the Offer. The forward looking statements contained in this announcement are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of IOOF, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Neither IOOF, nor any other person, gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements in this announcement will actually occur.

You are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the outbreak of COVID-19. Any such statements, opinions and estimates in this announcement speak only as of the date hereof and are based on assumptions and contingencies subject to change without notice, as are statements about market and industry trends, projections, guidance and estimates. Forward-looking statements are provided as a general guide only. The forward-looking statements contained in this announcement are not indications, guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of IOOF, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Forward-looking statements may also assume the success of IOOF's business strategies. The success of any of these strategies is subject to uncertainties and contingencies beyond IOOF's control, and no assurance can be given that any of the strategies will be effective or that the anticipated benefits from the strategies will be realised in the period for which the forward-looking statements may have been prepared or otherwise. Refer to the key risks set out in the investor presentation for a non-exhaustive summary of certain key business, offer and general risk factors that may affect IOOF.

There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. Several important factors could cause actual results or performance to differ materially from the forward-looking statements, including (without limitation) the risks and uncertainties associated with the ongoing impacts of COVID-19, the Australian and global economic environment and capital market conditions and other risk factors set out in the investor presentation. Other risks may materially affect the future performance of IOOF and the price of IOOF Shares. Additional risks and uncertainties not presently known to management or that management currently believe not to be material may also affect IOOF's business.

No representation, warranty or assurance (express or implied) is given or made in relation to any statement (including any forward-looking statement) by any person (including IOOF or any other party). In particular, no representation, warranty or assurance (express or implied) is given that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur.

Actual operations, results, performance, production targets or achievement may vary materially from any projections and forward-looking statements and the assumptions on which those statements are based. To the maximum extent permitted by law, IOOF and its Limited Parties disclaim any obligation or undertaking to release any updates or revisions to the information to reflect any change in expectations or assumptions.

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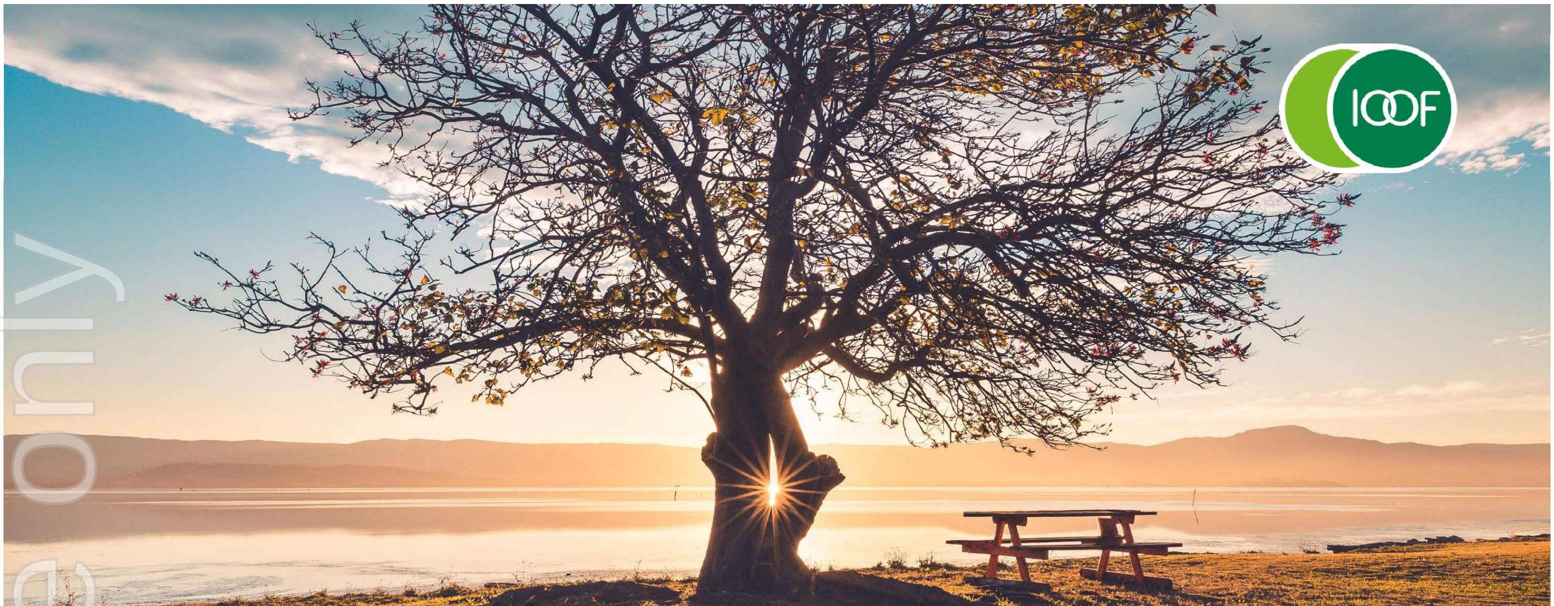

Acquisition of MLC

Monday, 31 August 2020

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Important notice and disclaimer

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  - a fully underwritten[1] institutional placement of new fully paid ordinary shares in IOOF (**New Shares**) to certain professional and sophisticated investors (**Placement**); and
  - a fully underwritten[1] 1 for 2.09 pro rata accelerated non-renounceable entitlement offer of New Shares to eligible shareholders (**Entitlement Offer**),

  (the Placement and Entitlement Offer are together, the **Offer**).
- IOOF will also undertake a non-underwritten share purchase plan to eligible shareholders in Australia and New Zealand (the **Share Purchase Plan**)

Summary information and source of MLC information

- This Presentation contains summary information about IOOF and its activities which is current only at the date of this Presentation. The information in this Presentation is of a general nature and does not purport to be complete nor does it contain all the information which a prospective investor may require in evaluating a possible investment in IOOF or that would be required in a prospectus or product disclosure statement prepared in accordance with the requirements of the Corporations Act 2001 (Cth) (**Corporations Act**). This Presentation should be read in conjunction with IOOF's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange (**ASX**), which are available at www.asx.com.au and www.ioof.com.
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- Investors should also note that there is no assurance that the due diligence conducted was conclusive, and that all material issues and risks in respect of the Acquisition have been identified and avoided or managed appropriately (for example, because it was not always possible to negotiate indemnities or representations and warranties from NAB to cover all potential risks). Therefore, there is a risk that issues and risks may arise which will also have a material impact on the Group (for example, IOOF may later discover liabilities or defects which were not identified through due diligence or for which there is no contractual protection for IOOF). This could adversely affect the operations, financial performance or position of IOOF.

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Notes: (1) Please refer to the summary of the underwriting agreement on slides 32-33.

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- Financial information for MLC contained in this Presentation has been derived from audited consolidated annual accounts of MLC and other financial information made available by NAB and MLC in connection with the Acquisition, and IOOF does not take any responsibility for it.
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- The forward-looking statements contained in this Presentation are not indications, guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of IOOF, its Directors and management, and may involve significant elements of subjective judgment and assumptions as to future events which may or may not be correct. **You are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the outbreak of COVID-19**. Any such statements, opinions and estimates in this Presentation speak only as of the date hereof and are based on assumptions and contingencies subject to change without notice, as are statements about the market and industry trends, projections, guidance and estimates. Forward-looking statements are provided as a general guide only.
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- In connection with the bookbuild, one or more institutional investors may elect to acquire an economic interest in the entitlements or New Shares (Economic Interest), instead of subscribing for or acquiring the legal or beneficial interest in those entitlements or New Shares. The underwriter (or its affiliates) may, for its own account, write derivative transactions with those investors relating to the entitlements or the New Shares to provide the Economic Interest, or otherwise acquire securities in IOOF in connection with the writing of such derivative transactions in the bookbuild and/or the secondary market. As a result of such transactions, the underwriter (or its affiliates) may be allocated, subscribe for or acquire entitlements, New Shares or securities of IOOF in the Placement or the Entitlement Offer, the bookbuild and/or the secondary market, including to hedge those derivative transactions, as well as hold long or short positions in such securities. These transactions may, together with other securities in IOOF acquired by the underwriter or its affiliates in connection with their ordinary course sales and trading, principal investing and other activities, result in the underwriter or its affiliates disclosing a substantial holding and earning fees.

Important notice and disclaimer

Allocations

- You acknowledge and agree that IOOF may comply with the terms of the ASX Class Waiver Decision – Temporary Extra Placement Capacity dated 9 July 2020 to announce to the market reasonable details of the approach it took in identifying investors to participate in the Placement and how it determined their respective allocations in the Placement, and IOOF must within 5 business days of completing the Placement supply to ASIC and ASX (but not for public release) an allocation spread sheet showing full details of the persons to whom the Placement was allocated and for applicants for whom no New Shares were allocated, including the name, existing holding, number of New Shares they applied for or were offered in the Placement and the number of New Shares they were allocated in the Placement (including any zero allocations) and this will necessitate disclosing your application and allocation in the Placement.
- You acknowledge and agree that your existing holding, if any, of fully paid ordinary shares in IOOF will be estimated by reference to IOOF's beneficial register on 28 August 2020 which shows historical holdings as at that date and is not up to date. There will be no verification or reconciliation of the holdings as shown in the historical beneficial register and accordingly this may not truly reflect your actual holding of fully paid ordinary shares in IOOF. IOOF and the underwriter do not have any obligation to reconcile assumed holdings (e.g. for recent trading or swap positions) when determining allocations nor do they have any obligation to allocate pro rata on the basis of existing securityholdings. If you do not reside in a permitted jurisdiction for this Placement you will not be able to participate in the Placement. IOOF and the underwriter and their respective Extended Parties disclaim any duty or liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) in respect of the determination of your allocation using your assumed holdings.
- You further acknowledge and agree that allocations are at the sole discretion of IOOF and the underwriter. IOOF and the underwriter and their respective Extended Parties disclaim any duty or liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) in respect of the exercise or otherwise of that discretion, to the maximum extent permitted by law.

General

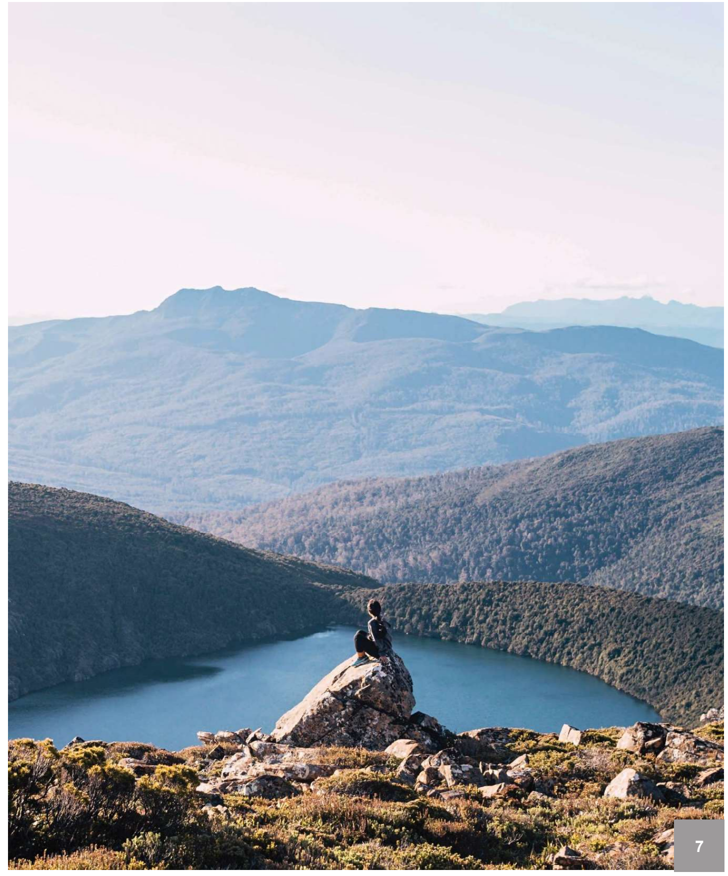
- Statements made in this Presentation are made only as at the date of this Presentation. The information in this Presentation remains subject to change without notice.

Glossary

Term	Definition
Acquisition	The acquisition by IOOF from NAB of 100% of the MLC Group and certain assets (but not liabilities) of the Advice Entities. The transaction perimeter excludes MLC Life (which remains 20% owned by NAB) and JBWere
Advice Entities	The Australian Financial Service licensees holders that operate the MLC Group's advice business
AFSL	Australian Financial Services Licence
AL	Aligned Licensee
Completion	Date by which ownership of MLC transfers to IOOF, expected to be before 30 June 2021
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortisation
EPS	Earnings per share
FUAdmin	Funds under administration
FUAdvice	Funds under advice
FUM	Funds under management
FUMA	Funds under management, advice and administration
IFAs	Independent financial advisers
IOOF	IOOF Holdings Ltd (ACN 100 103 722)
MLC	MLC Wealth Limited (ACN 071 514 264) and its wholly and partly owned subsidiaries and controlled entities (other than the Advice Entities and certain out-of-scope entities)
New Shares	The new shares to be issued pursuant to the Placement and Entitlement Offer
Offer	The Placement and the Entitlement Offer to be conducted by IOOF as described on slide 28
RSE	Registrable Superannuation Entity
Sales Agreement	The share sale and purchase agreement between IOOF and NAB in relation to the acquisition of shares in MLC Wealth Limited (ACN 071 514 264)
SLN	Subordinated Loan Note
SPP	The Share Purchase Plan to be conducted by IOOF as described on slide 28
TERP	Theoretical Ex-Rights Price
TSA	Transitional Services Agreement
UNPAT	Underlying net profit after tax and excludes the impact of certain non-operational financial items
VWAP	Volume Weighted Average Price

Agenda

Appendix



Section 1 | Transformational acquisition of MLC

Unique opportunity to create Australia's leading advice-led wealth manager

The new IOOF

- **Transformational acquisition:**
  - Transformational acquisition creating Australia's leading advice-led wealth manager with ~$510 billion FUMA and 1,884 advisers[1].
  - Compelling opportunity to create long-term value for the benefit of clients, members and shareholders.
- **Highly complementary business:**
  - Aligns with IOOF's strategy and existing businesses.
  - Step change in scale and economic diversification.
- **Attractive financial metrics:**
  - Targeting pre-tax synergies of $150 million per annum by the third full year of ownership.
  - Expected to deliver in excess of 20% EPS accretion on an FY21F pro forma basis[2], including $150 million of estimated pre-tax synergies, excluding transaction and integration costs.
  - Targeting return on funds employed of c. 15%[3] by the third full year of ownership.
  - One-off pre-tax integration and transaction costs of approximately $360 million to be incurred over ~4 years.

The Transaction

- **Purchase consideration:** $1,440 million, representing:
  - 7.4x pro forma FY20 UNPAT[4] including full synergies.
  - 16.2x pro forma FY20 UNPAT[4] excluding synergies.
- Funding for upfront integration and transaction costs of $90 million, of which the majority is in relation to building an MLC data centre

Funding:

- **$1,040 million** fully underwritten institutional placement (Placement) and accelerated non-renounceable entitlement offer (Entitlement Offer).
- **$250 million** incremental senior debt via a syndicated debt facility.
- **$200 million** subordinated loan note issued to NAB.
- **$40 million** in existing IOOF cash.
- Potential additional proceeds via a share purchase plan.
- Post acquisition net debt / EBITDA of <1.0x, below IOOF's target leverage ratio range.[5]

Completion:

- Expected before 30 June 2021 subject primarily to APRA and ACCC approvals.[6]

Notes: (1) FUMA as at 30 June 2020. IOOF adviser numbers as at 20 August 2020. MLC adviser numbers as at 30 June 2020. (2) EPS accretion as if the MLC acquisition was effective 1 July 2020. In accordance with AASB133, IOOF's FY21F EPS has been adjusted to account for the bonus element of the Entitlement Offer and the Placement. Calculated excluding the impact of any proceeds received under the proposed Share Purchase Plan. (3) Based on targeted returns in the third full year of ownership (including run-rate synergies of $150m pre-tax, excluding integration and transaction costs) divided by funds employed (inclusive of transaction and integration costs). Funds employed is calculated as capital employed including cumulative capital expenditure less cumulative depreciation and amortisation over 3 years. (4) Based on IOOF's estimate of MLC's Sep-20 earnings reflecting a standalone cost base. (5) Based on MLC's estimated underlying FY20 cash earnings. Does not include synergies. Net debt as defined for debt covenants and excludes the subordinated loan note issued to NAB. (6) Other conditions and completion deliverables include foreign regulatory approvals and no termination of funding agreements.

IOOF leading industry transformation

- In the reshaped financial services industry, the new IOOF will be:
  - Positioned at the forefront of industry transformation;
  - Utilise its proprietary technology to deliver the lowest cost to operate; and
  - Look after over 2.2 million Australians and have the ability to offer broad choice and accessibility of quality financial advisory and wealth management services.

