

17 February 2020

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THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

FOR IMMEDIATE RELEASE

Jupiter Fund Management plc

Proposed acquisition of Merian Global Investors Limited

Further to the announcement on 15 February 2020 in response to press speculation, the board of Jupiter Fund Management plc (the "Jupiter Board") is pleased to announce the proposed acquisition of Merian Global Investors Limited ("Merian"), an independent active asset management firm with more than £22 billion assets under management¹ ("AUM") (the "Acquisition").

1. Summary

The Acquisition represents an opportunity to accelerate Jupiter's strategy and is expected to deliver the following key benefits:

- Enhances Jupiter's position as one of the UK's leading active asset managers with more than £65 billion of AUM.
- Complementary and additive acquisition aligned with Jupiter's high conviction active approach and investment culture.
- Reinforces Jupiter's core UK franchise and extends capabilities into attractive product gaps.
- Diversifies Jupiter's existing business with the current top 5 funds falling from 46 per cent. of AUM to 33 per cent. of the AUM of the Enlarged Group; number of funds with greater than £1 billion of AUM increasing from 10 to 16; and top 4 capabilities moving from 76 per cent. of AUM to 53 per cent.
- Migration of Merian's investment team and assets onto Jupiter's operational platform through the execution of a clear and well-designed integration plan.
- Substantial cost efficiencies expected to deliver low to mid-teen accretion to Underlying EPS from 2021 and increasing from 2022 onwards².
- The Acquisition is consistent with Jupiter's strategic priorities and accelerates its growth plans.
- Completion of the Acquisition is subject to the satisfaction of customary conditions including regulatory consents and Jupiter shareholder approval.

¹ As at 31 December 2019

² Relative to Jupiter's expected standalone financial performance for the same periods

2. Transaction highlights

- Jupiter is to acquire the entire issued share capital of Merian for an upfront equity consideration of £370 million to be paid through the issue of 95,360,825 new Jupiter Shares to Merian shareholders (the “Consideration Shares”), with an additional deferred earn-out of up to £20 million (the “Deferred Earn Out”) payable to Key Merian Management Shareholders, subject to growing and retaining revenues in their investment strategies³ (see Appendix I for further details).
- Merian will be acquired with target net debt of £29 million (assuming Completion on 1 July 2020), subject to an adjustment if net debt at Completion exceeds this figure (and with target net debt of £35 million if Completion occurs after the record date for the Jupiter 2020 interim dividend payment).
- Downside protection from a purchase price adjustment mechanism (the “Purchase Price Adjustment”), to be settled in cash, up to a maximum value of £100 million:
 - The Purchase Price Adjustment is primarily determined with reference to Merian AUM as at 31 December 2021 (see Appendix I for further details).
- Following Completion:
 - Merian shareholders will own, in aggregate, approximately 17 per cent. of the enlarged share capital of Jupiter.
 - Key Merian Management Shareholders, who manage approximately 87 per cent. of total Merian AUM, will collectively own approximately 1 per cent. of the enlarged share capital of Jupiter, creating an alignment of interests with other Jupiter Shareholders.
 - Key Merian Management Shareholders have entered into full-time employment contracts with Jupiter which contain comprehensive non-compete and non-solicit obligations.
 - TA Associates Management LP (“TA”) will once again become a significant long-term shareholder of Jupiter with an approximate 16 per cent. shareholding. For so long as TA holds directly or indirectly in aggregate 10 per cent. or more of Jupiter’s issued share capital, TA will be entitled to nominate a non-executive director to the Jupiter Board.
 - TA, funds advised by TA and Key Merian Management Shareholders have each entered into customary lock-up agreements.
- The Enlarged Group will have combined AUM of £65 billion as at 31 December 2019.
- Merian AUM of £22.4 billion as at 31 December 2019 with associated estimated run-rate net management fees of approximately £140 million per annum.
- Merian’s existing debt to be assumed by Jupiter and repaid at or before Completion. Jupiter intends to issue £50 million of Tier 2 subordinated debt, resulting in combined surplus regulatory capital of approximately £70-100 million⁴.
- No change to the senior leadership at Jupiter, and one additional non-executive Board member to be nominated by TA following Completion.
- Completion of the Acquisition is expected to occur in the second half of 2020, with the earliest expected completion date being 1 July 2020, subject to customary conditions including receipt of relevant regulatory approvals and approval by Jupiter Shareholders.

