For personal use only

ASX Release – 7 March 2025

Insignia Financial receives Revised Indicative Non-Binding Proposals

Insignia Financial Ltd (ASX: IFL) ("**Insignia Financial**") advises that it has received separate revised non-binding and indicative proposals from each of Bain Capital Private Equity, LP ("**Bain**") and CC Capital Partners, LLC ("**CC Capital**") ("**Bidders**") to acquire all of the shares in Insignia Financial by way of a scheme of arrangement ("**Proposals**").

Both Bidders have separately and independently submitted increased Proposals at a price of A$5.00 cash per share (adjusted for any dividend paid or payable after the date of the Proposals).

After careful consideration, the Board has determined the terms of each Proposal to be attractive for Insignia Financial shareholders and has concluded that it would be in the best interests of Insignia Financial shareholders that Insignia Financial enter into an Exclusivity Deed with each of Bain and CC Capital (each an "**Exclusivity Deed**") to further progress their respective Proposals.

The IFL Board will provide both parties access to confirmatory due diligence that is expected to be completed within 6 weeks.

The revised Proposals of $5.00 per share represent an increase of 8.7% from the $4.60 per share offers previously made by each of Bain and CC Capital respectively, with the cash consideration under each Proposal also representing:

- a premium of 63% to the closing price of Insignia Financial shares on 11 December 2024 of A$3.06 (being the last trading day prior to announcement of Insignia Financial's receipt of a proposal from Bain);
- a premium of 56% to the volume-weighted average price of Insignia Financial shares for the one month up to and including 11 December 2024; and
- a premium of 77% to the volume weighted average price of Insignia Financial shares for the three months up to and including 11 December 2024.

A summary of the key terms of the Exclusivity Deeds is set out in Appendix A to this announcement. The Exclusivity Deeds agreed with both Bain and CC Capital permit Insignia Financial to continue to engage in discussions with CC Capital and Bain respectively.

Each Proposal is subject to various conditions including:

- satisfactory completion of the due diligence noted above on Insignia Financial and its business;
- a unanimous recommendation of the Board of Insignia Financial and a commitment from all Insignia Financial directors to vote in favour of the applicable Proposal, in the absence of a superior proposal and subject to an independent expert concluding that the applicable Proposal is in the best interests of IFL shareholders;
- agreement of a scheme implementation deed with Insignia Financial on customary market terms; and
- final investment committee approval from either Bain or CC Capital (as applicable).

In addition, any transaction would, if entered into by IFL, be subject to approval of the Australian Prudential Regulation Authority, the Foreign Investment Review Board, and ultimately IFL's shareholders.

As set out in more detail in paragraph 1.10 of Appendix A, in the absence of a superior proposal in excess of $5.00 per share, the Insignia Financial Board intends to recommend an offer of at least $5.00 per share, subject to entry into a scheme implementation deed that contains the terms set out in Appendix A and otherwise reflects customary market terms.

The cash consideration of $5.00 per share proposed by each of the Bidders takes into account the value of the Subordinated Loan Notes and related Additional Return Amount (ARA) payable in May 2026. As disclosed on 4 March 2025, the total amount repayable inclusive of the ARA is $253.5 million following the Holder Redemption Request from National Australia Bank.

There is no certainty that either Proposal will result in any transaction being put to Insignia Financial shareholders for their consideration.

Insignia Financial shareholders do not need to take any action in relation to either Proposal.

Insignia Financial will continue to keep the market informed in accordance with its continuous disclosure obligations.

Insignia Financial has engaged Citigroup and Gresham Advisory Partners as its financial advisers and King & Wood Mallesons as its legal adviser.

This announcement was approved for release by the Board of Insignia Financial Ltd.

-ENDS-

About Insignia Financial Ltd

With origins dating back to 1846, today Insignia Financial is a leading Australian wealth manager. Insignia Financial provides financial advice, superannuation, wrap platforms and asset management services to members, financial advisers and corporate employers.