New IOOF

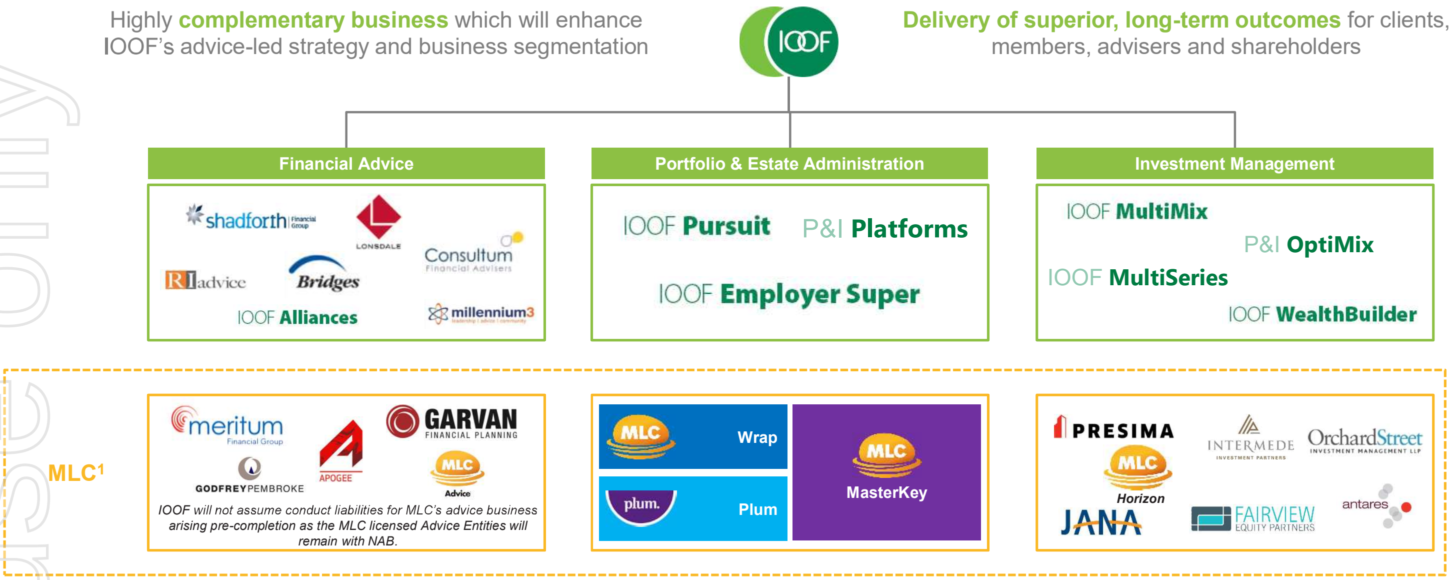
- #1 retail wealth manager by FUMA – $510 billion[1]
- #1 advice business by number of advisers – 1,884 advisers[2]
- #2 super platform by FUAdmin - $173 billion[3]
- IOOF will not assume conduct or remediation liabilities for MLC's advice business arising in relation to pre-completion conduct as the MLC licensed advice entities will remain with NAB.
- Other MLC pre-completion conduct or remediation liabilities including for the platform business will be retained by IOOF, which will manage its exposure through a combination of provisions, indemnities and warranties including indemnities for fines and penalties, certain regulatory investigations and certain litigation matters (including for two class actions and one ASIC proceeding).[4]

Compelling fit with IOOF strategy

- IOOF has been transforming its business to be fit-for-purpose in the new financial services environment, spearheaded by ClientFirst, Evolve and Advice 2.0 strategies.
- The combined IOOF and MLC will bring about the unique potential to lead the transformation of the wealth management industry.
- IOOF's in-house technology capabilities have underpinned our operational transformation and has become a source of competitive advantage.
- The benefits of common purpose and scale will deliver a step-change in client, member, adviser and shareholder outcomes.

Notes: (1) For MLC, FUMA sourced from NAB as at 30 June 2020. For IOOF, FUMA based on reported FUMA as at 30 June 2020. (2) IOOF financial adviser numbers sourced from ASIC financial adviser register (as at 20 August 2020). MLC adviser numbers sourced from NAB as at 30 June 2020. Assumes all current MLC financial advisers transition to IOOF. Based on active MLC advisers only. (3) Based on APRA annual fund-level superannuation statistics June 2019 (issued 10 December 2019). (4) While the provisions, indemnities and warranties in the Sale and Purchase Agreement have sought to address known issues, those arrangements may not respond in all circumstances and are subject to limitations and as such IOOF could retain economic exposure for certain pre-completion conduct or remediation liabilities – see slides 30-31 for a summary of the Sale and Purchase Agreement and the Risks Section.

Unmatched scale creating enhanced client choice and experience



Notes: (1) IOOF is acquiring the Godfrey Pembroke and MLC brands but will not be acquiring the Meritum, Apogee or Garvan brands. MLC's investment management division includes a number of non-fully owned entities including Orchard Street (96.6%), JIA (45%), Fairview (40%) and Intermede (40%).

Superior, long-term outcomes for clients and members, advisers and shareholders

Understand me, look after me, secure my future

Clients and members

Greater scale, efficiency and capacity to invest

- The MLC acquisition provides IOOF with greater scale and efficiency, and the capacity to invest to continue to deliver positive long-term outcomes for clients / members including:
  - Choice and accessibility of quality financial advice and products;
  - Bringing together best-in-class products and services;
  - Generating efficiencies to deliver the lowest cost to operate; and
  - Superior client experience interacting with IOOF.

Advisers

Leading advice-led business

- ClientFirst approach shared by both IOOF and MLC.
- IOOF has the #2 largest advice network in Australia and is committed to its advice-led wealth management strategy.
- IOOF has committed to continue its investment into advice systems and processes, with a focus on delivering higher quality, and more efficient advice outcomes and to manage the increased compliance requirements.
- IOOF will conduct a process by which advisers will be given an opportunity to join an IOOF licensee and benefit from other areas of support.

Shareholders

Significantly accretive transaction

- Attractive valuation:
  - $1,440 million purchase price represents 7.4x pro forma FY20 UNPAT including full synergies, or 16.2x pro forma FY20 UNPAT excluding synergies.[1]
- Strong financial outcomes:
  - Expected to deliver in excess of 20% EPS accretion on an FY21F pro forma basis[2], including $150 million of estimated pre-tax synergies, excluding transaction and integration costs; and
  - Targeting return on funds employed of c. 15%[3] by the third full year of ownership.
- Pro forma IOOF will be highly cash generative, and expects to maintain its target 60 – 90% of UNPAT dividend payout policy.

Notes: (1) Based on IOOF's estimate of MLC's Sep-20 earnings reflecting a standalone cost base. (2) EPS accretion as if the MLC acquisition was effective 1 July 2020. In accordance with AASB133, IOOF's FY21F EPS has been adjusted to account for the bonus element of the Entitlement Offer and the Placement. Calculated excluding the impact of any proceeds received under the proposed Share Purchase Plan. (3) Based on targeted returns in the third full year of ownership (including run-rate synergies of $150m pre-tax, excluding integration and transaction costs) divided by funds employed (inclusive of transaction and integration costs). Funds employed is calculated as capital employed including cumulative capital expenditure less cumulative depreciation and amortisation over 3 years.

Section 2 | Overview of MLC

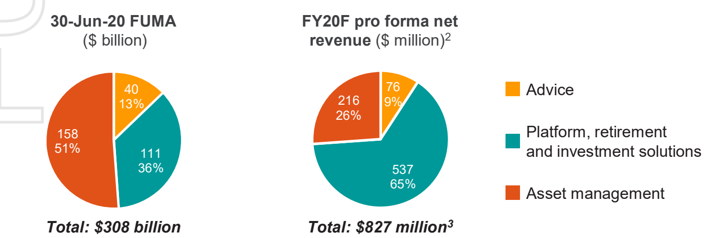
Overview of MLC

MLC provides leading wealth offerings incorporating advice, platforms, retirement and investment solutions, and asset management.

Company overview

- MLC is NAB's wholly owned wealth management business.
- MLC is a highly complementary business to IOOF with a diversified wealth offering comprising advice, platforms, retirement and investment solutions, and asset management with FUMA of $308 billion as at 30 June 2020.
- Headquartered in Sydney, MLC services ~1.1 million members and has ~3,200 FTE.
- MLC's advice network comprises 538[1] aligned and direct advisers.

Key metrics by segment



Company segments – metrics as at 30 June 2020

Advice[4]

- MLC has 538 financial advisers comprising aligned, including GWM Wealth Services, Apogee and Godfrey Pembroke, and direct advisers, including MLC Advice.
- FUAdvice of $40 billion, including MLC Advice and aligned advisers.

Platforms, retirement and investment solutions

- MLC operates retail wrap (MLC Wrap), retail contemporary and legacy platforms (MasterKey Retail Onsale & Offsale) as well as corporate platforms (Plum and MasterKey Business Super).
- FUAdmin $111 billion, including Retail and Workplace.

Asset management

- MLC also owns a multi-manager, in-house asset manager and boutique stakes as part of its asset management division.
- $158 billion[5] of FUM, comprising diversified portfolio management, in-house and boutiques.

On 27 August 2020 APRA imposed additional licence conditions on, and issued certain directions to, NULIS Nominees (Australia) Limited (NULIS). The conditions require NULIS to make certain changes to its systems and processes and the directions require NULIS to engage an independent expert to perform compliance assessments to confirm its compliance with the conditions

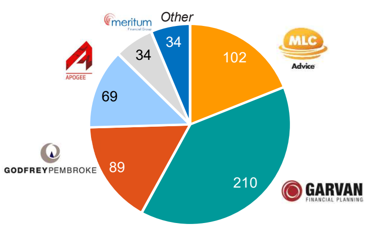
Notes: (1) Based on active MLC advisers only. (2) Based on IOOF's estimate of MLC's Sep-20 pro forma net revenue. (3) Total includes ~$(2) million of other net revenue. (4) The Advice Entities will remain with NAB. IOOF is not assuming any pre-completion advice liabilities and NAB and the Advice Entities have agreed to release IOOF and the MLC Group in respect of pre-completion conduct relating to the Advice business. (5) Boutiques FUM included on a 100% basis.

MLC in detail

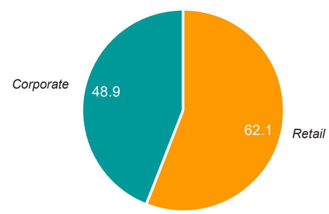
MLC is a diversified wealth management and advice business

	Advice[1]	Platforms, retirement and investment solutions	Asset management
Business Overview	• Includes the self-employed MLC Advice business, and dealer groups wholly owned by MLC: • 30 June 2020 Funds under Advice: › MLC Advice: \$22.8 billion › Dealer groups: \$16.7 billion • 30 June 2020 number of advisers:[2] › MLC Advice: 102 › Dealer groups: 436	• Platform business across retail and corporate: › Retail – Wrap & MasterKey Onsale and Mature products › Corporate SME – MasterKey Business and Personal Super › Institutional / large corporate – Plum Business and Plum Personal • Includes IFA sales and support sub-segment, which is a channel for non-MLC licensed advisers offering MLC products as part of APL	• End-to-end product manufacturing: › Investment products: MLC Wholesale Investment Options (for Wrap product), Jana Investment Trusts and Direct Asset Management options › Portfolio management: Including portfolio construction, asset allocation, manager research and selection and portfolio implementation and research › Investment management: Internal capability, together with investment in boutique partners across a range of asset classes

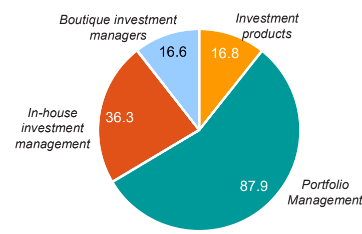
Key metrics – 30 June 2020



No. of active advisers: 538[2]



FUAdmin: \$111.0 billion



FUM: \$157.6 billion[3]

Notes: (1) The Advice Entities will remain with NAB. IOOF is not assuming any pre-completion advice liabilities and NAB and the Advice Entities have agreed to release IOOF and the MLC Group in respect of pre-completion conduct relating to the Advice business. (2) Based on active MLC advisers only. (3) Boutiques FUM included on a 100% basis.

Section 3 | Strategic vision

A new IOOF: Australia's leading advice-led wealth manager

Australia's leading advice-led wealth manager

- Combined FUMA of $510 billion[1]
- #1 retail wealth manager by Platform FUAdmin[1]
- #1 advice business by number of advisers[2]
- #2 Superfunds FUAdmin[3]
- Looking after ~2.2 million Australians

ClientFirst culture

- Brings together a common culture with client-focused strategy.
- Significant scale to deliver the lowest cost to operate and offer streamlined propositions to clients/members.
- Ensuring members and clients benefit from wealth management industry transformation.

Lead the advice industry evolution

- Deployment of Advice 2.0 strategy to lead transformation of advice industry, lifting professionalism, support and compliance.
- Strong commitment to continue investment into advice systems and processes, with a focus on delivering higher quality, and more efficient advice outcomes.
- IOOF is committed to its advice-led wealth management strategy to deliver advice to Australians.

Proprietary technology

- In-house technological capabilities have underpinned IOOF's operational transformation and has become a source of competitive advantage.
- IOOF's technology is highly adaptable as demonstrated by our Evolve technology, which already administers both Employer Super and advisory (retail) product suites.
- Technology will be a critical component of the separation and integration of MLC.

Significantly earnings and cashflow accretive

- High cashflow generation profile.
- Low capital intensity and net working capital requirements.

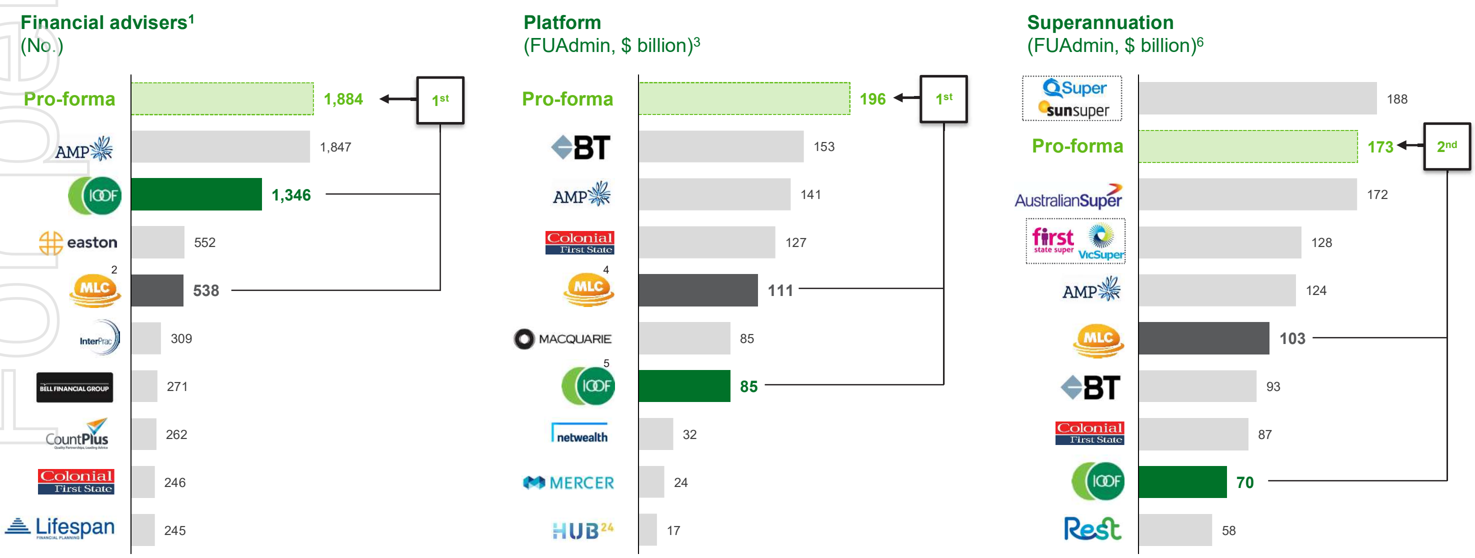
Strong pro-forma balance sheet

- Expected Completion net debt / EBITDA of <1.0x, below IOOF's target leverage ratio range of 1.0x to 1.3x.[4]
- Further de-leveraging over the medium term through strong organic cash flow generation.[5]
- Expect to maintain the current dividend policy of 60 – 90% of UNPAT payout ratio.

Notes: (1) For MLC, FUMA sourced from NAB as at 30 June 2020. For IOOF, FUMA based on reported FUMA as at 30 June 2020. (2) IOOF financial adviser numbers sourced from ASIC financial adviser register (as at 20 August 2020). MLC adviser numbers sourced from NAB as at 30 June 2020. Assumes all current MLC financial advisers transition to IOOF. Based on active MLC advisers only. (3) Based on APRA annual fund-level superannuation statistics June 2019 (issued 10 December 2019). (4) Based on IOOF's estimate of MLC's Sep-20 earnings reflecting a standalone cost base. Does not include synergies. Net debt as defined for debt covenants and excludes the subordinated loan note issued to NAB. (5) In addition, IOOF evaluates potential opportunities for investments or divestments on a regular basis. IOOF has received an approach with a third party, relating to the potential divestment of it professional trustee services business, Australian Executor Trustees Limited. While discussions are on-going, there is no assurance that any divestment will occur, of if so, on what terms.

Australia's leading advice-led wealth manager

The transaction creates the number 1 retail wealth manager by Funds under Administration and the number 1 advice business by number of financial advisers.

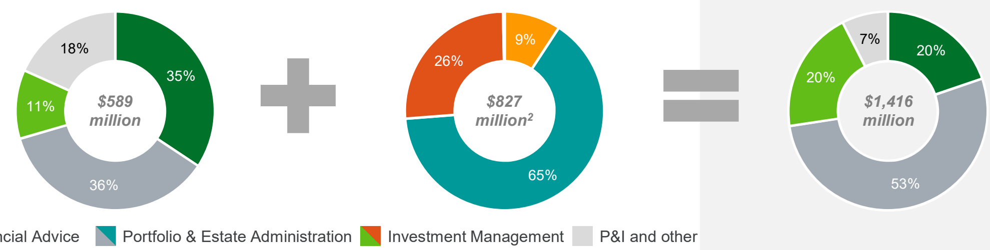


Notes: (1) Financial adviser numbers sourced from ASIC financial adviser register (as at 20 August 2020). Shows ranking of total current adviser licenses by controlling entity, does not include SMSF Advisers Network / National Tax Accountants (852 advisers). Assumes all current MLC financial advisers transition to IOOF. (2) MLC adviser numbers sourced from NAB as at 30 June 2020. Based on active MLC advisers only. (3) Platform Funds under Administration sourced from Plan for Life Platform Funds Monthly Market Report for Total Wraps, Platforms and Master Trusts, as at May 2020. (4) For MLC, Funds under Administration sourced from NAB as at 30 June 2020. (5) For IOOF, Funds under Administration based on reported FUMA as at 30 June 2020. (6) Based on APRA annual fund-level superannuation statistics June 2019 (issued 10 December 2019). QSuper / Sunsuper funds shown on a combined basis given Memorandum of Understanding signed 4 March 2020 (per Qsuper announcement). First State Super / VicSuper shown on a combined basis to reflect merger completed on 1 July 2020.

Acquisition will significantly increase the scale of IOOF's core business

Key metrics – 30 June 2020	IOOF	MLC	New IOOF
Clients (No.)	~1.1 million	~1.1 million	**~2.2 million**
FUAdmin ($ billion)	85.3	111.0	**196.3** *(+130%)*
FUAdvice ($ billion)	70.5	39.5	**110.0** *(+56%)*
FUM ($ billion)	46.5	157.6	**204.1** *(+339%)*
Financial Advisers (No.)	1,346[1]	538[1]	**1,884**[3] *(+40%)*

Net revenue by division (FY20)

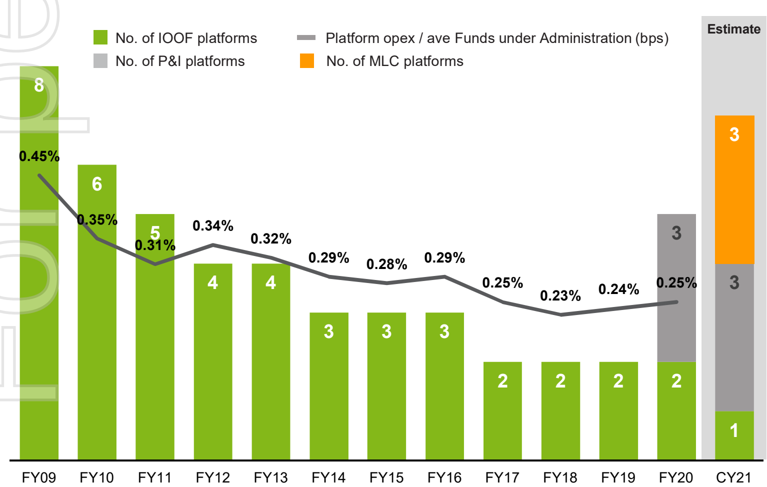


Notes: (1) IOOF financial adviser numbers sourced from ASIC financial adviser register (as at 20 August 2020). MLC adviser numbers sourced from NAB as at 30 June 2020. Based on active MLC advisers only. (2) Based on IOOF's estimate of MLC's Sep-20 pro forma net revenue. (3) Assumes all current MLC financial advisers transition to IOOF.