3. Client, strategic and financial rationale

³ In addition, TA has agreed to bear the costs of an additional deferred earn out up to £10m for Key Merian Management Shareholders

⁴ Estimated as at 1 July 2020

The Jupiter Board believes that there is a compelling strategic and financial rationale for the Acquisition and that the Acquisition will provide attractive strategic, commercial and financial benefits to Jupiter, its clients and its shareholders as outlined below:

Client benefits

- Significantly enhances Jupiter's UK investment capability by adding scale across the investment style and market capitalisation range.
- Widens Jupiter's range of investment capabilities available to clients.
- Adds scale to strategic investments in Jupiter's capabilities, for example, the build-out of Fixed Income and Global Emerging Markets.
- Enhanced ability for Jupiter to develop and seed new strategies.
- Provides greater opportunity to invest in the Enlarged Group; including for example the capacity to invest in technology to support alpha generation and improve client servicing.

Strategic Benefits

Enhances Jupiter's position as one of the UK's leading high-conviction active asset managers

- The Enlarged Group, operating under the Jupiter brand, will be a leading UK active specialty manager with more than £65 billion of AUM.

Complementary and additive acquisition – involving two businesses with aligned cultures and investment philosophy – which will not alter Jupiter's purpose and focus

- Jupiter and Merian share a commitment to high-conviction, active asset management with no imposed house view, providing fund managers with the freedom to make investment decisions, reinforcing Jupiter's position as an attractive home for leading investment talent.
- Merian's active investment approach is evidenced by its long-term investment performance track record, with approximately 53 per cent. of Merian AUM above median over 3 years⁵ and approximately £8 billion of AUM top decile over 10 years⁶.
- Both firms have a long track record of delivering attractive returns for clients, with the Enlarged Group having approximately 66 per cent. of AUM above median over three years⁷.

⁵ 3-year mutual fund performance to December 2019

⁶ 10-year mutual fund performance to December 2019

⁷ Combined 3-year mutual fund performance to December 2019

Reinforces Jupiter's core UK franchise by broadening its UK capabilities and strengthening its UK retail distribution presence

- Adds to Jupiter's capabilities in UK equities, bringing additional expertise in UK all-cap growth and small / mid-cap strategies and complementing Jupiter's strong Value franchise.
- Creates the second largest manager of retail funds in the UK with approximately £40 billion AUM⁸.

Strengthens and diversifies Jupiter's client base with distinct client sets in international markets, particularly the Middle East, APAC and Latin America / US Offshore

- Limited institutional client overlap, adds new relationships with leading global institutions and sovereign wealth funds.
- Provides meaningful AUM in geographies including the Middle East, APAC and Latin America / US Offshore.
- Subject to the approval of the independent board of Merian Chrysalis, it will add scale and capability to Jupiter's investment trust business.

Extends Jupiter's capabilities into attractive product gaps with growth potential and adds scale to other existing capabilities

- Adds attractive investment capabilities such as Global Systematic Equity, Liquid Alternatives and Contingent Capital and increases scale in growth areas such as Emerging Market Debt, Multi-sector Bonds, Corporate Bonds and Equity.

Delivers improvement in fund diversification

- The Acquisition will meaningfully improve Jupiter's fund diversity, with the proportion of AUM managed by its largest five funds falling from approximately 46 per cent. to approximately 33 per cent. of the Enlarged Group's AUM following Completion.
- The number of funds with AUM above £1 billion increases from 10 to 16.
- Top 4 investment capabilities move from 76 per cent. of Jupiter AUM to 53 per cent. of the Enlarged Group AUM following Completion.

Increases Jupiter's capacity to invest, positioning the business better to execute its growth agenda

- Provides greater scale and the financial resources with increased capacity to invest in future growth, particularly through recruitment of investment talent, the expansion of Jupiter's distribution footprint and the development of new products for the benefit of clients.
- Better positions Jupiter to invest in the growth of its international, institutional and investment trust capabilities and execute its strategic priorities to diversify the business by channel, geography and product.