Further information about Insignia Financial can be found at www.insigniafinancial.com.au

Investor Enquiries:

Andrew Ehlich
General Manager, Capital Markets
Insignia Financial
M: +61 407 223 044
E: andrew.ehlich@insigniafinancial.com.au

Media Enquiries:

Francine McMullen
General Manager, Corporate Affairs
Insignia Financial
M: +61 476 806 940
E: francine.mcmullen@insigniafinancial.com.au

For personal use only

For personal use only

Appendix A – Summary of key exclusivity terms of each Exclusivity Deed

1.1 No existing discussions

Insignia Financial represents and warrants that, other than the discussions with the Bidder in respect of the Bidder Proposal and the Other Bidder in respect of the Other Proposal, it is not, and its Representatives are not, currently in negotiations or discussions (and has otherwise ceased negotiations or discussions) in respect of any Competing Proposal with any person.

1.2 No shop restriction

During the Exclusivity Period, Insignia Financial must ensure that neither it nor any of its Representatives directly or indirectly solicits, invites, encourages or initiates any enquiries, negotiations or discussions, or communicates any intention to do any of these things, with any person (other than the Other Bidder) with a view to obtaining any offer, proposal or expression of interest from any person (other than the Other Bidder) in relation to a Competing Proposal.

1.3 No talk restriction

Subject to the fiduciary exception described below and except in relation to engagement with the Other Bidder, during the Exclusivity Period, Insignia Financial must ensure that neither it nor any of its Representatives negotiates or enters into, or participates in negotiations or discussions with any person other than the Other Bidder regarding, a Competing Proposal (other than the Other Proposal), or any agreement, understanding or arrangement (other than one relating to the Other Proposal) that may be reasonably expected to lead to a Competing Proposal.

1.4 No due diligence restriction

Subject to the fiduciary exception described below, during the Exclusivity Period, Insignia Financial must ensure that neither it nor any of its Representatives in relation to an actual, proposed or potential Competing Proposal:

(a) enables any person other than the Bidder or the Other Bidder to undertake due diligence investigations on any Insignia Financial Group Member or their businesses or operations;

(b) makes available to any person, or permits any person to receive, other than the Bidder or the Other Bidder (in the course of due diligence investigations or otherwise), any non-public information relating to any Insignia Financial Group Member or their businesses or operations; or

(c) makes available to any person, or permits any person, other than the Bidder or the Other Bidder, to have access to, any officers or employees of, or premises used, leased, licenced or owned by, any Insignia Financial Group Member.

1.5 Fiduciary exception

Following the date which is 4 weeks after entry into the Exclusivity Deed, the no talk and no due diligence restrictions summarised above no longer apply to the extent that they restrict Insignia Financial or the Insignia Financial Board from taking or refusing to take any action with respect to a genuine written Competing Proposal (which was not solicited, invited, encouraged or initiated in contravention of the no shop restriction summarised above) provided that the Insignia Financial Board has determined, acting in good faith that:

(a) after consultation with its financial advisors, such a genuine written Competing Proposal is, or could reasonably be considered to become, a Superior Proposal; and

(b) after consultation with and receiving legal advice from its external legal advisers, failing to respond to such a genuine Competing Proposal would be reasonably likely to constitute a breach of the Insignia Financial Board's fiduciary or statutory obligations.

1.6 Further exceptions

The Exclusivity Deed does not prevent Insignia Financial from:

(a) continuing to make normal presentations to, and to respond to enquiries from, brokers, portfolio investors, analysts and institutional lenders in the ordinary course in relation to the Bidder Proposal, the Other Proposal, or its business generally;

(b) engaging with its shareholders in relation to the Insignia Financial Group, the Other Proposal or the Bidder Proposal, provided that any engagement of that type does not relate to Insignia Financial soliciting, inviting, encouraging or initiating an actual, proposed or potential Competing Proposal or that is inconsistent with the minimum price acknowledgement below; or

(c) fulfilling its continuous disclosure requirements.

1.7 Notification obligations

During the Exclusivity Period, Insignia Financial must promptly inform the Bidder if it, or any of its subsidiaries or Representatives, receives any Competing Proposal and must disclose the general nature of the approach.