Simplification benefits through scale

Successful track record of integration and simplification delivering long term benefits

Platforms and operating expenses over time



Simplification benefits

- Highly complementary business model provides opportunities to realise significant simplification
- Enabling efficiency benefits, sustainability and ability to innovate

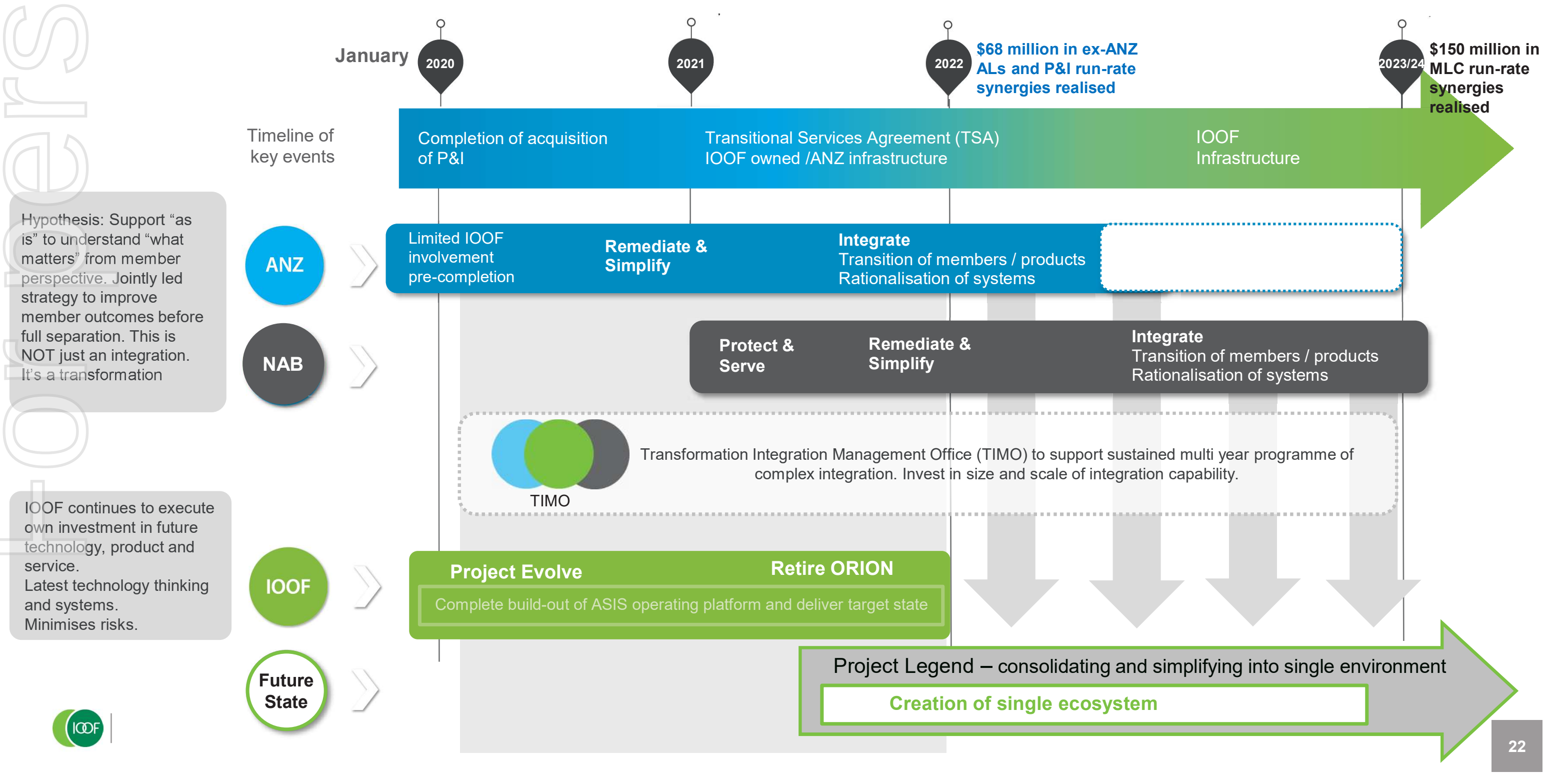
Lowest cost to operate

- Evolve is a cross-functional programme of work delivering IOOF's go-forward platform for proprietary retail, advisory and workplace products
- Enables IOOFs platforms to go from two to one by end of 2021
- IOOF owns its own technology
- The Evolve platform currently administers:
  - Employer Business – c. $8 billion and ~146,000 accounts[1]
  - Retail Wrap – c. $5 billion and ~30,000 accounts[1]

Notes: (1) As at 31 July 2020.

Section 4 | Integration management

High level roadmap – industrialised transformation and migration capabilities



Integration management

IOOF has a detailed integration plan that leverages the deep institutional expertise developed over numerous transactions and integrations

Integration execution team

- **Execution:** IOOF has deep experience in integrating complex wealth, with a particular emphasis on the integration and consolidation of IT systems and platforms.
- **Planning:** IOOF has developed a clear integration plan for MLC which will ensure a smooth transition, alongside the ongoing integration of the P&I business.
- **Accountability:** MLC execution team includes dedicated Transformation executive reporting to the CEO.
- **Resourcing:** Well resourced teams to implement integration, overseen by IOOF Executive team through business line responsibilities.
- **Outcomes:** Continued focus on client/member outcomes.

Integration steering committee

Integration management office

Function teams		
IT	Finance	Advice
Property	HR	Communications
Procurement	Legal	Investment management

Strategic teams		
Remediation	Project delivery	Organisational design

Section 5 | Transaction funding and financial impact

Transaction funding

Funding mix

Acquisition consideration	• Purchase consideration of $1,440 million › Upfront cash consideration of $1,240 million; and › 5 year subordinated loan note of $200 million • Cash consideration funded with existing cash, incremental senior debt and an underwritten equity raise announced today
Equity raising	• Fully underwritten institutional placement (Placement) and pro rata accelerated non-renounceable entitlement offer (Entitlement Offer) to raise $1,040 million • Potential additional proceeds via share purchase plan
Debt	• $250 million new syndicated debt
Subordinated loan note	• $200 million subordinated loan note issued to NAB

Sources & uses

Sources	$ million
Placement and Entitlement Offer	1,040
Subordinated loan note issued to NAB	200
Incremental debt	250
Existing IOOF cash	40
Total sources	**1,530**

Uses	$ million
Purchase consideration	1,440
Upfront integration costs and transaction costs	90
Total uses	**1,530**

Combined group – pro forma financial summary

FY20 pro forma financial profile

$ million	IOOF (audited)	MLC[1] (unaudited, pro forma standalone estimate)	Combined (pre-synergies)	Impact from synergies[2]	Uplift in funding costs[3]	Combined (run-rate synergies)
Net revenue ($ million)	589	827	**1,416**			**1,416**
Operating expenses ($ million)	(384)	(682)	(1,067)			(1,067)
Underlying EBITDA ($ million)	204	145	**349**	150		**499**
UNPAT ($ million)	124	89	**213**	105	(5)	**313**
Funds under Advice ($ billion)	71	40	**110**			**110**
Funds under Administration ($ billion)	85	111	**196**			**196**
Funds under management ($billion)	47	158	**204**			**204**
Senior net debt / EBITDA (x)	1.3x					**0.8x[6]**

Profit and loss

› Acquisition:
- Expected to deliver in excess of 20% EPS accretion on an FY21F pro forma basis[4], including $150 million of targeted pre-tax synergies, excluding transaction and integration costs; and
- Targeting return on funds employed of c. 15%[5] by the third full year of ownership.
- Strong cashflow generation.

Balance sheet

› Sufficient regulatory capital and management buffers transferred with MLC as part of the acquisition.

› Maintenance of conservative leverage profile – combined net debt to EBITDA at Completion expected to be below target leverage range of 1.0x to 1.3x.

› IOOF expects to maintain its target 60 – 90% of UNPAT dividend payout policy.

Notes: (1) Based on IOOF's estimate of MLC's Sep-20 earnings reflecting a standalone cost base. (2) Synergies targeted to be realised in full in the third full year of ownership. Excludes $360m in one-off pre-tax integration costs associated with the MLC acquisition. Synergies tax effected at 30% for UNPAT. (3) $5m in post-tax funding costs accounts for both the incremental $250 million in senior debt funding (estimated ~2% pre-tax cost of funds) and subordinated loan note. Tax effected at 30%. (4) EPS accretion as if the MLC acquisition was effective 1 July 2020. In accordance with AASB133, IOOF's FY21F EPS has been adjusted to account for the bonus element of the Entitlement Offer and the Placement. Calculated excluding the impact of any proceeds received under the proposed Share Purchase Plan. (5) Based on targeted returns in the third full year of ownership (including run-rate synergies of $150m pre-tax, excluding integration and transaction costs) divided by funds employed (inclusive of transaction and integration costs). Funds employed is calculated as capital employed including cumulative capital expenditure less cumulative depreciation and amortisation over 3 years. (6) Based on MLC's estimated underlying FY20 cash earnings. Does not include synergies. Net debt as defined for debt covenants and excludes the subordinated loan note issued to NAB.

Debt funding and subordinated loan note

Transaction is expected to be materially credit enhancing for IOOF, driven by realisation of targeted synergies and high cash flow generation

Senior debt funding

Upfront senior debt funding	• Upfront purchase consideration will be partly funded by a new committed senior debt facility of $250 million
Pro forma leverage	• The transaction has been funded to align gearing with low end of IOOF's target 1.0x – 1.3x net debt / EBITDA range. › Expected Completion net debt / EBITDA of <1.0x, below IOOF's target leverage ratio range[1]; and › Leverage expected to reduce over time with the realisation of synergies
Impact on existing facilities	• Existing syndicated facilities remain in place, subject to lender consent › IOOF is confident it will be able to obtain lender consent on its existing syndicated facility. NAB has already provided its consent as an existing lender to the syndicated facility • IOOF expects to maintain a diversified lender group post-transaction • IOOF extended its debt maturity during the period to September 2022
Funding certainty	• To ensure funding certainty: › New upfront facility to be underwritten by NAB and Citi › Backstop provided by NAB and Citi in the unlikely scenario that consent is not provided by existing lender group

Subordinated loan note

Issue size	• $200 million
Coupon	• 1% per annum on principal and any coupon payable but unpaid due to the subordination regime • Step up to 4% per annum if Noteholders request redemption more than 42 months after the issue date and the Company does not redeem
Redemption	• Redemption amount equal to principal plus accrued interest plus additional amount equal to any uplift in notional securities over a reference price (being a 15% premium to TERP for the Equity Offer) and subject to adjustment, including for dividends
Maturity date	• 5 years from Completion
Early Redemption start period	• 42 months from Completion
Structure	• Subordinated to the Group's senior bank debt financiers • Ranks equally with all other senior unsecured creditors • Ranks senior to equity holders

Notes: (1) Based on MLC's estimated underlying FY20 cash earnings. Does not include synergies. Net debt as defined for debt covenants and excludes the subordinated loan note issued to NAB.

Equity raising details

Offer size and structure	• Fully underwritten $1,040 million equity raising consisting of: › An institutional placement (Placement) to raise approximately $452 million; and › A 1 for 2.09 pro rata accelerated non renounceable entitlement offer (Entitlement Offer) to existing shareholders to raise approximately $588 million. - Eligible shareholders will be invited to subscribe for one new IOOF share (New Shares) for every 2.09 existing IOOF shares held as at 7:00pm Wednesday, 2 September 2020 (Entitlement Offer Record Date) - The Entitlement Offer is non renounceable and entitlements will not be tradeable or otherwise transferable • A non-underwritten Share Purchase Plan • Approximately 297 million New Shares to be issued under the Offer representing approximately 85% of current issued capital[1]
Offer pricing	• The Equity Raising will be offered at a price of $3.50 per New Share (Offer Price) › 22.5% discount to dividend adjusted last close price of $4.515 on Wednesday, 26 August 2020; and › 13.6% discount to dividend adjusted theoretical ex-rights price (TERP)[2] of $4.05 on Wednesday, 26 August 2020
Use of proceeds	• The proceeds will be used to fund (i) upfront purchase price of MLC and (ii) upfront integration costs and transaction costs • If the Acquisition does not proceed, IOOF will consider alternative uses for some of the funds, including the return of some of the proceeds to shareholders, debt reduction, working capital or alternative investment opportunities
Institutional offer	• Institutional Entitlement Offer and Placement to be conducted from Monday, 31 August 2020 to Tuesday, 1 September 2020[3] • Entitlements not taken up and those of ineligible institutional shareholders will be sold at the Offer Price
Retail offer	• Retail entitlement offer to open on Monday, 7 September 2020 and close at 5:00pm on Wednesday, 16 September 2020[3] • Only eligible shareholders with a registered address in Australia or New Zealand may participate in the Retail Entitlement Offer
Share Purchase Plan[4]	• IOOF will offer a Share Purchase Plan (SPP) to eligible shareholders in Australia and New Zealand on the IOOF register as at 7:00pm Friday, 28 August 2020 (SPP Record Date) to apply for up to an additional A$30,000 of New Shares free of any brokerage, commission and transaction costs • The price for the SPP will be the same as the Offer Price • IOOF is aiming to raise up to $50 million via the SPP which is not underwritten, but reserves the right to increase this amount in its absolute discretion
Board participation	• All of the Directors of IOOF who are shareholders have indicated they will participate in the Entitlement Offer
Underwriting	• The Placement and Entitlement Offer are fully underwritten by the Lead Manager • The SPP is not underwritten
Ranking of new shares	• New Shares will rank equally with existing IOOF shares on issue, but will not be eligible to receive the dividend declared on Monday, 31 August 2020

Notes: (1) Excludes any proceeds raised through the Share Purchase Plan. (2) The theoretical ex rights price (TERP) includes shares issued under the Entitlement Offer and Placement. TERP is the theoretical price at which IOOF's shares should trade at immediately after the ex-date for the Entitlement Offer based only on the last traded price and issuance of shares at the Offer Price in the Entitlement Offer and the Placement. TERP is a theoretical calculation only and the actual price at which IOOF shares trade immediately after the ex-date for the Entitlement Offer may be different from TERP. (3) These timings are indicative only and subject to variation. IOOF reserves the right to alter the timetable at its absolute discretion and without notice, subject to the Listing Rules, Corporations Act and other applicable laws. All references are to Australian Eastern Standard Time (AEST). (4) The equity raising structure balances the need for certainty of proceeds received through the underwritten Placement and Entitlement Offer (for the purposes described in this presentation) with IOOF's desire to provide its retail shareholders with the opportunity to further participate in the capital raise through the SPP. The target on the SPP of $50 million is considered appropriate to provide the majority of IOOF's retail shareholders with the opportunity to receive a pro rata allocation having regard to the total equity raising size and structure (including that it is being offered together with the Entitlement Offer) and the construct of the share register. Full details of the SPP will be set out in the SPP offer booklet, which will be sent out to eligible shareholders in due course.

Equity raising timetable

Event	Date
SPP Record Date	7:00pm Friday, 28 August 2020
Announcement of Placement and accelerated non-renounceable entitlement offer	Monday, 31 August 2020
Entitlement Offer Record Date	7:00pm Wednesday, 2 September 2020
Placement and Institutional Entitlement Offer	
Placement and Institutional Entitlement Offer opens	Monday, 31 August 2020
Placement and Institutional Entitlement Offer closes	Tuesday, 1 September 2020
Announcement of results of Placement and Institutional Entitlement Offer	Wednesday, 2 September 2020
Shares recommence trading	Wednesday, 2 September 2020
Settlement of New Shares issued under the Placement and Institutional Entitlement Offer	Monday, 7 September 2020
Issue and commencement of trading of New Shares under the Institutional Entitlement Offer	Tuesday, 8 September 2020
Retail Entitlement Offer and SPP	
Retail offer booklet despatched to Eligible Retail Shareholders and Retail Entitlement Offer opens	Monday, 7 September 2020
SPP offer booklet despatched to Eligible Retail Shareholders and SPP opens	Monday, 7 September 2020
Retail Entitlement Offer and SPP closes	5:00pm Wednesday, 16 September 2020
Announcement of results of Retail Entitlement Offer and SPP	Friday, 18 September 2020
Settlement of New Shares issued under the Retail Entitlement Offer	Tuesday, 22 September 2020
Issue of New Shares under the Retail Entitlement Offer	Wednesday, 23 September 2020
Commencement of trading of New Shares issued under the Retail Entitlement Offer	Thursday, 24 September 2020
Holding statements in respect of New Shares issued under the Retail Entitlement Offer despatched	Thursday, 24 September 2020
Allotment of New Shares under the SPP	Thursday, 24 September 2020
Commencement of trading of New Shares issued under the SPP	Friday, 25 September 2020
Holding statements in respect of New Shares issued under the SPP despatched	Friday, 25 September 2020

The timetable (and each reference in this presentation to a date specified in the timetable) is indicative only and IOOF may, at its discretion, vary any of the above dates by lodging a revised timetable with the ASX. All times referred to in this presentation are Australian Eastern Standard Time (AEST).