⁸ Source: The Investment Association

Financial Rationale

Compelling financial benefits for Jupiter Shareholders

- Attractive value creation opportunity for Jupiter Shareholders, underpinned by significant cost saving from removal of operational overlap and duplication within the Enlarged Group.
- Expected to deliver low to mid-teen accretion in Underlying EPS from 2021, and increasing from 2022 onwards⁹, with returns to Jupiter in excess of its cost of capital.
- Following completion of the integration of the Merian business and extraction of the anticipated cost synergies, on a fully-phased basis, the Jupiter Board expects the acquired business to have the potential to contribute to an Operating Margin¹⁰ not below 50 per cent. on prudent asset level assumptions and up to 60 per cent., which compares with Jupiter's 2019 Operating Margin of 43 per cent.
- Based on December 2019 run-rate revenues, it is anticipated that shortly following Completion, the Operating Margin of Merian would be close to 50 per cent.
 - This Operating Margin can be delivered while maintaining a compensation ratio in line with current Jupiter levels.

Clear integration plan

- Merian's business to be fully integrated and migrated to Jupiter's scalable operating platforms, which have benefited from substantial recent investment.
- Clear and well-designed integration plan to deliver cost savings whilst ensuring stability, overseen by Jupiter's experienced management team.
- The Enlarged Group will operate under the Jupiter brand.
- One-off and integration costs estimated to be £40-45 million, substantially all of which are expected to be incurred in the first 12 months post-Completion.

Recommendation

The Jupiter Board has received financial advice from Fenchurch Advisory Partners LLP and J.P. Morgan Cazenove in relation to the Acquisition. In providing its financial advice to the Jupiter Board, Fenchurch Advisory Partners LLP and J.P. Morgan Cazenove have relied upon the Jupiter Board's commercial assessment of the Acquisition. The Jupiter Board considers the Acquisition to be in the best interests of Jupiter and Jupiter Shareholders as a whole.

Andrew Formica, Chief Executive of Jupiter, said: "This is an exciting acquisition that enhances our position as a leading UK asset manager, provides increased scale and diversification into attractive product areas, and creates stronger future growth prospects for the business. It is also consistent with our strategic priorities, adding strong investment talent with a similar culture and investment philosophy.

"The addition of Merian is compelling for all stakeholders. With this acquisition, our business will benefit from an increased capacity to attract, develop and retain high quality talent, backed by further investment in our platform and technology. In turn, we will be able to offer a wider choice of strongly

⁹ Relative to Jupiter's expected standalone financial performance for the same periods

¹⁰ Operating profit (before Exceptional Items) divided by net revenue

performing active investment strategies to our clients, while shareholders will benefit from a highly earnings accretive deal delivered through substantial cost synergies.”

Mark Gregory, Chief Executive of Merian, said: “Jupiter is a great strategic and cultural fit with our business. It has a market leading brand with a clear focus on high conviction, active asset management which is entirely consistent with our own. I believe the enlarged business will be more strongly positioned to offer greater choice and investment performance to clients and continue to meet clients’ ever-evolving needs.”

Chris Parkin, Managing Director of TA Associates, said: “We look forward to becoming a long-term shareholder and partner with Jupiter once again. This is an exciting new chapter for Merian’s talented investment team. Our substantial stake in the combined firm underlines our belief that this transaction will deliver significant strategic benefits and returns to shareholders.”

4. Jupiter trading update

Jupiter also today releases a trading update with respect to its draft unaudited results for the financial year ended 31 December 2019:

- Underlying Profit Before Tax¹¹ of approximately £163 million (FY18: £183 million)
 - Statutory Profit Before Tax of approximately £151 million (FY18: £179 million)
- Net management fees of approximately £370 million (FY18: £396 million)
- AUM of £42.8 billion as at 31 December 2019 (31 December 2018: £42.7 billion)
 - £37.6 billion mutual funds (31 December 2018: £36.9 billion)
 - £4.8 billion segregated mandates (31 December 2018: £4.6 billion)
 - £0.4 billion investment trusts (31 December 2018: £1.2 billion)
- FY19 net outflows of £4.5 billion include:
 - £2.0 billion net inflows into Jupiter’s Fixed Income strategy
 - £4.3 billion net outflows from Jupiter’s European Growth strategy, principally within the UK and Continental Europe
 - £1.0 billion net outflows from Jupiter’s Developed Market Equities strategies
- The Jupiter Board’s ordinary dividend policy remains unchanged¹². No special dividend will be declared for the financial year ended 2019 as Jupiter balances investment for long-term growth with distribution to Jupiter Shareholders. The Jupiter Board’s priority continues to be to maintain its capital strength, including a robust surplus over regulatory capital requirements and it remains committed to returning surplus regulatory capital in excess of needs to Jupiter Shareholders, aligned to its capital allocation framework.