Without limiting the notification obligation summarised directly above, during the Exclusivity Period, Insignia Financial must promptly inform the Bidder if it, or any of its related bodies corporate or Representatives, receives an improved proposal from the Other Bidder with respect to the Other Proposal ("**Improved Other Proposal**") and must disclose to the Bidder the general nature of the Improved Other Proposal.

Any such notification must disclose the price or implied value, conditions and all other material terms of the Competing Proposal (including identity of the person) or the Improved Other Proposal (as applicable) together with a copy of any material confidential information provided to any person associated with the Competing Proposal or the Improved Other Proposal (as applicable) not previously disclosed to the Bidder.

1.8 Ceasing to progress Bidder Proposal

If, during the Exclusivity Period, the Bidder decides to no longer progress the Bidder Proposal on the Key Terms, it must immediately notify Insignia Financial in writing. If during the Exclusivity Period the Other Bidder advises Insignia Financial that it is no longer progressing the Other Proposal or materially changes the key terms (including price) of the Other Proposal, Insignia Financial must promptly notify the Bidder in writing.

1.9 Other Exclusivity Arrangements

If Insignia Financial enters into an exclusivity deed, process deed or other similar document with the Other Bidder relating to the Other Proposal that contains terms that are materially more favourable to the Other Bidder than those set out in the Exclusivity Deed, the Exclusivity Deed shall be deemed to have been amended to provide the materially more favourable terms to the Bidder. Insignia Financial must promptly provide the Bidder with details of any such terms with the Other Bidder.

1.10 Minimum price acknowledgement

Insignia Financial acknowledges and agrees that in the absence of any Competing Proposal in excess of $5.00 per Insignia Financial Share (and, for the avoidance of doubt, in the case of the Bidder Proposal, in the absence of the Other Proposal), the Insignia Financial Board intends to recommend to Insignia Financial shareholders the acquisition of all or substantially all of the Insignia Financial Shares by way of scheme of arrangement under Part 5.1 of the *Corporations Act 2001* (Cth) for at least $5.00 per Insignia Financial Share subject to entry into a scheme implementation deed that is on terms substantially similar to at least the Key Terms.

1.11 Key defined terms

Bain means Bain Capital Private Equity, LP.

Bain Exclusivity Deed means the Exclusivity Deed entered into between Insignia Financial and Bain Capital Private Equity, LP dated 6 March 2025.

For personal use only

For personal use only

Bidder means:

(a) for the CC Capital Exclusivity Deed, CC Capital; and

(b) for the Bain Exclusivity Deed, Bain.

Bidder Proposal means:

(a) for the CC Capital Exclusivity Deed, the non-binding indicative proposal received by Insignia Financial from CC Capital whereby CC Capital, or any one or more of its affiliates, proposes to acquire all Insignia Financial Shares by way of scheme of arrangement under Part 5.1 of the *Corporations Act 2001* (Cth); and

(b) for the Bain Exclusivity Deed, the non-binding indicative proposal received by Insignia Financial from Bain pursuant to which Bain, one or more constituent entities of a private equity fund managed or advised by Bain or any one or more of its related bodies corporate, proposes to acquire all Insignia Financial Shares by way of scheme of arrangement under Part 5.1 of the *Corporations Act 2001* (Cth).

CC Capital means CC Capital Partners, LLC.

CC Capital Exclusivity Deed means the Exclusivity Deed entered into between Insignia Financial and CC Capital dated 6 March 2025.

Competing Proposal means any offer, proposal, agreement, arrangement or transaction, whether existing before, on or after the date of the Exclusivity Deed which, if entered into or completed, could mean that a person other than the Bidder or its affiliates (either alone or with any associate thereof), would:

(a) directly or indirectly acquire a Relevant Interest (as defined in section 9 of the *Corporations Act 2001* (Cth)) in, or have a right to acquire a legal, beneficial or economic interest in, or control of, 20% or more of the Insignia Financial Shares (or other securities in any Insignia Financial Group Member) on issue;

(b) acquire Control (being the possession, directly or indirectly, of the power to direct or cause the direction of management or policies whether through the ownership of voting securities, by agreement or otherwise) of any Insignia Financial Group Member;