Summary sale and purchase agreement and other terms

Acquisition	• The acquisition by IOOF from NAB of 100% of the MLC Group (post restructure to exclude the AFSL holders that operate MLC's advice business (the **Advice Entities**) and other out of scope entities) (the **MLC Group**) and assets (but not liabilities) of the Advice Entities. The transaction perimeter excludes MLC Life (which remains 20% owned by NAB) and JBWere. • MLC self-employed advisers proposed to transfer to IOOF AFSLs at Completion. • Transaction perimeter excludes MLC Life (which remains 20% owned by NAB) and JBWere.
Transaction price and consideration	• Purchase consideration of $1,440 million › $1,240 million is payable on Completion; › $200 million is payable via Subordinated Loan Notes. • Purchase price will be subject to standard closing account adjustments including in relation to net assets, regulatory capital and a buffer.
Subordinated Loan Notes (SLNs)	• SLNs are unsecured subordinated debt obligations of IOOF. • 1% per annum coupon, payable semi-annually. Step up to 4% per annum if Noteholders request redemption more than 42 months after the issue date and the Company does not redeem. • 5 year term with an early redemption start period of 42 months from Completion. • Equity linked redemption linked to any uplift in notional securities over a reference price (being a 15% premium to TERP for the Equity Offer) and subject to adjustment. • IOOF permitted to accelerate redemption after 3 years if VWAP is at least 150% of the reference price or in the case of certain tax changes. Holder permitted to accelerate redemption at any time commencing 42 months after the issue date, subject to Issuer consent, or upon change in control (acquisition by a person of beneficial ownership of 50% or more of the ordinary voting power or outstanding voting shares) or delisting or 15 trading day suspension).
Conditions	• Sale is conditional on: › APRA approval on IOOF's application to own or control a registrable superannuation entity (RSE) licensee under section 29HD of *the Superannuation Industry (Supervision) Act* 1993 (**SIS Act**). IOOF has experience in obtaining the SIS Act approval through its ANZ P&I transaction. › ACCC non-objection to the acquisition. While the transaction would see IOOF increase its share in some industry segments, it would continue to face faces rigorous competition from not only other wealth mangers but also industry funds, and the best interests duty for advisers has removed certain of the benefits of scale.

Summary sale and purchase agreement and other terms (cont'd)

Conditions (cont'd)	• Sale is conditional on: › Transfer of Advice Entities and excluded assets outside transaction perimeter as part of the separation of the MLC business. › No termination of the existing (debt and equity) funding agreements. • In addition, certain foreign regulatory notifications and approvals are required as Completion deliverable as a result of the operations in the UK, Ireland, Canada and the USA where MLC has relatively small operations.
Break fee	• A break fee of $14 million is only payable by IOOF if either IOOF or NAB terminate the Share Sale and Purchase Agreement due to termination of a Funding Agreement (equity or debt) (other than by IOOF) and it is not cured generally within a 20 business day cure period.
Estimate time for completion	• Completion is currently expected before 30 June 2021, although the timetable may change. • Timing is ultimately subject to satisfaction of closing conditions and completion deliverables.
Transition/transitional services	• The parties have agreed to plan for the transition of the respective businesses through a transitional implementation plan reporting to a committee represented by NAB, MLC and IOOF during the pre-Completion period. The transition process will be governed by a range of separation agreements following Completion. • After regulatory approvals have been obtained IOOF intends to stand-up a new data centre to accept the transfer of the NAB/MLC records post Completion. • NAB has agreed to provide transitional services for up to two years although the intention is to migrate off such services as quickly as possible following Completion.
Liability regime	• The Advice Entities will remain with NAB. IOOF is not assuming any pre-completion advice liabilities under the transaction documents and NAB and the Advice Entities have agreed to release IOOF and the MLC Group in respect of pre-completion conduct relating to the Advice business. • Provisions for a small number of known matters will be included in the completion accounts (at least $30 million), although the final provision will depend on the status of the various remediation programs at Completion. • Indemnities provided for specific pre-completion matters including tax, breaches of anti-money laundering, regulator fines and penalties, an 80% share of a provision overrun for a remediation programme for workplace super and three pieces of litigation (relating to an ASIC action in relation to plan service fees, a class action in relation to grandfathered commissions and a separate class action in relation to the transition of certain accrued default account members to MySuper) and certain on-going regulatory investigations and certain existing investigations in respect of the MLC Group including investigations relating to the implementation of planned services fees, late lodgement of significant breach reports and deduction of adviser services fees from super accounts of deceased members. • Typical warranties for a transaction of this type. • The indemnities and warranties are subject to various limitations and qualifications and subject to certain exceptions, an aggregate limit of the purchase price applies.
Inherited MLC Life arrangements continue	• Existing MLC Life (80% owned by Nippon Life, 20% owned by NAB) arrangements with MLC will continue. • MLC and IOOF to procure offer and promotion of certain life insurance products of MLC Life through MLC and IOOF channels on a non-exclusive basis. • MLC restricted from issuing directly competing life products until October 2036 (but does not restrict continued issuance of certain existing IOOF products) and white-labelling certain life insurance products using MLC's brands until October 2029.

Summary of Underwriting Agreement

IOOF has entered into an underwriting agreement under which Citigroup Global Markets Australia Pty Limited (the Underwriter) has agreed to fully underwrite the Offer,[1] subject to the terms and conditions of that agreement (Underwriting Agreement). The SPP is not underwritten.

The Underwriter's obligations under the Underwriting Agreement, including to manage and underwrite the Offer, are conditional on certain matters, including IOOF entering into the Acquisition agreement and Acquisition debt funding arrangements, IOOF obtaining all ASX waivers and ASIC modifications necessary to implement the Offer, IOOF releasing to ASX an announcement that discloses the Offer, as well as IOOF providing executed due diligence materials to the Underwriter before the Offer is announced. Further, if certain events occur, some of which are beyond IOOF's control, the Underwriter may terminate the Underwriting Agreement.

The Underwriter may terminate its obligations under the Underwriting Agreement on the occurrence of certain events, including where:

a) the Acquisition will not proceed due to:
   i. where a condition precedent to the Acquisition agreement or the Acquisition debt funding arrangements (in the reasonable opinion of the Underwriter) becomes or is likely to become incapable of being satisfied and as a result of which it becomes capable of being terminated by a party; or
   ii. the Acquisition agreement or the Acquisition debt funding arrangements are amended, modified, varied or breached in a manner which has a material adverse effect, or they are terminated, rescinded or repudiated, in either case, without the Underwriter's prior written consent;
b) any offer document omits certain material required by the Corporations Act or contains (whether by omission or otherwise) any statement which is false, misleading or deceptive (including by way of omission) or which is likely to mislead or deceive;
c) IOOF becomes aware that it will not be able to drawdown the required amount under the Acquisition debt funding arrangements on or prior to the Acquisition settlement date;
d) IOOF ceases to be admitted to the official list of ASX or its ordinary shares are suspended from trading on, or cease to be quoted on, ASX (for any reason other than a trading halt in connection with the Offer);
e) ASIC applies for certain orders under the Corporations Act in relation to the Offer or an offer document, or gives a notice of intention to prosecute or prosecutes IOOF or any of its Directors, or takes certain other actions;
f) approval for the official quotation of the New Shares is not given by ASX by the applicable dates;
g) IOOF is prevented from allotting or issuing New Shares under the Offer;
h) there are certain delays in the timetable for the Offer or the SPP without the Underwriter's consent;
i) IOOF or one of its subsidiaries (Group Member) is insolvent or there is an act or omission which is likely to result in IOOF or a Group Member becoming insolvent;
j) ASIC makes a determination, exemption or order which would prevent IOOF from making the Offer under sections 708AA (as modified by the ASIC Instrument and any other applicable ASIC legislative instrument or other relief) or 708A, including a determination under sections 708AA(3) or 708A(2);
k) an obligation arises on IOOF to give ASX a notice in accordance with section 708AA(12) (as modified by the ASIC Instrument and any other applicable ASIC legislative instrument or other relief), other than the obligation to lodge a supplementary offer document solely because of agreement on a revised Offer Price;
l) an event or occurrence which makes it illegal or commercially impossible for the Underwriter to satisfy an obligation under the Underwriting Agreement, or to market, promote or settle the Offer; or
m) IOOF withdraws the Offer or any part of the Offer.

In addition, in some cases the Underwriter's ability to terminate the Underwriting Agreement will depend on whether, in the reasonable opinion of the Underwriter, the event:

a) has, or is likely to have, a material adverse effect on the success of the Offer, the ability of the Underwriter to market or promote or settle the Offer, the price or likely price at which the New Shares are likely to trade on ASX or the willingness of persons to apply for, or settle obligations to subscribe for, New Shares under the Offer; or
b) has given (or is likely to give) rise to a liability for the Underwriter under, or result in a contravention by the Underwriter of, or result in the Underwriter being involved in a contravention of, any applicable law,

(together, the **Materiality Qualifier**).

Such events include where:

a) IOOF breaches or defaults under the Acquisition debt funding arrangements or any other material financing arrangement, or an event of default, potential event of default, review event which results in the accelerated repayment of the debt or financing, or other similar event occurs under or in respect of the Acquisition debt funding arrangements or any other material financing arrangement;
b) IOOF or any of its Directors or officers engage, or have engaged, in any fraudulent conduct by or on behalf of IOOF (whether or not in connect with the Offer or the SPP), or civil or criminal proceedings are brought against IOOF or any Director or other officer of IOOF in relation to any fraudulent, misleading or deceptive conduct by or on behalf of IOOF (whether or not in connection with the Offer or the SPP);
c) a Director of IOOF:
   i. is charged with an indictable offence, or a public action is commenced by a government authority against any of IOOF's Directors or a government authority announces that it intends to take that action; or
   ii. is disqualified from managing a corporation under applicable law; or
d) a representation, warranty, undertaking or obligation contained in the Underwriting Agreement on the part of IOOF is breached, becomes not true or correct or is not performed.

Notes: (1) See "Shortfall" heading below for further details on this.

Summary of Underwriting Agreement (cont'd)

In addition, if certain events occur at any time in the period from (and including) the date of the Underwriting Agreement to and including 3.00pm on the Retail Settlement Date (as defined in the equity raising timetable), the Underwriter may notify IOOF of the event and request that a new Offer Price be determined as negotiated in good faith between the Underwriter and IOOF. If the Underwriter and IOOF have not agreed a new Offer Price prior to 8.00am on the third business day following notification of the relevant event (or the Retail Settlement Date if the notification of the relevant event arises less than 3 business days prior to that date) then the Underwriter may terminate with immediate effect. These events include:

a) where one or both of the Chief Executive Officer and the Chairman of IOOF are terminated from their respective roles; or
b) in the reasonable opinion of the Underwriter and subject to the Materiality Qualifier, one or more of the following events has occurred: there have been certain disruptions in trading of securities on ASX or certain other stock exchanges; a general moratorium on commercial banking activities or a material disruption in commercial banking or security settlement, payment or clearance services in certain countries; commencement or the major escalation of hostilities, or the declaration or escalation of a national emergency, or a terrorist attack, in certain countries; certain changes of law; the SPP offer booklet contains a statement that is false, misleading or deceptive (including by omission) or does not otherwise comply with applicable laws; or IOOF fails to conduct the SPP in accordance with applicable laws, and in the manner, and for the purpose described in, the announcement released on the same date as this presentation and the SPP offer booklet.

Termination of the Underwriting Agreement would have an adverse impact on the amount of proceeds raised under the Offer and could affect IOOF's ability to pay the purchase price for the Acquisition. If the Underwriting Agreement is terminated, IOOF must use reasonable endeavours to find alternative funding arrangements to meet its contractual obligations under the Acquisition agreement to pay the purchase price. A break fee is only payable by IOOF if either IOOF or NAB terminate the Share Sale and Purchase Agreement due to termination of a Funding Agreements (equity or debt) (other than by IOOF) and it is not cured within a 20 business day cure period. Termination of the Underwriting Agreement could materially adversely affect IOOF's business, cash flow, financial performance, financial condition and share price.

For details of the fees payable to the Underwriter, see the Appendix 3B released to ASX on 31 August 2020.

IOOF also gives certain representations, warranties and undertakings to the Underwriter and an indemnity to the Underwriter and its affiliates subject to certain carve-outs.

Shortfall

The Underwriting Agreement provides that the Underwriter will not be issued any shares that would either cause it to (i) notify the Treasurer under the Foreign Acquisitions and Takeovers Act 1975 (Cth), (ii) breach published Foreign Investment Review Board policy or (iii) breach the 20% takeover threshold contained in Chapter 6 of the Corporations Act 2001 (Cth). The issue size is up to approximately 297 million shares or 85% of the existing shares on issue. If the Underwriter is required to take up shares on issue which would otherwise cause it to breach or notify under these provisions then (i) it will still fund its respective proportion of the underwritten proceeds for the Placement and the Entitlement Offer in accordance with and subject to the terms of the Underwriting Agreement; and (ii) will seek to procure subscriptions in respect of the excess shortfall shares or may itself subscribe for the excess shortfall shares once the restriction no longer applies to it, within a certain period. No material impact on control is expected to arise as a consequence of these arrangements or from any shareholder taking up their entitlement under the Entitlement Offer where there is an excess shortfall.

The Directors of IOOF reserve the right to issue any shortfall (including any excess shortfall) under the Entitlement Offer and the Placement at their discretion. Any excess shortfall may, subject to the terms of the Underwriting Agreement, be allocated to the Underwriter or to third party investors as directed by the Underwriter. The basis of allocation of any other shortfall will be determined by the Directors of IOOF at their discretion, taking into account whether investors are existing shareholders, IOOF's register and any potential control impacts

Appendix A | Key risks

Key risks

Prior to deciding whether to apply for New Shares under the Offer, you should read this presentation and the Entitlement Offer booklet (as applicable) in their entirety and review all announcements made to the ASX and other information available on IOOF's website in order to gain an understanding of IOOF, its activities, operations, financial position and prospects. You should be aware that there are risks associated with an investment in IOOF. These can be categorised as specific risks (that is, matters that relate directly to the Acquisition or IOOF's business) and general risks (those that relate to the industries in which IOOF operates in general). Many of these risks are outside the control of IOOF and cannot be mitigated by the use of safeguards or any controls. The New Shares carry no guarantee in respect of profitability, return of capital or the price at which they will trade on ASX. An investment in IOOF is speculative. The following is not an exhaustive summary but identifies the areas the Board of Directors of IOOF regards as the major risks related to an investment in IOOF.

Risks specific to the Acquisition

Completion Risk	Completion of the Acquisition is conditional on various matters as set out in the definitive share sale agreement in respect of the Acquisition (**Sale Agreement**), including certain regulatory approvals (including from the ACCC and APRA) and various completion deliverables including notifications and approvals from overseas regulatory authorities in the U.S., U.K., Ireland and Canada. If any of the conditions are not satisfied or waived, or any of the completion deliverable are not delivered, Completion of the Acquisition may be deferred or may not occur on the current terms or at all. If the Acquisition is not completed as a result of a failure to satisfy conditions (or otherwise), IOOF will need to consider alternative uses for the proceeds from the Offer, or ways to return such proceeds to shareholders. If Completion of the Acquisition is delayed, IOOF may incur additional costs and it may take longer than anticipated for IOOF to realise the benefits of the Acquisition. Any failure to complete, or delay in completing, the Acquisition could materially and adversely affect IOOF's operational and financial performance and the price of its shares.
Historical Liabilities	If the Acquisition completes, IOOF may become directly or indirectly exposed to liabilities that the MLC Group have incurred or are liable for in the past as a result of prior acts or omissions, including liabilities which were not identified during IOOF's due diligence or which are greater than expected, or for which IOOF was unable to negotiate sufficient protection in the Sale Agreement. Such liabilities may adversely affect the financial performance or position of IOOF after the Acquisition: (i) Advice liabilities: IOOF will seek to enter into a new arrangements with self-employed advisers of various Advice Entities (rather than inheriting or transferring the existing arrangements). While NAB has had an on-going substantial remediation program for advice, there is a risk that a third party could claim against the MLC Group in respect of pre-completion advice liabilities. (ii) Client remediation: The MLC Group has had to establish a number of active remediation projects including in relation to certain events related to, among other things, inappropriate charging of adviser service fees, insufficient client disclosures and notices, and incorrect calculations of tax capital gains tax and cost bases (**Open Remediation Matters**). If any Open Remediation Matters are not resolved before Completion a provision will be included in the completion accounts and, other than in relation to Workplace Super, that provision will be the sole recourse for those remediation projects. Determining such provisions requires significant judgement. Existing provisions of the MLC Group may not be sufficient and where a provision is increased following Completion, the costs of such increase will be borne by the MLC Group not NAB unless a warranty claim can be pursued. There may be additional matters not assessed during due diligence to which no provision may apply. (iii) AML/CTF liability: The MLC Group currently meets its AML/CTF obligations under a joint AML/CTF programme with other NAB Group entities. Following Completion, it will need to make alternative arrangements to meet those obligations. While NAB has indemnified IOOF for fines and penalties and monetary orders payable to AUSTRAC or the Commonwealth of Australia for pre-Completion breaches, there may be circumstances where the indemnity does not respond. (iv) Regulatory action: The MLC Group may be subject to regulatory action in respect of other acts or omissions that occurred prior to Completion. There may be circumstances where the indemnity NAB has provided IOOF does not cover all of the fines and penalties payable to regulators in respect of pre-Completion breaches of Law. Matters resulting in the regulatory action may also lead to the requirement for the MLC Group to modify its systems or compensate clients, which also will not be indemnified by NAB. (v) Class actions and investigations: Certain MLC Group entities are party to ongoing litigation in respect of a number of complaints and claims brought against them. This includes: (a) Mervyn Lawrence Brady v NULIS Nominees in the Federal Court of Australia (Federal Court) - a class action alleging breaches of s 52(2) of the Superannuation Industry (Supervision) Act in making and implementing a decision to continue to charge grandfathered commissions between June 2016 to October 2019 and so did not act in the best interests of the class members; (b) David Shimshon v MLC Nominees & NULIS Nominees (MySuper Class Action) in the Supreme Court of Victoria, a class action by members alleging breaches of s 52(2) of the Superannuation Industry (Supervision) Act in failing to transfer certain accrued default accounts held within the MLC MasterKey Personal Super and MLC MasterKey Business Super products to a MySuper product in a timely manner and so did not act in the best interests of the class members; and (c) ASIC v MLC Nominees & NULIS Nominees –an action by ASIC alleging breaches of sections 912A(1) (general obligations of a financial services licensee) and 1041H(1) (misleading or deceptive conduct) of the Corporations Act 2001 (Cth) and sections 12DA (misleading or deceptive conduct) and 12DB (false or misleading representations) of the Australian Securities and Investments Commission Act 2001 (Cth) in relation to plan services fees charged to superannuation members. Additionally, there are ongoing regulatory investigations in respect of the conduct of the MLC Group which, whilst not yet in litigation, may result in litigation (including criminal proceedings). These include investigations by ASIC in relation to (a) the implementation of plan service fees, (b) suspected contraventions of section 912D of the Corporations Act concerning the late lodgement of significant breach reports and (c) the deduction of adviser service fees from super accounts of deceased members. An indemnity from NAB applies in respect of the listed litigation and investigations, as well as certain claims made in, appeals from or proceedings that are directly related to the litigation and investigations, but may not respond to certain related claims or extend to other existing (or future) litigation or investigations.