¹¹ Before Exceptional Items

¹² Subject to Board approval

Information on Jupiter

Jupiter is an independent, high conviction, active asset management business, managing mutual funds, segregated mandates and investment trusts on behalf of individuals and institutions across the UK and internationally. Jupiter's primary purpose is to help clients achieve their long-term investment objectives through delivering superior returns after all fees on client assets. Asset classes covered by Jupiter's funds include equities, fixed income, multi-asset, multi-manager and alternatives (including absolute return funds).

Jupiter is a market leading fund manager in the UK mutual fund market based on the size of its AUM and gross sales, its strong investment performance track record, the strength of its brand and presence in key distribution channels. As at 31 December 2019, approximately 88 per cent. of Jupiter's AUM was in mutual funds, the majority of which are open-ended funds directed towards investors through intermediated distribution channels in the UK, EMEA, Asia and Latin America. In addition, Jupiter provides investment management services to institutional clients and investment trusts. Jupiter has offices in London, Hong Kong, Singapore, Austria, Germany, Italy, Luxembourg, Spain, Sweden and Switzerland.

As at 31 December 2019, Jupiter had approximately £42.8 billion of AUM.

Information on Merian

Merian is an independent, global asset management firm which utilises an active high-conviction investment strategy. Merian distributes its products to wholesale, retail and institutional investors in the UK, EMEA, the Americas and Asia. Merian provides world-class investment expertise across virtually all major asset classes, in addition to highly-regarded capabilities in a number of specialist areas, offering a broad range of fundamental and systematic active fund strategies, with the largest strategies being global equities and UK equities. In addition, Merian has strong capabilities in fixed income, European equities, global emerging market equities, alternatives and global asset allocation.

Merian's purpose and objective is to help its clients meet their long-term financial objectives and aspirations by investing their assets in a responsible way and delivering sustainable value to them. In order to meet the high expectations of its clients and their advisers, Merian focuses on identifying and maintaining intelligent and repeatable ways in which to generate positive investment outcomes, and it approaches this work in a way that enables it to have a positive impact on its clients, employees and society through the implementation of its "responsible business principles".

As at 31 December 2019, Merian had AUM of £22.4 billion.

General

Completion is subject to the satisfaction (or, where permitted, waiver) of certain conditions, including relevant regulatory approvals and the approval of the Acquisition by Jupiter Shareholders at the General Meeting. The Jupiter Board will enter into irrevocable undertakings to vote in favour of the resolutions to approve the Acquisition at the General Meeting. The Circular (including the notice convening the General Meeting), the Prospectus and the Debt Prospectus in respect of the issuance of Tier 2 debt will be published and, where applicable, sent to Jupiter Shareholders in due course. The timing of certain of the conditions to Completion is uncertain given the involvement of third parties, including relevant regulators, but it is currently expected that Completion will occur in the second half of 2020, with the earliest expected completion date being 1 July 2020.

Presentation to analysts and investors

A presentation for analysts and investors will be held this morning at 09:30am at the Zig Zag Building, 70 Victoria Street, London SW1E 6SQ.

The presentation will also be accessible via a live audiocast available at <https://secure.emincote.com/client/jupiter/jfm016>

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This announcement is not intended to, and does not constitute, or form part of, an offer to sell or an invitation to purchase or subscribe for any securities or a solicitation of any vote or approval in any jurisdiction. This announcement does not constitute a prospectus or a prospectus equivalent document. Jupiter Shareholders are advised to read carefully the formal documentation in relation to the Acquisition once it has been despatched. Any response to the proposals should be made only on the basis of the information in the formal documentation to follow.

Forward-looking statements

Certain statements in this announcement are, or may be deemed to be, "forward-looking statements". Forward-looking statements are prospective in nature and are not based on historical facts, but rather on current expectations and projections of the management of Jupiter and Merian about future events, and are therefore subject to risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements.

The forward-looking statements contained in this announcement include statements relating to the expected effects of the Acquisition on Jupiter and Merian or the Enlarged Group (including their future prospects, developments and strategies), the expected timing and scope of the Acquisition and other statements other than historical facts. Often, but not always, forward-looking statements can be identified by the use of forward-looking words such as "plans", "expects" or "does not expect", "is expected", "is subject to", "budget", "projects", "strategy", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Although Jupiter and Merian believe that the expectations reflected in such forward-looking statements are reasonable, Jupiter and Merian can give no assurance that such expectations will prove to be correct. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by such forward-looking statements.