(c) directly or indirectly acquire or become the holder of, or otherwise acquire or have a right to acquire a legal, beneficial or economic interest in, or control of, all or substantially all or a material part of the assets of, or the business conducted by, the Insignia Financial Group, taken as a whole;

(d) otherwise directly or indirectly acquire, be stapled with or merge with Insignia Financial; or

(e) require Insignia Financial to abandon, or otherwise fail to proceed with, the Bidder Proposal, or as a result of which the Bidder Proposal would not proceed,

whether by way of a takeover bid, scheme of arrangement, shareholder approved acquisition, capital reduction, buy back, sale, lease or purchase of shares, other securities or assets, assignment of assets or liabilities, joint venture, dual listed company (or other synthetic merger), deed of company arrangements, any debt for equity arrangement or other transaction or arrangement.

Exclusivity Deed means as applicable either:

(a) the CC Capital Exclusivity Deed; or

(b) the Bain Exclusivity Deed.

Exclusivity Period means the period from and including the date of the Exclusivity Deed, to 5.00pm on the date that is 6 weeks after that date.

Insignia Financial means Insignia Financial Ltd.

Insignia Financial Board means the board of directors of Insignia **Financial**.

Insignia Financial Group means Insignia Financial and its subsidiaries and **Insignia Financial Group Member** means any one of them.

Insignia Financial Share means a fully paid ordinary share in the capital of Insignia Financial.

For personal use only

Key Terms means the following key terms:

(a) scheme consideration of at least A$5.00 cash per Insignia Financial Share (adjusted only for any dividend paid or payable after the date of the Bidder Proposal); and

(b) the scheme implementation deed:

  (i) will not include a financing condition precedent;

  (ii) if it includes a material adverse change condition precedent, that clause would be enlivened only by a limited number of objective financial outcomes impacting the Insignia Financial Group;

  (iii) will include a reverse break fee payable by the Bidder; and

  (iv) if it includes a scrip alternative, that scrip offer will be made available to all Insignia Financial shareholders.

Other Bidder means:

(a) for the CC Capital Exclusivity Deed, Bain; and

(b) for the Bain Exclusivity Deed, CC Capital.

Other Proposal means the proposal received by Insignia Financial from the Other Bidder on or around the date that Insignia Financial received the Bidder Proposal pursuant to which the Other Bidder, or any one or more of its affiliates, proposes to acquire all Insignia Financial Shares by way of scheme of arrangement under Part 5.1 of the *Corporations Act 2001* (Cth) for a cash amount of $5.00 per Insignia Financial Share payable to Insignia Financial shareholders upon implementation of the scheme of arrangement.

Representative of:

(a) Insignia Financial, means its related bodies corporate, and any affiliates, directors, other officers, employees, agents, advisers, partners and consultants of it or its related bodies corporate; and

(b) the Bidder, means any person who receives confidential information regarding Insignia Financial in accordance with the terms of the confidentiality agreement between Insignia Financial and the Bidder.

Superior Proposal means a genuine, written Competing Proposal which is received by Insignia Financial and which the Insignia Financial Board, acting in good faith and in order to satisfy what the Insignia Financial Board considers to be its fiduciary and statutory duties, and after taking advice from its external legal and financial advisers, determines:

(a) is reasonably capable of being valued and implemented taking into account all aspects of the Competing Proposal, including its conditions, timing considerations, the identity, reputation and financial condition of the person making the Competing Proposal, the nature of any consideration offered and all other relevant legal, regulatory and financial matters; and

(b) would, if implemented in accordance with its terms, be more favourable to Insignia Financial shareholders than the latest proposal provided by the Bidder, one or more constituent entities of a private equity fund managed or advised by the Bidder or any of its related bodies corporate or affiliates, taking into account all aspects of the Competing Proposal and the latest proposal provided by the Bidder, including the identity, reputation and financial condition of the person making the Competing Proposal, legal, regulatory and financial matters, certainty, timing and any other matters affecting the probability of the Competing Proposal being completed in accordance with its terms.