IOOF

Key risks (cont'd)

Risks specific to the Acquisition (cont'd)

Historical Liabilities (cont'd)	(vi) Royal Commission and ongoing regulatory investigations: A number of issues which are relevant to the MLC Group were identified as part of the Royal Commission into Misconduct in the Banking, Superannuation and Financial Services Industry (the Royal Commission) some of which are subject to ongoing regulatory investigations by ASIC (see above) and APRA. The investigation by APRA has led to the imposition of additional licence conditions and directions on a member of the MLC Group as described below. (vii) Employee payroll liabilities: NAB is undertaking certain investigations in relation to potential underpayments pursuant to the terms of the enterprise agreement. There may be circumstances where an indemnity from NAB does not cover IOOF for all liability arising out of any claim by an employee for underpayment. (viii) Residual exposure under historical transaction documents: Certain MLC Group entities are exposed to potential residual liability (including tax liability) under historical transaction documents. The standard tax indemnity provided by NAB may not address other tax liability.
NULIS licence conditions	On 27 August 2020 APRA imposed additional licence conditions (**Conditions**) on, and issued certain directions (**Directions**) to, NULIS Nominees (Australia) Limited (NULIS). The Conditions require NULIS to make certain changes to its systems and processes and the Directions require NULIS to engage an independent expert to perform a compliance assessment to confirm its compliance with the Conditions. Conditions require work to be implemented in stages and be completed by 30 April 2021. Compliance with the Conditions and Directions may require appropriate provisioning and result in increased expenses. Breach of the Conditions or Directions may result in additional regulatory action against NULIS. APRA's approval for IOOF to acquire a stake in NULIS may be conditional on or may be subject to APRA being satisfied of NULIS's compliance with the Conditions or Directions. As such, any failure to comply with the Conditions or Directions may delay or cause APRA to withhold the necessary approvals and impact Completion.
Restrictions on MLC Group conducting a life insurance business	MLC has entered into certain arrangements with MLC Limited (**MLCL**). Under such arrangements, MLC has agreed to procure the offer and promotion of certain life insurance products and MLCL has agreed to act as issuer for such products. However, MLC and its related bodies corporate are subject to certain long term restrictions in relation to issuing life insurance products and white labelling or branding arrangements. Following Completion of the Acquisition such restrictions will apply to IOOF as well and mean that IOOF is restricted from issuing or entering into branding arrangements in relation to life insurance products (other than the existing IOOF Wealthbuilder product).
Separation and transition	The MLC business is heavily integrated within the NAB Group including operational systems, and IT back end services. The operational separation of the MLC business from NAB will not be completed before Completion, so that IOOF will need to rely on transitional services to be provided by NAB until such time as IOOF and NAB have successfully executed a separation and migration program for MLC to operate on a standalone basis. There is risk that operational separation from NAB could take longer, be more complex or cost more than expected, encounter unexpected challenges or issues, and divert management attention in executing such a complex and lengthy program.
Integration and Synergies	The acquisition of MLC will be transformational for IOOF's business, operational profile, capital structure and size compared to that of IOOF on a standalone basis. There is a risk that the success and profitability of IOOF following Completion could be adversely affected if MLC is not integrated effectively. There is a risk that integration could take longer, be more complex or cost more than expected, encounter unexpected challenges or issues, divert management attention or that the anticipated benefits and synergies of the integration may be less than estimated. This risk is heightened because IOOF is part way through integrating the operations of the P&I business acquired recently from ANZ. Possible problems may include: (i) differences in management culture between the businesses being integrated; (ii) unanticipated or higher than expected costs, delays or failures relating to integration of businesses, information technology, accounting or other systems;

IOOF

Key risks (cont'd)

Risks specific to the Acquisition (cont'd)

Integration and Synergies (cont'd)	(iii) loss of, or reduction in, key personnel, expert capability or employee productivity, or failure to procure or retain employees; (iv) failure to derive the expected benefits of the strategic growth initiatives; and (v) disruption of ongoing operations of other IOOF businesses. Any failure to achieve the targeted synergies of integration may impact on the financial performance, operation and position of IOOF and its related bodies corporate (the Group) and the future price of IOOF shares.
Reliance on Information Provided	IOOF undertook a due diligence process in respect of the Acquisition, which relied in part on the review of financial and other information provided by NAB. Despite making reasonable efforts, IOOF has not been able to verify the accuracy, reliability or completeness of all the information which was provided. If any information provided and relied upon by IOOF in its due diligence and preparation of this presentation proves to be incorrect, incomplete or misleading, there is a risk that the actual financial position and performance of MLC and the Group may be materially different to the expectations and targets reflected in this presentation. Investors should also note that there is no assurance that the due diligence conducted was conclusive, and that all material issues and risks in respect of the Acquisition have been identified and avoided or managed appropriately (for example, because it was not always possible to negotiate indemnities or representations and warranties from NAB to cover all potential risks). Therefore, there is a risk that issues and risks may arise which will also have a material impact on the Group (for example, IOOF may later discover liabilities or defects which were not identified through due diligence or for which there is no contractual protection for IOOF). This could adversely affect the operations, financial performance or position of IOOF.
Impairment of Intangible Assets	As part of the acquisition, IOOF will need to perform a fair value assessment of MLC's assets (including intangibles) and liabilities. In the event that goodwill or any other intangible assets are required to be impaired under the Australian Accounting Standards post Completion, this will result in an additional expense in the income statement of the Group.
Adviser transfer	There is a risk that the customers of employed and self employed financial advisers as well as the self employed financial advisers of MLC's advice businesses may elect not to transfer to an IOOF AFSL. This could result in the actual financial position and performance of the Group being materially different to the expectations reflected in this presentation.
Risks Associated with Existing Contracts and Agreements	IOOF and its subsidiaries (which, following Completion, will include the entities acquired pursuant to the Sale Agreement) are party to various contractual arrangements including in relation to certain private market assets, some of which are material to the operations of the Group. As part of Completion, certain contracts will also need to be transferred from the MLC Group so they are retained by the NAB Group and others transferred from various 'advice' entities and other entities to IOOF or the members of the MLC Group. Further, some contracts which are being retained by NAB will need to be replicated for the MLC Group being acquired. There is a risk that these contractual arrangements could be terminated, lost or impaired, or renewed or replaced on less favourable terms from time to time. Some of these contractual arrangements can be terminated without cause or on short notice periods (depending on the circumstances). Further, some contractual arrangements (including those relating to IOOF's existing debt facilities) may be breached or terminated as a result of the Acquisition or as a result of the proposed funding arrangements for the Acquisition. The breach, termination or non-renewal of material contracts could have adverse consequences for the Group, including debt becoming repayable and other adverse effects on the Group's operational and financial performance or financial condition.
Risks Associated with retention of MLC Group employees	Employees employed by MLC at the time it is acquired will be covered by NAB's industrial instruments and will therefore be entitled to terms and conditions of employment that are bespoke to their employment with MLC (as part of the NAB Group). IOOF will have to meet the employees' existing employment terms and conditions or (if those conditions cannot be met because of operational or commercial constraints) IOOF will have to provide commensurately beneficial terms to the employees (this may be financially onerous) or implement variations to terms and conditions of employment (this may result in disputes, or IOOF may not secure the desired changes).

Key risks (cont'd)

Risks specific to the Acquisition (cont'd)

Risk Associated with the Size of the Acquisition and exchange risk	MLC, if acquired by IOOF, will be a material part of IOOF's business. The increased relative exposure to the advice business, platforms, retirement and investment solutions business and asset management business could adversely impact IOOF's financial position and performance if MLC does not perform as expected. The transaction includes acquisition of overseas entities. The value of a financial asset, liability, commitment or earnings held or transacted in foreign currency may be impacted by changes in currency exchange rates.
FINRA Broker-dealer licence risk	The MLC institutional distribution team currently relies on, and undertakes certain regulated activities under NAB Securities LLC's broker-dealer registration with Financial Industry Regulation Authority Inc. (**FINRA**) in the U.S. NAB Securities LLC's is an entity outside of the transaction perimeter and as such NAB have agreed to provide certain transitional services to allow MLC's institutional distributions team and certain regulated activities continue to operate under NAB Securities LLC's current broker-dealer registration with FINRA. Such transitional service arrangements will be conditional on the ability for the arrangements to meet specific compliance and operational conditions set by FINRA and are also an interim solution only. IOOF will be required to apply for its own broker-dealer registration with FINRA. There is a risk that such registration with FINRA will not be granted which could adversely impact IOOF's financial position and performance as contemplated by this presentation.
Risks of foreign regulated entities	MLC's overseas entities currently hold financial services licences in the various jurisdictions including the U.K., U.S., Canada and Ireland and as such are subject to extensive regulations, laws and rules applicable to each regulator and its respective regulatory regime. Following Completion, the Group will become holder of such licences and as such will be subject to, and must comply with, the obligations, requirements and conditions of the relevant overseas regulatory authority and the applicable licence. Failure to comply with any of these licence obligations, the relevant regulatory authority's regime and/or legislation could result in the suspension or cancellation of the licence which enables it to operate key parts of its business in such jurisdiction. A breach or loss of licences could have a material adverse effect on business and financial performance of the Group. These licences will also require the Group to maintain certain levels of regulatory capital, such regulatory capital rules may change from time to time.
Underwriting and Funding Risk	It is intended that the Acquisition and separation / integration activities will be funded through a combination of debt and equity. **Equity**: The equity offer (other than the share purchase plan) is underwritten. Under the underwriting agreement the Underwriter has agreed to manage and underwrite the institutional Placement and the Entitlement Offer, subject to the terms and conditions of the agreement. If certain conditions are not satisfied or certain customary termination events occur, the Underwriter may terminate the underwriting agreement. Those termination events are summarised on slide 33 of this presentation and include (amongst others): a condition precedent to the agreement cannot be satisfied; where the Acquisition cannot proceed for certain reasons, for example, because a condition precedent to the Sale Agreement cannot be satisfied; a breach of the agreement by IOOF; this presentation or the ASX announcement released by IOOF in connection with the Acquisition and the Offer being or becoming false, misleading or deceptive; IOOF becomes aware that it will not be able to drawdown the required amount under the Acquisition funding arrangements; hostilities, a national emergency or war involving certain countries; disruption to financial markets involving certain countries; changes in laws in Australia or certain other events. A number of these events will only give rise to a termination right where a materiality threshold is satisfied and certain of them may require the offer price to be repriced. Termination of the underwriting agreement would have an adverse impact on the amount of proceeds raised under the underwritten components of the equity offer and could affect IOOF's ability to pay the purchase price for the Acquisition. See slides 32-33 for further details. **Debt:** IOOF has entered into a commitment letter in respect of a debt facility that may be utilised to part-fund the Acquisition (see slide 27 of this presentation). The commitment to provide debt financing pursuant to that debt facility is subject to limited customary "certain funds" conditions and execution of long-form documentation in respect of the facility. The lenders under the commitment letter have a termination right in the event certain circumstances arise. Those circumstances include the Sale Agreement or definitive documentation for the facility not being entered into within an agreed period of time. If the underwriting agreement or the debt commitment letter, is terminated, this could result in IOOF not having access to sufficient capital to fund the Acquisition or undertake separation and integration activities. In this event, IOOF may need to seek alternative sources of funding, which may result in IOOF incurring additional costs (for example, by way of interest payments on debt) and/or restrictions being imposed on the manner in which IOOF conducts its business and deals with its assets (for example, by way of restrictive covenants binding upon IOOF). There is no guarantee that alternative funding could be sourced on satisfactory terms and conditions or at all. Failure to source alternative funding could result in IOOF being unable to perform its obligations to complete the Acquisition or being unable to implement the proposed separate / integration of MLC. Any of these outcomes could have a material adverse impact on IOOF's financial position, prospects and reputation.
Dilution	Entitlement rights cannot be traded on ASX or otherwise transferred. If you do not participate in the Entitlement Offer or SPP, or do not take up all of your entitlements to acquire New Shares under the Entitlement Offer or fully participate in the SPP, your percentage shareholding in shares will be diluted.

Key risks (cont'd)

Risks to the Group

Covid-19	IOOF is currently monitoring the actual and potential impact of COVID-19 on its business and the broader economy. However, given the high degree of uncertainty surrounding the extent and duration of government and regulatory responses to COVID-19, it is not currently possible to accurately assess the full impact of COVID-19 on IOOF's business. In Australia and globally, measures have been introduced, and may be further extended, to control the spread of the COVID-19 outbreak, including prolonged periods of social distancing, travel and trade restrictions, restrictions on public gatherings and business closures, which may directly or indirectly impact on IOOF's business (including the current Stage 4 restrictions in Victoria). There is a risk that the economic consequences of COVID-19 could become more severe and far reaching across the economy, leading to a more widespread downturn in business and economic activity. This would likely result in a significant loss of revenue for many businesses across a wide range of industry sectors, in turn potentially leading to further increased unemployment and decline in wealth and income. The Group's financial position, performance and prospects would be significantly impacted in such a scenario. Some of the Group's assets and liabilities comprise financial instruments that are carried at fair value, with changes in fair value recognised in the Group's income statement. Market declines and increased volatility could negatively impact the value of such financial instruments. In particular, there is a risk that COVID-19 results in increased volatility and uncertainty resulting in subdued flows in the Financial Advice business. Uncertainty could also result in increasing levels of withdrawals associated with the Early Release of Superannuation scheme. A fall in financial markets which is triggered by COVID-19 could cause a decrease in FUMA for the Group (as noted further below), with a consequential impact on income and earnings.
Client remediation provision	There are key changes to the way IOOF has had to do business as a result of the Royal Commission into 'Misconduct in the Banking, Superannuation and Financial Services Industry' (**Royal Commission**). ASIC, as part of its Wealth Management Project, has conducted investigations into financial advice fees paid pursuant to ongoing service arrangements, focused on major wealth management institutions with financial advice arms. The IOOF Group has a significant number of self-employed and salaried financial advisers and has undertaken its own review. As of 30 June 2020, the IOOF Group has recognised provisions in respect of client remediation and related costs. Determining the amount of the provision, which represents management's best estimate of the costs of settling the identified matters, requires the exercise of significant judgement. There is a risk that the assumptions made to support the level of the provision are incorrect, that the provision will not be sufficient to cover the actual expense and that financial performance will be adversely affected. As noted above, the MLC Group Entities have also recognised provisions in respect of client remediation and related costs arising in connection with various issues identified as part of the Royal Commission and other investigations conducted by the MLC Group Entities and/or regulators. There is a risk that the indemnity in the Sale Agreement is insufficient to cover the actual future liability in relation to Open Remediation Matters.
Class Actions and Potential Claims	IOOF may from time to time be involved in legal, regulatory or other proceedings and disputes arising from its business and operations. IOOF may also be exposed to litigation in the future over claims, including by regulators or government agencies, which may affect its business. A wholly owned subsidiary RI Advice Pty Limited is currently engaged in legal proceedings with ASIC relating to alleged breaches of financial services law where ASIC is seeking civil penalties. In addition, certain adviser groups RI Advice, M3 and FSP have been in receipt of ASIC notices to produce material in relation to investigations regarding among other things, fee for no service. To the extent that these risks are not covered by IOOF's insurance policies or other third party rights, litigation or the costs of responding to these legal actions or potential legal action may cause IOOF to incur significant costs, delays and other disruptions to its business and operations, which could have a material adverse impact on IOOF's financial position, performance, earnings and share price. In addition, regulatory actions and disputes with governmental authorities may result in fines, penalties and other administrative sanctions. The Group is currently defending a number of complaints and claims brought against it. For example, on 28 February 2020 IOOF Group was served with a class action proceeding filed by Shine Lawyers in the Federal Court of Australian on behalf of certain shareholders of IOOF - please refer to the ASX announcement on that date for further information. A failure to successfully defend those proceedings could have a material effect on the financial position and performance of the Group.
Decline in FUMA	The Group derives a significant proportion of its earnings from fees and charges based on the level of funds under management, administration and advice (**FUMA**). The level of FUMA will reflect (in addition to other factors such as the funds flowing into and out of FUMA) the investment performance of those funds. Therefore, changes in domestic and/or global investment market conditions or poor investment performance of the products in which the Group's clients invest could lead to a decline in FUMA, adversely impacting the amount that the Group earns in fees and charges. Deterioration in investment market conditions could also lead to reduced consumer interest and decrease in the ability to attract new investors in the Group's financial products and services. Additionally, it is possible that some funds could reduce in size or be terminated. Similarly, the unitholders of a fund may have the right to remove the investment manager, responsible entity or trustee. As the Group's management fees and charges are based on a percentage of FUMA, a decline in IOOF's assets under management could result in a consequent reduction to management fees, performance fees, income, profit and Share value.
Competition	There is substantial competition for the provision of financial services in the markets in which IOOF operates. A variety of market participants in specialised investment fund management, wealth advice and corporate trustee services compete vigorously for customer investments and the provision of wealth management services and there is increasing commoditisation of financial services and products. These competitive market conditions may adversely impact on the earnings and assets of IOOF and the Group.

