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PENDAL
GROUP

11 May 2021

Company Announcements Office
ASX Limited
20 Bridge Street
SYDNEY NSW 2000

Pendal Group Limited (PDL) Completion of Placement

The following announcement in relation to the completion of PDL's institutional placement is attached for lodgement.

Yours sincerely



Authorising Officer

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ASX Announcement

Successful completion of \$190 million equity raising

Sydney, Australia, 11 May 2021

Pendal Group Limited (ASX: PDL) ("**Pendal**", "**Company**") is pleased to announce that it has successfully completed a \$190 million fully underwritten institutional placement ("**Placement**") of approximately 27.9 million new fully paid ordinary shares ("**New Shares**") to institutional investors representing approximately 8.6% of current issued capital. The Placement was significantly oversubscribed with strong support from institutional investors, including both existing and new shareholders.

The New Shares will be issued at \$6.80 per share, which represents a 5.2% discount to the dividend adjusted last closing price of \$7.17 on 7 May 2021. The New Shares issued under the Placement will be issued pursuant to Pendal's available capacity under ASX Listing Rule 7.1. All New Shares issued under the Placement will rank equally with existing Shares, except that they will not be eligible for the 1H21 interim dividend declared on 10 May 2021.

As announced on Monday, 10 May 2021, the proceeds from the Placement will be used to partly fund the acquisition of 100% of Thompson, Siegel & Walmsley LLC ("**TSW**"). Pendal will acquire TSW for purchase consideration of approximately US\$320 million (A\$413 million¹), funded with a combination of equity, debt and existing capital ("**Acquisition**")². The net proceeds from the Share Purchase Plan ("**SPP**") are not required for the funding of the Acquisition and may be used to reduce the amount of debt drawn at completion or provide additional seed capital.

Pendal Group CEO, Mr. Nick Good, said, "We are very pleased with the strong support for the Placement shown by both current institutional shareholders as well as new investors. The response represents a clear endorsement of Pendal's strategic acquisition of TSW, a business which is highly complementary to Pendal. The Acquisition will accelerate our growth opportunities in the US market and delivers scale and diversification benefits for Pendal across investment capability, asset classes, geographies and distribution channels.

"It is expected to deliver significant benefits for Pendal shareholders, strengthening the diversity of earnings and growth in shareholder returns."

Settlement of the Placement is scheduled to occur on Thursday 13 May 2021, with New Shares expected to be issued and commence trading the following day, Friday 14 May 2021.

¹ Based on an exchange rate of AUD:USD 0.7743.

² As announced to the market on 10 May 2021.

Details of the SPP

As previously announced, following completion of the Placement, Pental will also offer existing eligible retail shareholders in Australia and New Zealand the opportunity to participate in a non-underwritten SPP.

The SPP will provide eligible shareholders (with registered addresses in Australia and New Zealand and as defined in the SPP Booklet to be sent to shareholders) with the opportunity to participate in the SPP at the lower of:

- The Placement price of \$6.80 per share; and
- The VWAP to Pental ordinary shares traded during the five trading days up to and including the SPP Closing Date (expected to be 7 June 2021), rounded to the nearest cent.

Eligible shareholders who are registered as Pental shareholders as at 7.00pm (AEST) on 7 May 2021 will be invited to subscribe for up to a maximum of \$30,000 of additional New Shares per eligible shareholder, free of brokerage.

The SPP will open on Monday, 17 May 2021 and close on Monday, 7 June 2021.

The SPP is subject to the terms set out in the SPP offer booklet, which is expected to be lodged with the ASX and sent to eligible shareholders following the opening of the SPP offer on Monday, 17 May 2021.

As with the New Shares issued under the Placement, all shares to be issued under the SPP will rank equally with existing shares, except that they will not be eligible for the 1H21 interim dividend declared on 10 May 2021.

Important dates

Event	Date
Ex-date for 1H21 interim dividend	Thursday, 13 May 2021
Settlement of Placement	Thursday, 13 May 2021
Record date for 1H21 interim dividend	Friday, 14 May 2021
Allotment and Normal Trading of New Shares under the Placement	Friday, 14 May 2021
SPP Offer Opens	Monday, 17 May 2021
SPP Booklet Dispatched to Eligible Shareholders	Monday, 17 May 2021
SPP Closes	Monday, 7 June 2021
Announcement of results of SPP	Thursday, 10 June 2021
SPP allotment and issue of shares under SPP	Tuesday, 15 June 2021
Normal trading of SPP shares and dispatch of holding statements	Wednesday, 16 June 2021

The timetable (and each reference in this presentation to a date specified in the timetable) is indicative only and Pental 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).

Additional information

Further details of the Offer are set out in the Investor Presentation provided to the ASX on Monday, 10 May 2021. The Investor Presentation contains important information including key risks and foreign selling restrictions with respect to the Offer. This presentation can be accessed on the Pental website at <https://investors.pentalgroup.com/Investor-Centre/>.

For more information:

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Important Notice

Not for distribution or release in the United States

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States or in any other jurisdiction in which such an offer would be illegal. The New Shares have not been, and will not 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 New Shares may not be offered, sold or resold to persons in the United States or to persons who are acting for the account or benefit of a person 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 of any state or other jurisdiction of the United States.

Future performance and forward-looking statements

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", "estimate", "intend", "believe", "guidance", "should", "could", "may", "will", "predict", "plan" and other similar expressions within the meaning of securities laws of applicable jurisdictions and include statements regarding the use of proceeds of the Placement and SPP and statements regarding the future performance of Pental post-acquisition. 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 announcement 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 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 Pental and its directors and management. A number of important factors could cause Pental'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 released on 10 May 2021.

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, Pental 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.