Key risks (cont'd)

Risks to the Group (cont'd)

Cybersecurity	There is a risk of significant failure in the IOOF Group's operations or material financial loss as a result of cyber attacks. Threats to information security are constantly evolving and techniques used to perpetrate cyber-attacks are increasingly sophisticated. ASIC has commenced proceedings against a IOOF subsidiary RI Advice Pty Limited on 21 August 2020 seeking pecuniary penalty orders in respect of a number of cyber security attacks, on a small number of authorised representatives. The proceedings are at an early stage and there can be no assurance as to the ultimate outcome.
Information Technology	IOOF, and the financial services industry in general, relies heavily on information technology to conduct an efficient and cost effective business. Therefore, any significant or sustained failure or inadequacy in IOOF's core technology systems or cyber security could have a materially adverse effect on its operations in the short term, which in turn could undermine longer term confidence and impact IOOF's future profitability and financial position. Third party risk management is of key importance for IOOF. IOOF requires adequate assurance over the conduct and controls that third parties have in place, for protection of information that is in custody of the third party. In addition, IOOF faces the risk, common with other industry participants, that further technology changes will be required which could result in an increase in costs.
Security or Privacy of Data	Failures or breaches of data protection and systems security can cause reputational damage, regulatory impositions and financial loss. The legal and regulatory environment surrounding information security and privacy is increasingly complex and demanding. Australian Privacy Principles govern privacy and data protection throughout Australia and significantly enhance privacy and data protection regulation. The protection of customer, employee, third party and company data is critical to IOOF's operations. IOOF retains a significant amount of customer, employee and third party information, including through its database of customers. Customers, employees and third parties such as suppliers will also have high expectations that IOOF will adequately protect their personal information.
Conduct risk	Conduct risk is the risk of intentionally or unintentionally delivering poor outcomes for stakeholders (including clients, staff and shareholders) as a result of improper conduct (including, for IOOF, conduct that is not consistent with its stated values, Code of Conduct and ClientFirst philosophy) or inadequate systems (including complexity). Conduct risk goes beyond its legal and regulatory obligations. It is about how an entity treats its stakeholders (includes fairness of outcomes) and whether its products and services meet its stakeholders' needs and expectations. Behaviours that could expose the Group to conduct risk include: (i) selling, providing or unduly influencing customers to purchase or receive products or services that may not meet their existing needs or that place the customer at risk of future hardship; (ii) being party to fraud; (iii) non adherence to applicable requirements; and (iv) delays in appropriately escalating regulatory or compliance issues. If the Group's conduct related controls were to fail significantly, be set inappropriately, or not meet legal, regulatory or community expectations, then the Group may be exposed to: (i) increased costs of fines, compliance, public censure, loss of confidence, litigation and settlements; (ii) increased supervision, oversight or enforcement by regulators or other stakeholders; (iii) enforced suspension of operations, amendment to licence conditions or loss of license to operate all or part of the Group's businesses; or (iv) other enforcement or administrative actions or proceedings.
Fraudulent or Improper Behaviour	IOOF has policies and procedures relating to the risk of fraud. However, there is a risk that funds of the business of those held on behalf of clients or advice provided to IOOF's clients may be the subject of internal or external fraudulent behaviour, particularly in relation to businesses where IOOF does not control the day-to-day operations. A significant or sustained failure in IOOF's core technology systems or cyber security could also expose IOOF to fraudulent behaviour. Any of the events described above may adversely impact both IOOF's financial position and its reputation.
Brands and Reputation	The Group's capacity to attract and retain financial advisers, employees, clients and FUMA depends to a certain extent upon the brands and reputation of its businesses. Matters which may give rise to adverse reputational consequences for IOOF include compliance issues, fraudulent behaviour, cyber and IT risks and adverse media publicity. A significant and prolonged decline in key brand value or adverse effects on group reputation could contribute to lower new business sales, reduced inflows of investment funds and assets, damage to client strategies and may impact adversely upon IOOF's future profitability and financial position.
Provision of Financial Advice	IOOF's financial advisers and authorised representatives provide advice to clients and may be exposed to litigation if this advice is judged to be incorrect, or if the authorised representative otherwise becomes liable for client losses. A claim against IOOF for inappropriate advice could have a material adverse effect on IOOF's financial position and reputation, and on its future operations and revenues.
Credit Risk	Credit risk refers to the risk that a counterparty will fail to meet its contractual obligations resulting in financial loss that arises from loans and other receivables. The Group's counterparties generally do not have an independent credit rating, and IOOF will need to assess the credit quality of the debtor taking into account its financial position, past experience of the debtor, and other available credit risk information. This risk may adversely impact on IOOF's future profitability and financial position.

Key risks (cont'd)

Risks to the Group (cont'd)

Cash Flow and Fair Value Interest Rate Risk	Interest rate risk is the risk to the Group's earnings and capital arising from changes in market interest rates. The financial instruments held that will be impacted by interest rate risk consist of cash and cash equivalents, loans, and borrowings. Short and long-term investment mixes and loans to related entities are influenced by liquidity policy requirements. Interest rates (both charged and received) are based on market rates, and have to be closely monitored by management. They are primarily at variable rates of interest, and will expose IOOF to cash flow interest rate risk. Whilst IOOF may fix some of its debt and/or enter into interest rate hedging arrangements, it will remain exposed to interest rate movements which may adversely impact IOOF's financial position and performance.
Financing Risk	IOOF's existing debt facilities will need to be refinanced at various maturity dates. The inability to refinance these facilities or to secure new financing on satisfactory terms could adversely affect IOOF's financial performance and prospects. To the extent that additional equity or debt funding is not available from time to time on acceptable terms, or at all, IOOF may not be able to take advantage of acquisition and other growth opportunities, develop new ideas or respond to competitive pressures. If at any time IOOF requires an extension to a facility but is unable to obtain it and is unable to repay the relevant facility, this will constitute a default under the other existing facilities and enable the financiers to demand immediate repayment and cancel the facilities. Cancellation of the debt financing arrangements would have an adverse impact on IOOF's financial position and performance.
Liquidity Risk	Liquidity risk relates to IOOF having insufficient liquid assets to cover current liabilities and unforeseen expenses. While the Group manages liquidity risk exposure by maintaining sufficient liquid assets and an ability to access a committed line of credit, and the liquidity requirements for licensed entities in the Group are regularly reviewed and carefully monitored in accordance with those licence requirements, there is no assurance that this risk will not materialise. If liquidity risk arises, it may have an adverse effect on IOOF's future profitability and financial position.
Reliance on AFSL, RSE and Other Licences	In order to provide the majority of its services in Australia, a number of IOOF's controlled entities are required to hold a number of licences, most notably Australian Financial Services Licence (AFSL) or Registrable Superannuation Entity (RSE) licences. If any of those entities fail to comply with the general obligations and conditions of its licence, this could result in the suspension or cancellation of the licence which enables it to operate key parts of its business. A breach or loss of licences, consents or permissions could have a material adverse effect on business and financial performance of the Group. AFSL and RSE licences also require the licence holder to maintain certain levels of capital. These capital requirements may change from time to time. Earnings dilution may occur where IOOF is required to hold a higher capital base.
Insurance	IOOF holds insurance policies, including for errors and omissions (professional indemnity) and Directors and officers insurance, which IOOF regards as commensurate with industry standards, and adequate having regard to its business activities. These policies provide a degree of protection for IOOF's assets, liabilities, officers and employees. However, no assurance can be given that any insurance that IOOF currently maintains will: (i) be available in the future on a commercially reasonable basis; or (ii) provide adequate cover against claims made against or by IOOF, noting that there are some risks that are uninsurable (e.g. nuclear, chemical or biological incidents) or risks where the insurance coverage is reduced (e.g. cyclone, earthquake, flood, fire). IOOF also faces risks associated with the financial strength of its insurers to meet indemnity obligations when called upon which could have an adverse effect on earnings. If IOOF incurs uninsured losses or liabilities, its assets, profits and prospects may be adversely affected.
Unit Pricing Errors	Systems failures or errors in unit pricing of investments are issues affecting the broader funds management industry that may result in significant financial losses and brand damage to a number of financial services organisations. A unit pricing error made by IOOF or its service providers could cause financial or reputational loss.
Dependence on Key Personnel	The Group's performance is dependent on the talents and efforts of key personnel. IOOF's continued ability to compete effectively depends on its capacity to retain and motivate existing employees as well as attract new employees. The loss of key executives or advisors could cause material disruption to operations in the short to medium term. While equity incentives of key personnel align their interests with the Group's future performance, they do not provide a guarantee of their continued employment.
Dependence on Financial Advisers	The success of IOOF's advice and platform business is highly dependent on the quality of the relationships that IOOF has with its financial advisers and the quality of their relationships with their clients. IOOF's ability to retain productive advisers is in turn dependent on service levels, technological capability, suitability of product offerings and the quality and relevance of professional training. The loss or deterioration of these relationships could adversely impact on IOOF's operation and future profitability or financial position.

Key risks (cont'd)

Risks to the Group (cont'd)

Inability to successfully execute growth strategies	The future financial performance of IOOF is contingent on its ability to execute its growth strategies. Consistent with IOOF's announced long-term strategy of pursuing growth through accretive acquisitions, IOOF discusses potential opportunities for investments or divestments with third parties on a regular basis. These opportunities will on occasion progress to the stage where key terms are expressed as a highly conditional, non-binding indicative offer (**NBIO**). There is no assurance that any of these opportunities will progress beyond the NBIO stage or be concluded. Additionally, IOOF shareholders should note that there is no guarantee that such a strategy will be successful and that acquisition transactions undertaken by IOOF involve inherent risks, including: (i) accurately assessing the value, strengths, weaknesses, contingent and other liabilities and potential profitability of acquired businesses; (ii) integration risks including the risk that integration could take longer or cost more than expected or that the anticipated benefits and synergies of the integration may be less than estimated; (iii) diversion of management attention from existing business; (iv) potential loss of key personnel and key clients; (v) unanticipated changes in the industry or general economic conditions that affect the assumptions underlying the Acquisition; (vi) decline in the value of, and unanticipated costs, problems or liabilities associated with, the acquired business; and (vii) potential for regulators to deny approval of acquisitions. Any of these risks could result in a failure to realise the benefits anticipated to result from any acquisition of new business and could have a material adverse impact on the IOOF Group's financial position. Apart from acquisitions and divestments, the key strategies of the IOOF Group, as previously disclosed to the market, include: (i) the Advice 2.0 project, focussed on the long term sustainability of the Advice division, an initiative redesigning the IOOF Advice division to enable Advisers to deliver the best advice outcomes for their clients; (ii) the objective of the Evolve project is to consolidate IOOF's proprietary registry administration platforms into a single contemporary platform by the end of the 2021 calendar year; and (iii) integrating and realising synergies following the completion, in February 2020, of the purchase of ANZ's OnePath Pensions and Investments business. The separation from ANZ is primarily reliant on system separation, this is currently forecast to be delivered in early 2022. These are material strategies and a failure of part or all of those strategies may materially impact on IOOF's financial position, performance and prospects.
Future Payment of Dividends	The payment of dividends on IOOF shares is dependent on a range of factors including the profitability of the Group, the availability of cash, capital requirements of the business and obligations under debt instruments. Any future dividend levels will be determined by the IOOF board having regard to its operating results and financial position at the relevant time and there is no guarantee that any dividend will be paid by IOOF or, if paid, that they will be paid or franked at previous levels.
Regulatory and Legislative Risk and Reform	The financial services sectors in which IOOF operate are subject to extensive legislation, regulation and supervision by a number of regulatory bodies in multiple jurisdictions. The regulatory regimes governing IOOF's business activities are complex and subject to change. The impact of future regulatory and legislative change on IOOF cannot be predicted. In addition, if the amount and complexity of new regulation increases, so too may the cost of compliance and the risk of non-compliance. The Royal Commission made a considerable number of recommendations. The Australian government has committed to take action on all of the recommendations, has announced further commitments to address issues raised in the final report of the Royal Commission and has committed to an accelerated timetable for introducing the legislative changes required to give effect to the recommendations. The timetable for introducing legislative and regulatory changes may be subject to reprioritisation by the Australian Government as a result of the regulatory challenges created by the current COVID-19 pandemic. These legislative and regulatory changes, together with the accelerated timetable, will impact the operations of the Group as considerable resources have been and will be required to be directed towards the timely implementation of such changes. Other review and regulatory reforms currently relevant to the IOOF Group which present a potential regulatory risk include: (i) the financial impact of the Early Release of Superannuation resulting in an increase in net outflows; and (ii) supervision, regulation and enforcement of anti-bribery and corruption, anti-money laundering, counter-terrorism financing and international sanctions laws has increased (collectively referred to as **ABC/AML/CTF**). The Group is subject to ABC/AML/CTF laws and regulations, the breach of which may result in regulatory investigations, remediation costs and substantial monetary penalties. This risk is heightened given a number of high profile control failures in the financial services industry.

Key risks (cont'd)

Risks to the Group (cont'd)

Governance	The IOOF Group has structures in place to manage governance issues such as conflicts of interest, board independence, appropriate audit and review, among others. If these are inadequate, it may not meet its legal, compliance and regulatory responsibilities, and the expectations the community has of a listed company.
Environmental, social and governance (ESG)	ESG risks can have a material impact on IOOF's ability to deliver good long-term outcomes for its clients, investors and the community. A sustainability risk is an uncertain environmental or social event or condition that, if it occurs, can cause a significant negative impact on the IOOF Group. IOOF considers a broad range of ESG risks and opportunities, including climate change, human capital management, modern slavery, diversity and inclusion and tax transparency, among others. Climate change may impact on overall economic growth, unemployment and the wealth of customers, including due to: (i) extreme weather and climate change-related events affecting property and asset values or causing damage and/or interruptions to business operations and supply chains; (ii) the effect of new laws, regulations and government policies designed to mitigate climate change; and (iii) the cost of business insurance. For example, parts of Australia have recently experienced physical climate events such as severe drought conditions and bushfires

Key risks (cont'd)

General Risks

General Share Investment Risk	There are various risks associated with investing in any form of business and with investing in listed entities generally. The value of IOOF shares following the Offer will depend on general share market and economic conditions as well as the specific performance of IOOF. There is no guarantee of profitability, dividends, return of capital, or the price at which IOOF shares will trade on the ASX. The past performance of IOOF shares is not necessarily an indication as to future performance as the trading price of IOOF shares can go down or up in value. Additionally, a substantial proportion of IOOF's profits are generated from its investment portfolio. Consequently, investment performance significantly affects IOOF's profits and financial position.
General Economic and Political Conditions	Factors such as, but not limited to, domestic and international political changes (including policy responses to Covid-19), interest rates, exchange rates, inflation levels, commodity prices, industrial disruption, environmental impacts, international competition, taxation changes, changes in employment levels, consumer and business spending, employment rates and labour costs may all have an adverse impact on IOOF's revenues, operating costs, profit margins and share price. These factors are beyond the control of IOOF and its board and IOOF cannot, to any degree of certainty, predict how they will impact on IOOF. The environment in which IOOF operates may experience challenging conditions as a result of general uncertainty about future Australian, New Zealand and international economic conditions.
General Regulatory Risk	Changes in laws, regulations and government policy may affect IOOF and the attractiveness of an investment in IOOF positively or negatively. The financial services sector in which IOOF operates is subject to extensive legislation, regulation and supervision by a number of regulatory bodies in multiple jurisdictions.
Share Market Conditions	As IOOF is a listed company, the price at which its shares trade will be subject to the numerous influences that may affect both the broad trend in the share market and the share prices of individual companies and sectors. Investors should recognise that the price of New Shares may fall as well as rise.
Operational and Controls Risks	Operational risk relates to the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events which impact on IOOF's business. IOOF is exposed to operational risk present in the current business including risks arising from process error, fraud, system failure, failure of security and physical protection systems including cyber security and any pricing errors. The IOOF Group has specific operational exposures in connection with product disclosure statements, investment management, tax and financial advice, legal and regulatory compliance, product commitments and others. Operational risk has the potential to have an effect on IOOF's financial performance and position as well as reputation.
Capital Availability	Current economic conditions can impact on the availability of debt and equity funding that may be required to support the cash flow of a business. IOOF's development may be affected by availability of funding which would impact on its ability to establish business operations in the expected time frame and/or at its current levels.
Taxation	Future changes in taxation law in Australia, New Zealand and in other jurisdictions, including changes in interpretation or application of the law by the courts or taxation authorities in Australia or other jurisdictions, may impact the future tax liabilities of IOOF or may affect taxation treatment of an investment in IOOF shares, or the holding or disposal of those shares.
Accounting Standards	IOOF prepares its general purpose financial statements in accordance with IFRS and with the Corporations Act. Australian Accounting Standards are not within the control of IOOF or its board and are subject to amendment from time to time, and any such changes may impact on IOOF's statement of financial position or statement of financial performance. Preparation of the Group's financial statements requires management to make estimates and assumptions and to exercise judgement in applying relevant accounting policies, each of which may directly impact the reported amounts of assets, liabilities, income and expenses. A higher degree of judgement is required for the estimates used in the calculation of provisions (including for customer-related remediation and forward-looking adjustments), the valuation of goodwill and intangible assets and the fair value of financial instruments. Changes in the methodology or assumptions on which the assessment of goodwill and intangible balances is based, together with expected changes in future cash flows (including changes flowing from current and potential regulatory reforms), could result in the potential write-off of a part of all of that goodwill or intangible balances. If the judgements, estimates and assumptions used by the Group in preparing financial statements are subsequently found to be incorrect, there could be a significant loss to the Group beyond that anticipated or provided for, which may adversely impact the Group's reputation and financial performance and position.
Force Majeure Events	Events may occur within or outside Australia that could impact upon the global and Australian economies, the operations of IOOF and the price of the IOOF shares. These events include but are not limited to terrorism, an outbreak of international hostilities, fires, floods, earthquakes, labour strikes, civil wars, natural disasters, outbreaks of disease and biosecurity threats such as COVID-19 or other man-made or natural events or occurrences that can have an adverse effect on the demand for IOOF's services.

Appendix B | International selling restrictions

International selling restrictions

This document does not constitute an offer of New Shares in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Canada (British Columbia, Ontario and Quebec provinces)

This document constitutes an offering of New Shares only in the Provinces of British Columbia, Ontario and Quebec (the **Provinces**) and to those persons to whom they may be lawfully distributed in the Provinces, and only by persons permitted to sell such New Shares. This document is not, and under no circumstances is to be construed as, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons that are "accredited investors" within the meaning of NI 45-106 – *Prospectus Exemptions*, of the Canadian Securities Administrators.

No securities commission or similar authority in the Provinces has reviewed or in any way passed upon this document, the merits of the New Shares or the offering of New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws which may require resales to be made in accordance with exemptions from dealer registration and prospectus requirements. These resale restrictions may in some circumstances apply to resales of the New Shares outside Canada and, as a result, Canadian purchasers should seek legal advice prior to any resale of the New Shares.

The Company as well as its Directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its Directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also to comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

Statutory rights of action for damages and rescission

Securities legislation in certain of the Provinces may provide purchasers with, in addition to any other rights they may have at law, rights of rescission or to damages, or both, when an offering memorandum that is delivered to purchasers contains a misrepresentation. These rights and remedies must be exercised within prescribed time limits and are subject to the defenses contained in applicable securities legislation. Prospective purchasers should refer to the applicable provisions of the securities legislation of their respective Province for the particulars of these rights or consult with a legal adviser.

The following is a summary of the statutory rights of rescission or to damages, or both, available to purchasers in Ontario. In Ontario, every purchaser of the New Shares purchased pursuant to this document (other than (a) a "Canadian financial institution" or a "Schedule III bank" (each as defined in NI 45-106); (b) the Business Development Bank of Canada; or (c) a subsidiary of any person referred to in (a) or (b) above, if the person owns all the voting securities of the subsidiary, except the voting securities required by law to be owned by the Directors of that subsidiary) shall have a statutory right of action for damages and/or rescission against the Company if this document or any amendment thereto contains a misrepresentation. If a purchaser elects to exercise the right of action for rescission, the purchaser will have no right of action for damages against the Company. This right of action for rescission or damages is in addition to and without derogation from any other right the purchaser may have at law. In particular, Section 130.1 of the Securities Act (Ontario) provides that, if this document contains a misrepresentation, a purchaser who purchases the New Shares during the period of distribution shall be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase and has a right of action for damages or, alternatively, may elect to exercise a right of rescission against the Company, provided that (a) the Company will not be liable if it proves that the purchaser purchased the New Shares with knowledge of the misrepresentation; (b) in an action for damages, the Company is not liable for all or any portion of the damages that the Company proves does not represent the depreciation in value of the New Shares as a result of the misrepresentation relied upon; and (c) in no case shall the amount recoverable exceed the price at which the New Shares were offered.

Section 138 of the Securities Act (Ontario) provides that no action shall be commenced to enforce these rights more than (a) in the case of any action for rescission, 180 days after the date of the transaction that gave rise to the cause of action; or (b) in the case of any action, other than an action for rescission, the earlier of (i) 180 days after the purchaser first had knowledge of the fact giving rise to the cause of action; or (ii) three years after the date of the transaction that gave rise to the cause of action. These rights are in addition to and not in derogation from any other right the purchaser may have.

By purchasing the New Shares hereunder, purchasers in British Columbia not entitled to the statutory rights described above are hereby granted, in consideration of their purchase of securities and upon accepting a purchase confirmation in respect thereof, a contractual right of action for damages or rescission that is the same as the statutory right of action, if any, provided to residents of Ontario who purchase the securities.

Certain Canadian income tax considerations. Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the Acquisition, holding or disposition of the New Shares as any discussion of taxation related matters in this document is not a comprehensive description and there are a number of substantive Canadian tax compliance requirements for investors in the Provinces.

Language of documents in Canada. Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. *Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.*

International selling restrictions

Notice of the Underwriter

The Underwriter is relying on an exemption from the dealer registration requirements of applicable provincial securities laws pursuant to National Instrument 31-103 – Registration Requirements, Exemptions and Ongoing Registrant Obligations in connection with the offering of the New Shares. The Underwriter is not registered in Canada, and is resident in Australia. Accordingly, there may be difficulty enforcing legal rights against the Underwriter because it is resident outside of Canada, and all or substantially all of its assets may be situated outside of Canada. For the purposes of this offering, prospective investors may contact the Underwriter to obtain the name and address of the Underwriter's agent for service of process.

European Economic Area - Denmark, France, Germany and Netherlands

This document has been prepared on the basis that all offers of New Shares will be made pursuant to an exemption under the Prospectus Regulation (as defined below) from the requirement to publish a prospectus for offers of securities.

An offer to the public of New Shares has not been made, and may not be made, in relation to a member state of the European Economic Area or the United Kingdom (each, a Relevant Member State), except pursuant to one of the following exemptions under the Prospectus Regulation (as defined below):

i. to legal entities which are qualified investors as defined in Article 2 lit. e) of the Prospectus Regulation;

ii. to fewer than 150 natural or legal persons (other than qualified investors as defined in Article 2 lit. e) of the Prospectus Regulation); or

iii. in any other circumstances falling within Article 1(4) of the Prospectus Regulation;

provided that no such offer of New Shares result in a requirement for the publication of a prospectus pursuant to Article 3(1) of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to any New Shares in any Relevant Member State means the communication in any form and by any means, presenting sufficient information on the terms of the Offer and any New Shares in accordance with the Prospectus Regulation, so as to enable an investor to decide to purchase or subscribe for any New Shares, including any placing of New Shares through financial intermediaries. The Prospectus Regulation means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.

The target market for the New shares is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, MiFID II).

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the **SFO**). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors.

No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Ireland

The information in this document does not constitute a prospectus under any Irish laws or regulations including without limitation the Companies Act, 2014 of Ireland (the Companies Act), any rules issued by the Central Bank of Ireland pursuant to section 1363 of the Companies Act, European Union (Prospectus) Regulations 2019 of Ireland, or the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the **Prospectus Regulation**) and this document has not been filed with or approved by any Irish regulatory authority as the information has not been prepared in the context of a public offering of securities in Ireland within the meaning of the Prospectus Regulations. The New Shares have not been offered or sold, and will not be offered, sold or delivered directly or indirectly in Ireland by way of a public offering, except to "qualified investors" as defined in Regulation 2(l) of the Prospectus Regulations.

International selling restrictions

Japan

The New Shares have not been and will not be registered under Article 4, paragraph 1 of the Financial Instruments and Exchange Act of Japan (Law No. 25 of 1948), as amended (the **FIEA**) pursuant to an exemption from the registration requirements applicable to a private placement of securities to Qualified Institutional Investors (as defined in and in accordance with Article 2, paragraph 3 of the FIEA and the regulations promulgated thereunder). Accordingly, the New Shares may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan other than Qualified Institutional Investors. Any Qualified Institutional Investor who acquires New Shares may not resell them to any person in Japan that is not a Qualified Institutional Investor, and acquisition by any such person of New Shares is conditional upon the execution of an agreement to that effect.

New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the **FMC Act**). The New Shares are not being offered to retail investors within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the FMC Act and the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the Entitlement Offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Norway

This document has not been approved by, or registered with, or approved by Finanstilsynet (the Financial Supervisory Authority of Norway) and it does not constitute a prospectus under the Prospectus Regulation (Regulation (EU) 2017/1129) or the Norwegian Securities Trading Act of 29 June 2007 no. 75. Accordingly, this document may not be made available, nor may the New Shares be offered for sale, directly or indirectly, in Norway other than under circumstances that are exempted from the prospectus requirements under the Prospectus Regulation and the Norwegian Securities Trading Act. Any offering of New Shares in Norway is limited to persons who are "qualified investors" as defined in the Prospectus Regulation. Only such persons may receive this document and they may not distribute it or the information contained in it to any other person.

Singapore

This document and any other materials relating to the New Shares has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the New Shares may not be offered or sold or made the subject of an invitation for subscription or purchase, nor may this document or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the New Shares be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act, Chapter 289 of Singapore (the **SFA**)) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or to any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA, or (iii) otherwise pursuant to, and in accordance with, the conditions of, any other applicable provision of the SFA.

Where the New Shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor, or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary is an individual who is an accredited investor, securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the New Shares pursuant to an offer made under Section 275 of the SFA except:

1) to an institutional investor or to a relevant person (as defined in Section 275(2) of the SFA), or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

2) where no consideration is or will be given for the transfer;

3) where the transfer is by operation of law;

4) as specified in Section 276(7) of the SFA; or

5) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

International selling restrictions

Notification under Section 309B(1)(c) of the SFA – In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the **CMP Regulations 2018**), the Company has determined the classification of the New Shares as prescribed capital markets products (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Switzerland

This document is not intended to constitute an offer or solicitation to purchase or invest in the New Shares described herein. The New Shares may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland but may be offered to individually approached professional investors as defined in article 4 of the Swiss Financial Services Act (**FinSA**) and no application has been or will be made to admit the New Shares to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this document nor any other offering or marketing material relating to the New Shares constitutes a prospectus compliant with the requirements of Article 652a or 1156 of the Swiss Code of Obligations or the listing rules of SIX Exchange Regulation or pursuant to the FinSA for a public offering of the New Shares and neither this document nor any other offering or marketing material relating to the New Shares may be distributed or otherwise made publicly available in, into or from Switzerland.

Neither this document nor any other offering or marketing material relating to the offering of the New Shares has been or will be filed with or approved by any Swiss regulatory authority or any review body.

This document is personal to the recipient only and not for general circulation in Switzerland.

United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (**FSMA**)) has been published or is intended to be published in respect of the New Shares.

This document is issued on a confidential basis to "qualified investors" (as defined in Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (**Prospectus Regulation**)) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) of the FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (**FPO**); (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO; or (iii) to whom it may otherwise be lawfully communicated (together **relevant persons**). The investments to which this document relates are available only to, and any offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the U.S. Securities Act of 1933 (the '**U.S.** Securities Act") and may not be offered or sold in the United States except pursuant to an exempt from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable US state securities laws. There will be no public offering of the New Shares in the United States.

8. Important information

8.1 Responsibility for Information Booklet

This Information Booklet (including the ASX Offer Announcements and the enclosed personalised Entitlement and Acceptance Form) has been prepared by IOOF. This Information Booklet is dated 7 September 2020 (other than the ASX Offer Announcements, which were released to the ASX and published on the ASX website on 31 August 2020).

No party other than IOOF has authorised or caused the issue of this Information Booklet, or takes any responsibility for, or makes, any statements, representations or undertakings in this Information Booklet.

No person is authorised to give any information, or to make any representation, in connection with the Retail Entitlement Offer that is not contained in this Information Booklet. Any information or representation that is not in this Information Booklet may not be relied on as having been authorised by IOOF, or its related bodies corporate in connection with the Retail Entitlement Offer.

To the maximum extent permitted by law, the Underwriter Parties disclaim all duty and liability (including for fault, negligence and negligent misstatement) for any loss howsoever and whenever arising from the use of any information contained in this Information Booklet.

8.2 Status of Information Booklet

The Retail Entitlement Offer is being made pursuant to provisions of the Corporations Act which allows rights issues to be offered without a prospectus.

Neither this Information Booklet nor the Entitlement and Acceptance Form are required to be lodged or registered with ASIC. This Information Booklet is not a prospectus under the Corporations Act and no prospectus for the Retail Entitlement Offer will be prepared. These documents do not contain, or purport to contain, all of the information that a prospective investor may require in evaluating an investment in IOOF. They do not contain all the information which would be required to be disclosed in a prospectus.

As a result, it is important for Eligible Retail Shareholders to carefully read and understand the information on IOOF and the Retail Entitlement Offer made publicly available, prior to accepting all or part of their Entitlement. In particular, please refer to this Information Booklet, the Investor Presentation and other announcements made available at www.asx.com.au. Alternatively, you can access information about the Retail Entitlement Offer online at https://www.ioof.com.au/.

This Information Booklet does not contain financial product advice and has been prepared without taking into account your investment objectives, financial circumstances or particular needs. Before deciding whether to apply for New Shares you should consider whether they are a suitable investment for you in light of your own investment objectives and financial circumstances and having regard to the merits or risks involved. After reading the Information Booklet, and the Investor Presentation released to ASX on 31 August 2020 (in particular, the "Key Risks" section), if you have any questions about the Retail Entitlement Offer, you should contact your stockbroker, accountant or other independent professional adviser.

8.3 Information Booklet availability

Eligible Retail Shareholders in Australia or New Zealand can obtain a copy of this Information Booklet during the period of the Retail Entitlement Offer by accessing the ASX website or accessing the IOOF website https://www.ioof.com.au/. Persons who access the electronic version of this Information

Booklet should ensure that they download and read the entire Information Booklet. The electronic version of this Information Booklet on the ASX website and the IOOF website will not include a personalised Entitlement and Acceptance Form.

A replacement personalised Entitlement and Acceptance Form can be requested by calling the IOOF Offer Information Line on 1800 222 722 or +61 2 9290 9699 (outside Australia) at any time between 8:30am and 5:30pm (AEST) on Monday to Friday during the Retail Entitlement Offer period.

This Information Booklet (including the accompanying personalised Entitlement and Acceptance Form) may not be distributed or released to, or relied upon by, persons in the United States or that are acting for the account or benefit of a person in the United States.

8.4 Eligible Institutional Shareholders

Eligible Institutional Shareholders are institutional shareholders that the Underwriter determines in its discretion is eligible to participate in the Institutional Entitlement Offer and successfully receives an offer on behalf of IOOF under the Institutional Entitlement Offer.

Determination of eligibility of investors for the purposes of the Entitlement Offer, and in particular, the question as to whether an eligible shareholder is an Eligible Institutional Shareholder or an Eligible Retail Shareholder, is determined by reference to a number of matters, including legal requirements and regulatory requirements, logistical and registry constraints and the discretion of IOOF and/or the Underwriter. Each of IOOF and the Underwriter, and each of their respective Beneficiaries, disclaim any duty or liability (including for fault, negligence and negligent misstatement) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law.

8.5 Ranking of New Shares

New Shares issued under the Retail Entitlement Offer will be fully paid and rank equally in all respects with existing Shares, except that they will not be eligible for the dividend declared on 31 August 2020. The rights and liabilities attaching to the New Shares are set out in IOOF's constitution, a copy of which is available at https://www.ioof.com.au/.

8.6 Risks

The Investor Presentation details important factors and risks that could affect the financial and operating performance of IOOF. You should refer to the 'Risks' section of the Investor Presentation released to ASX on Monday, 31 August 2020 which is included in section 7 of this Information Booklet. You should consider these factors in light of your personal circumstances, including financial and taxation issues, before making a decision in relation to your Entitlement.

8.7 Reconciliation

The Entitlement Offer is a complex structure and in some instances Shareholders may believe that they will own more Shares in IOOF than they actually do on the Record Date. This results in a need for reconciliation. If reconciliation is required, it is possible that IOOF may need to issue a small quantity of additional New Shares (**Top-Up Shares**) to ensure all Eligible Retail Shareholders receive their full Entitlement.

These Top-Up Shares would be issued at the Offer Price.

8.8 No cooling off

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been made.

8.9 Rounding of Entitlements

Where fractions arise in the calculation of an Entitlement, they will be rounded up to the nearest whole number of New Shares.

8.10 Trading of Retail Entitlements

As outlined in section 3.6 of this Information Booklet, your Entitlement is personal and cannot be traded on ASX, transferred, assigned or otherwise dealt with. If you do not take up your Entitlement by 5.00pm (AEST) on 16 September 2020, your rights will lapse.

8.11 ASX quotation

Subject to approval being granted, quotation of the New Shares issued under the Retail Entitlement Offer is expected to commence on 24 September 2020 on a normal trading basis).

Holding statements will be dispatched in accordance with the Listing Rules. It is the responsibility of each applicant to confirm their holding before trading in New Shares.

Any applicant who sells New Shares before receiving confirmation of their holding in the form of a holding statement will do so at their own risk. The Company, the Underwriter Parties and the Registry will have no responsibility for, and disclaim all duty and liability whether in fault, negligence, negligent misstatement or otherwise (to the maximum extent permitted by law) to persons who trade New Shares before receiving their holding statements, whether on the basis of confirmation of the allocation provided by the Company, the Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to. If you are in any doubt as to these matters, you should first consult with your stockbroker or other professional adviser.

8.12 Rights of the Company

IOOF reserves the right (in its absolute sole discretion) to reduce the number of New Shares allocated to Eligible Retail Shareholders, or persons claiming to be Eligible Retail Shareholders, if their claims prove to be overstated or they fail to provide information to substantiate their claims.

By accepting their Entitlement, Eligible Retail Shareholders irrevocably acknowledge and agree to do any of the above as required by the Company in its absolute discretion. Eligible Retail Shareholders also acknowledge that:

- there is no time limit on the ability of IOOF to require any of the actions set out above; and
- where IOOF exercise their right to correct an Eligible Retail Shareholder's Entitlement, the Eligible Retail Shareholder is treated as continuing to accept or not take up any remaining Entitlement.

8.13 Notice to nominees

If the Company believes you hold Shares as a nominee or custodian you will have received, or will shortly receive, a letter in respect of the Retail Entitlement Offer from IOOF. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to, and they must not purport to accept the Retail Entitlement Offer in respect of:

- beneficiaries on whose behalf they hold Existing Shares who would not satisfy the criteria for an Eligible Shareholder;

- Shareholders who are not eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer

Persons acting as custodians or nominees must not take up Entitlements or apply for New Shares on behalf of, or for the account or benefit of, a person in the United States and must not send any document relating to the Retail Entitlement Offer to any person that is in the United States.

IOOF is not required to determine whether or not any registered holder is acting as a nominee or custodian or the identity or residence of any beneficial owners of Shares. Where any holder is acting as a nominee for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Retail Entitlement Offer is compatible with applicable foreign laws. IOOF is not able to advise on foreign laws. Eligible Retail Shareholders who are nominees, trustees or custodians are therefore advised to seek independent advice as to how to proceed.

8.14 Underwriting of the Entitlement Offer

IOOF has entered into the Underwriting Agreement with the Underwriter, who has agreed to manage, be bookrunner for and fully underwrite the Entitlement Offer and the Placement, subject to the terms of the Underwriting Agreement.[6]

The obligation on the Underwriter to underwrite the Entitlement Offer and the Placement is conditional on certain customary conditions precedent. Additionally, the Underwriter may (in certain circumstances having regard to the materiality of the event) terminate the Underwriting Agreement and be released from its obligations under it on the occurrence of certain events or may in certain circumstances renegotiate the Offer Price with IOOF. For further details, see the summary of the Underwriting Agreement which is set out in slides 32 and 33 of the Investor Presentation. That summary also provides details on how any excess shortfall under the Placement and the Entitlement Offer will be handled.

The Underwriter will be paid an underwriting fee of 1.5% (excluding GST) and an offer management fee of 0.35% (excluding GST) of the Institutional Entitlement Offer and Placement proceeds and an underwriting fee of 1.5% and an offer management fee of 0.35% (excluding GST) of the Retail Entitlement Offer proceeds for providing these services. The Underwriter will also be reimbursed for certain expenses.

Neither the Underwriter nor any of the Underwriter Parties have authorised or caused the issue, lodgement, submission, despatch or provision of this Information Booklet and there is no statement in this Information Booklet which is based on a statement made by an Underwriter Party. To the maximum extent permitted by law, each Underwriter Party expressly disclaims all duties and liabilities (including for fault, negligence and negligent misstatement) in respect of, and makes no representations regarding, and takes no responsibility for, any part of this Information Booklet or any action taken by you on the basis of such information in this Information Booklet.

To the maximum extent permitted by law, the Underwriter Parties exclude and disclaim all duty and liability (including for fault, negligence and negligent misstatement) for any expenses, losses, damages or costs incurred by you as a result of your participation in, or failure to participate in, the Retail Entitlement Offer and for this Information Booklet being inaccurate or incomplete in any way for any reason, whether by fault, negligence, negligent misstatement or otherwise. To the maximum extent permitted by law, the Underwriter Parties also exclude and disclaim all duty and liability (including for

[6] Please refer to the summary of the underwriting agreement in the Investor Presentation for further information.

fault, negligence and negligent misstatement) for any direct, indirect, consequential or contingent loss or damage whatsoever arising from the use of any part of this Information Booklet or otherwise arising in connection with it, whether by fault, negligence or otherwise. None of the Underwriter Parties make any recommendations as to whether you or your related parties should participate in the Entitlement Offer nor do they make any representations or warranties (express or implied) to you concerning the Entitlement Offer, or the Information Booklet and you represent, warrant and agree that you have not relied on any statements made by any of the Underwriter Parties in relation to the entitlements, New Shares or the Entitlement Offer generally.

Subject to the terms of the Underwriting Agreement, to the extent there is a Retail Shortfall, this may be taken up by the Underwriter or any sub-underwriters, with the Underwriter to pay the Company the Offer Price per Retail Shortfall Share less any amounts the Underwriter is entitled to set-off pursuant to the Underwriting Agreement. IOOF does not guarantee that there will be any Retail Shortfall.

The Underwriter is acting for and providing services to IOOF in relation to the Entitlement Offer and the Placement and will not be acting for, or providing services to, securityholders, creditors or any other potential investor. The Underwriter has been engaged solely as an independent contractor and is acting solely in a contractual relationship on an arm's length basis with IOOF. The engagement of the Underwriter by IOOF is not intended to create any agency, fiduciary or other relationship between the Underwriter and IOOF's shareholders, creditors or any other investor and you expressly disclaim any fiduciary relationship with the Underwriter.

The Underwriter, together with its affiliates, is a full service financial institution engaged in various activities, which may include trading, financing, financial advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities including for which they have received or may receive customary fees and expenses.

In addition to the fees under the Underwriting Agreement, the Underwriter Parties may, from time to time, hold interests in the securities of, or earn brokerage, fees or other benefits from IOOF and may in the future be lenders to IOOF or its affiliates.

8.15 Foreign jurisdictions

This Information Booklet has been prepared to comply with the requirements of the securities laws of Australia. To the extent that you hold Shares or Entitlements on behalf of another person resident outside Australia or New Zealand, it is your responsibility to ensure that any participation (including for your own account or when you hold Shares or Entitlements beneficially for another person) complies with all applicable foreign laws and that each beneficial owner on whose behalf you are submitting the personalised Entitlement and Acceptance Form or trading Entitlements is not in the United States and not acting for the account or benefit of a person in the United States.

This Information Booklet does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer. No action has been taken to register or qualify the Retail Entitlement Offer, the Entitlements, the New Shares or otherwise permit the public offering of the New Shares in any jurisdiction other than Australia and New Zealand.

The New Shares are not being offered to the public in New Zealand other than to existing Shareholders with registered addresses in New Zealand.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority. This document is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

This Information Booklet, and any accompanying ASX announcements and the Entitlement and Acceptance Form, do not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither this Information Booklet nor the Entitlement and Acceptance Form may be distributed or released in the United States. Neither the Entitlements nor the New Shares offered in the Retail Entitlement Offer have been, or will be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements may not be taken up by, and the New Shares may not be offered or sold to, persons in the United States or persons who are acting for the account or benefit of a person in the United States.

The New Shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the U.S. Securities Act) in compliance with Regulation S under the U.S. Securities Act.

Any non-compliance with these restrictions may contravene applicable securities laws.

8.16 Governing Law

This Information Booklet, the Retail Entitlement Offer and the contracts formed on acceptance of the Retail Entitlement Offers pursuant to the personalised Entitlement and Acceptance Forms are governed by the laws applicable in New South Wales, Australia. Each applicant for New Shares submits to the non-exclusive jurisdiction of the courts of New South Wales, Australia.

8.17 Disclaimer of representations

No person is authorised to give any information, or to make any representation, in connection with the Retail Entitlement Offer that is not contained in this Information Booklet.

Any information or representation that is not in this Information Booklet may not be relied on as having been authorised by IOOF, or its related bodies corporate, in connection with the Retail Entitlement Offer. Except as required by law, and only to the extent so required, none of IOOF, nor any other person, warrants or guarantees the future performance of IOOF or any return on any investment made pursuant to this Information Booklet or its content.

8.18 Withdrawal of the Retail Entitlement Offer

Subject to applicable law, IOOF reserves the right to withdraw all or part of the Retail Entitlement Offer at any time before the issue of New Shares, in which case all Application Monies will be refunded without interest. In circumstances where allotment under the Institutional Entitlement Offer has occurred, IOOF may only be able to withdraw the Entitlement Offer with respect to New Shares to be issued under the Retail Entitlement Offer.

To the fullest extent permitted by law, you agree that any Application Monies paid by you to IOOF will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to IOOF.

8.19 Privacy Statement

If you complete an application for New Shares, you will be providing personal information to IOOF (directly or through the Registry). IOOF collects, holds and will use that information to assess your application, service your needs as a Shareholder and to facilitate distribution payments and corporate communications to you as a Shareholder.

The information may also be used from time to time and disclosed to persons inspecting the register, bidders for your securities in the context of takeovers, regulatory bodies, including the Australian Taxation Office authorised securities brokers, print service providers, mail houses and the Registry.

You can access, correct and update the personal information that is held about you. If you wish to do so please contact the Registry at the relevant contact numbers set out in the Corporate Directory of this Information Booklet.

Collection, maintenance and disclosure of certain personal information is governed by legislation including the *Privacy Act 1988* (Cth) (as amended), the Corporations Act and certain rules such as the ASX Settlement Operating Rules. You should note that if the information required on the Entitlement and Acceptance Form is not provided, IOOF may not be able to accept or process your application.

8.20 Separate SPP Offer

In addition to the Entitlement Offer and Placement, IOOF is also making a separate offer to shareholders to participate in a SPP, under which eligible shareholders will be entitled to apply for up to A$30,000 worth of New Shares at the Offer Price. IOOF is aiming to raise up to $50 million via the SPP which is not underwritten, but reserves the right to increase this amount in its absolute discretion.

If you are eligible to participate in the SPP, you will receive a separate offer document that contains details of that offer and how you can participate.

To the extent you are eligible to participate in both the Entitlement Offer and the SPP, you can elect to participate and purchase New Shares under either or both the Entitlement Offer and the SPP, or neither of them.

9. Glossary

ABN means Australian Business Number.

AEST means Australian Eastern Standard Time.

Application Monies means the amount specified in the personalised Entitlement and Acceptance Form, being the consideration for New Shares under the Retail Entitlement Offer.

Acquisition means the acquisition of 100% of NAB's wealth management business (MLC) for $1,440 million, subject to completion adjustments.

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited ACN 008 624 691 or, where the context requires, the financial market operated by it on which Shares are quoted.

ASX Offer Announcements means the ASX announcements reproduced in section 7 of the Information Booklet, being the announcement to ASX on 31 August 2020 and the Investor Presentation.

CGT means capital gains tax.

Corporations Act means the *Corporations Act 2001* (Cth).

Eligible Institutional Shareholder means a Shareholder as at the Record Date who is an Institutional Investor that the Underwriter determines in its discretion:

(a) is eligible to participate in the Institutional Entitlement Offer; and

(b) successfully receives an offer on behalf of the Company under the Institutional Entitlement Offer,

and is not in the United States, unless it is an approved United States Shareholder.

Eligible Retail Shareholders has the meaning given in section 3.3 of the Information Booklet.

Eligible Shareholders means Eligible Institutional Shareholders and Eligible Retail Shareholders.

Entitlement means the number of New Shares for which an Eligible Shareholder is entitled to subscribe under the Entitlement Offer, being 1 New Share for every 2.09 Shares held at the Record Date.

Entitlement and Acceptance Form means the personalised form accompanying this Information Booklet to be used to make an application in accordance with the instructions set out on that form.

Entitlement Offer means the accelerated, non-renounceable entitlement offer of 1 fully paid ordinary Share for every 2.09 existing Shares held at the Record Date at an Offer Price of $3.50 made to Eligible Shareholders.

GST means goods and services tax.

Ineligible Institutional Shareholder means an Institutional Shareholder that is not an Eligible Institutional Shareholder.

Ineligible Retail Shareholder means a retail Shareholder that is not an Eligible Retail Shareholder.

Ineligible Shareholders means an Ineligible Institutional Shareholder and an Ineligible Retail Shareholder.

Information Booklet means this information booklet in relation to the Retail Entitlement Offer, including the ASX Offer Announcements and the personalised Entitlement and Acceptance Form accompanying the information booklet.

Institutional Entitlement Offer means the institutional component of the Entitlement Offer made to Eligible Institutional Shareholders.

Institutional Investor means a person:

- if in Australia, who is an "exempt investor" as defined in section 9A(5) of the Corporations Act (as modified by *ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84* and any other applicable ASIC legislative instrument or other relief); or

- in certain selected institutions outside Australia to whom an offer of New Shares may be made without any other registration, lodgement or approval with or by a government authority (other than one which the Company, in its absolute discretion, is willing to comply),

in each case who is not in the United States it (unless it is an approved United States shareholder or an approved United States investor, for the purposes of a US private placement which was conducted concurrently with the Placement) and will acquire the New Shares in 'offshore transactions' (as defined in Rule 902(h) under the US Securities Act) in compliance with Regulation S under the US Securities Act.

Institutional Shareholder means a Shareholder who is an Institutional Investor.

Investor Presentation means the IOOF Investor Presentation released to ASX on 31 August 2020 and included in section 7 of this Information Booklet.

IOOF means IOOF Holdings Ltd ACN 100 103 722.

Listing Rules means the official listing rules of the ASX.

New Shares means the fully paid ordinary Shares in IOOF offered under the Entitlement Offer.

Offer Price means $3.50 being the price payable per New Share under the Entitlement Offer.

Placement means the institutional placement, as announced by IOOF on 31 August 2020.

Record Date means 7.00pm (AEST time) on 2 September 2020.

Registry means Boardroom Pty Limited of Level 12, 225 George St, Sydney, NSW 2000 or any other person appointed as registry by IOOF from time to time.

Retail Entitlement Offer means the retail component of the Entitlement Offer made to Eligible Retail Shareholders.

Retail Shortfall means the New Shares not subscribed for under the Retail Entitlement Offer.

Share means a fully paid ordinary share in IOOF.

Shareholder means a holder of a Share of the Company.

SPP means the share purchase plan as announced on 31 August 2020.

TFN means tax file number.

Underwriter means Citigroup Global Markets Australia Pty Limited ABN 64 003 114 832.

Underwriter Parties has the meaning given in the "Important notices".

Underwriting Agreement means the underwriting agreement between IOOF and the Underwriter, dated 31 August 2020.

U.S. Securities Act means the United States Securities Act 1933.

10. Corporate directory

Registered Office

IOOF Holdings Ltd
Level 6, 161, Collins Street
Melbourne VIC 3000

Underwriter

Citigroup Global Markets Australia Pty Limited
Level 23, Citigroup Centre
2 Park Street
Sydney, NSW 2000

Legal Adviser

Allen & Overy
Level 25, 85 Castlereagh St
Sydney NSW 2000

Registry

Boardroom Pty Limited
Level 12, 225 George St
Sydney, NSW 2000

Website

Information about the Retail Entitlement Offer can be found via IOOF's website at https://www.ioof.com.au/

IOOF Offer Information Line

1800 222 722 or +61 2 9290 9699 (outside Australia)
Open between 8:30am and 5:30pm (AEST) on Monday to Friday during the Retail Entitlement Offer period.

IOOF Holdings Ltd
ABN 49 100 103 722
Level 6, 161 Collins Street
Melbourne VIC 3000

GPO Box 264
Melbourne VIC 3001
Phone 13 13 69
www.ioof.com.au

Level 6, 161 Collins Street
Melbourne 3000 Victoria
Australia

Not for distribution, directly or indirectly, in or into the United States

7 September 2020

Dear Sir/Madam

Accelerated non-renounceable pro-rata entitlement offer and share purchase plan - Notification to ineligible shareholders

On Monday, 31 August 2020, IOOF Holdings Ltd (ABN 49 100 103 722) ("**Company**" or "**IOOF**") announced that it was conducting an underwritten equity raising to raise up to approximately A$1,040 million ("**Offer**") comprising:

- a fully underwritten[1] institutional placement of new fully paid ordinary shares ("**New Shares**") to raise approximately A$452 million ("**Placement**"); and
- a fully underwritten[2] 1 for 2.09 accelerated non-renounceable pro-rata entitlement offer of New Shares) to eligible existing shareholders ("**Entitlement Offer**") to raise approximately A$588 million,

in each case at a price of A$3.50 per New Share ("**Offer Price**"). IOOF is also undertaking a non-underwritten share purchase plan ("**SPP**") at the Offer Price to raise a target amount of A$50 million, but reserves the right to increase this amount in its absolute discretion.

The proceeds of the Entitlement Offer and Placement will be used to partly fund the acquisition of 100% of the wealth management business of National Australia Bank Limited (MLC Wealth Limited) for A$1,440 million, subject to completion adjustments. Please refer to IOOF's Investor Presentation lodged with the Australian Securities Exchange ("**ASX**") on Monday, 31 August 2020 for further information. Net proceeds raised from the SPP will add further balance sheet flexibility to IOOF.

Citigroup Global Markets Australia Pty Limited (ABN 64 003 114 832) (the "**Lead Manager**") is the lead manager, underwriter and bookrunner for the Placement and Entitlement Offer.

This notice is to inform you about the Entitlement Offer and the SPP and to explain why you will not be able to subscribe for New Shares under the Entitlement Offer or the SPP. This letter is not an offer to issue entitlements or New Shares to you, nor an invitation for you to apply for entitlements or New Shares. **You are not required to do anything in response to this letter but there may be financial implications for you as a result of the Entitlement Offer or SPP that you should be aware of.**

Details of the Entitlement Offer and SPP

The Entitlement Offer comprises an institutional entitlement offer ("**Institutional Entitlement Offer**") and an offer to Eligible Retail Shareholders (as defined below) to participate on the same terms ("**Retail Entitlement Offer**"). The Institutional Entitlement Offer and Placement have already closed and the results were announced to ASX on Wednesday, 2 September 2020. IOOF has today lodged a retail offer booklet with ASX, which sets out further details in respect of the Retail Entitlement Offer ("**Retail Offer Booklet**").

The SPP provides each eligible shareholder with an opportunity to apply for up to A$30,000 worth of fully paid ordinary shares in IOOF. IOOF is aiming to raise $50 million via the SPP, although it may

[1] Refer to the Investor Presentation released by IOOF to ASX on 31 August 2020 for a description of the terms and conditions of the underwriting arrangements.
[2] See above footnote.

increase this amount at its absolute discretion. The SPP is not being underwritten. IOOF has today lodged a SPP offer booklet with ASX, which sets out further details in respect of the SPP.

Eligibility criteria

IOOF has determined, pursuant to section 9A(3) of the Corporations Act 2001 (Cth) ("**Corporations Act**") and Listing Rule 7.7.1(a) of the ASX Listing Rules, that it would be unreasonable to make offers to IOOF shareholders in certain countries in connection with the Retail Entitlement Offer. This is because of the small number of IOOF shareholders in each of those countries, the number and value of fully paid ordinary shares in IOOF ("**Shares**") those IOOF shareholders hold and the cost of complying with the applicable laws and regulations and the requirements of any regulatory authority in jurisdictions outside Australia and New Zealand. The offer under the SPP will not be available to shareholders in those jurisdictions for the same reasons.

Accordingly, in compliance with the Corporations Act and ASX Listing Rules, IOOF wishes to inform you that it will not be extending the Retail Entitlement Offer or SPP offer to you, IOOF will not be sending a copy of the Retail Offer Booklet or SPP Booklet to you and you will not be able to subscribe for New Shares under the Retail Entitlement Offer or SPP.

For the purposes of the Entitlement Offer, **Eligible Retail Shareholders** are those persons who:

- are registered as holders of existing Shares as at 7.00pm (AEST) on Wednesday, 2 September 2020 ("**Record Date**");
- as at the Record Date, have a registered addresses in Australia or New Zealand on the IOOF share register on the Record Date or are persons that IOOF has otherwise determined are eligible to participate in the Retail Entitlement Offer;
- are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent that such shareholders hold securities for the account or benefit of such person);
- were not invited to participate in the Institutional Entitlement Offer and were not treated as ineligible institutional shareholders under the Institutional Entitlement Offer (other than as nominee or custodian, in each case in respect of other underlying holdings); and
- are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without any requirement for a prospectus or offer document to be lodged or registered.

Shareholders who are not Eligible Retail Shareholders are ineligible retail shareholders and are consequently unable to participate in the Retail Entitlement Offer.

Notwithstanding the above, IOOF may (in its absolute discretion) agree to extend the Retail Entitlement Offer to certain institutional shareholders in foreign jurisdictions who did not participate in the Institutional Entitlement Offer, subject to compliance with applicable laws.

For the purposes of the SPP, **Eligible Shareholders** are those persons who are:

- registered holders as at 7.00 pm (AEST) on 28 August 2020 with a registered address in Australia or New Zealand; and
- not in the United States and are not acting for the account or benefit of a person in the United States (to the extent that such shareholders hold securities for the account or benefit of such person).

Non-renounceable entitlement offer

As with the Institutional Entitlement Offer, the Retail Entitlement Offer is non-renounceable. Entitlements in respect of New Shares you would have been entitled to if you were an Eligible Retail Shareholder will lapse. A number of New Shares equal to the number that you would otherwise be entitled to subscribe for under the Retail Entitlement Offer will be subscribed for by the Lead Manager and/or the sub-underwriters at the Offer Price. As a result, no amount will be payable by you and you will not otherwise receive any payment or value for entitlements in respect of any New Shares that would have been offered to you if you were an Eligible Retail Shareholder.

Further details in respect of the Entitlement Offer and the SPP (including details of eligibility) can be found on the announcements platform of ASX (www.asx.com.au).

Further information

If you have any queries regarding the Retail Entitlement Offer or the SPP, please contact your professional adviser or please call the IOOF Information Line on 1800 222 722 (within Australia) or +61 2 9290 9699 (from outside Australia) from 8.30am to 5.30pm (AEST) during the Retail Entitlement Offer period. For other questions, you should consult your broker, solicitor, accountant, financial adviser or other professional adviser.

Thank you for your continued support of IOOF and I trust you understand IOOF's position on this matter.

Yours sincerely

Allan Griffiths

Chairman

IMPORTANT NOTICE AND DISCLAIMER

The Entitlement Offer is being made by IOOF in accordance with section 708AA of the Corporations Act as modified by the Australian Securities and Investments Commission Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73, meaning that no prospectus or other disclosure document needs to be prepared. The SPP offer is being made by IOOF in accordance with *ASIC Corporations (Share and Interest Purchase Plans) Instrument 2019/547* meaning that no prospectus or other disclosure document needs to be prepared.

Determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of IOOF and the Lead Manager. Each of IOOF and the Lead Manager and each of their respective related bodies corporate (as defined in the Corporations Act) and affiliates and each of their respective directors, officers, employees, partners, consultants, contractors, agents and advisers disclaim any duty or liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law.

This letter is not a prospectus or offering document under Australian law or under any other law. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares in any jurisdiction outside Australia and New Zealand. This letter is for information purposes only and does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any New Shares in IOOF.

The provision of this letter is not, and should not be considered as, financial product advice. The information in this letter is general information only and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, tax advisor, stockbroker or other professional adviser.

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