Neither Jupiter and Merian, nor any of their respective associates or directors, officers or advisers, provides 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 cautioned not to place any reliance on these forward-looking statements. Other than in accordance with their legal or regulatory obligations, neither Jupiter nor Merian is under any obligation, and Jupiter and Merian expressly disclaim any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

No profit forecasts, estimates or quantified financial benefits statements

No statement in this announcement is intended as a profit forecast, profit estimate or quantified financial benefits statement for any period and no statement in this announcement should be interpreted to mean that earnings or earnings per share for the Enlarged Group, Jupiter and/or Merian for the current or future financial years would necessarily match or exceed the historical published earnings or earnings per share of Jupiter or Merian.

Rounding

Certain figures included in this announcement have been subjected to rounding adjustments. Accordingly, figures shown for the same category presented in different tables may vary slightly and figures shown as totals in certain tables may not be an arithmetic aggregation of figures that precede them.

Disclaimer

J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove (“J.P. Morgan Cazenove”), and which is authorised in the United Kingdom by the Prudential Regulation Authority (the “PRA”) and regulated by the PRA and the FCA, is acting as financial adviser exclusively for Jupiter and no one else in connection with the Acquisition and will not regard any other person as its client in relation to the Acquisition and will not be responsible to anyone other than Jupiter for providing the protections afforded to clients of J.P. Morgan Cazenove or its affiliates, nor for providing advice in relation to the Acquisition or any other matter or arrangement referred to herein.

Fenchurch Advisory Partners LLP (“Fenchurch”), which is authorised and regulated by the FCA in the UK, is acting as lead financial adviser exclusively for Jupiter and no one else in connection with the Acquisition and will not be responsible to anyone other than Jupiter for providing the protections afforded to clients of Fenchurch or its affiliates, or for providing advice in relation to the Acquisition or any other matters referred to in this Announcement.

APPENDIX I

OTHER PRINCIPAL TERMS OF THE ACQUISITION

Principal agreements in connection with the Acquisition

SPA

On 17 February 2020, the SPA was entered into by Jupiter and the Sellers to give effect to the Acquisition. Pursuant to the terms of the SPA, and subject to the satisfaction of the conditions set out therein, the Sellers have agreed to sell the entire issued and to be issued share capital of Merian to Jupiter.

Consideration

In consideration for the sale of the entire issued and to be issued share capital of Merian to Jupiter, the Sellers will receive in aggregate 95,360,825 Consideration Shares.

The number of Consideration Shares to be issued has been calculated based on a price of 388 pence per Consideration Share on the basis of the volume weighted average price of a Jupiter Share over the period of 20 days ending on and including 14 February 2020.

The Purchase Price Adjustment is payable as an amount in cash, which, if triggered, is expected to be funded through the sale of a proportion of Consideration Shares (but supported by a cash payment guarantee). The Purchase Price Adjustment will be measured between the date of the General Meeting and 31 December 2021 such that if there is a reduction in Merian PPA AUM over that period, the Purchase Price Adjustment value will be as follows:

- zero if the AUM reduction is less than 15 per cent.;
- the value of 5,154,639 Consideration Shares (being £20 million divided by £3.88) if the AUM reduction is 15 per cent.;
- the value of 10,309,278 Consideration Shares (being £40 million divided by £3.88) if the AUM reduction is 25 per cent.; and
- the value of 25,773,196 Consideration Shares (being £100 million divided by £3.88) if the AUM reduction is 40 per cent.

The cash payment is expected to be funded through a sale of Consideration Shares, with the proceeds arising from the sale (net of dealing costs) being paid to Jupiter.

A linear interpolation will apply if the AUM reduction is an amount that falls between the thresholds set out above. The reduction in Merian PPA AUM over the period will be calculated based on the net impact of subscriptions and redemptions only.

Any pre-tax profit retained by Jupiter in respect of performance fees earned and accrued by Merian funds existing at the date of signing the SPA (and any successor of such funds) for the period from Completion to 31 December 2021 will be applied to reduce the TA Group's liability, if any, to make a payment in respect of the Purchase Price Adjustment.

Certain of Mintaka's payment obligations pursuant to the SPA and other transaction documents, including any payment in respect of the net debt adjustment and the Purchase Price Adjustment, are subject to a guarantee provided by certain funds managed by TA.

Conditions

Completion is subject to the satisfaction (or, where permitted, waiver) of certain customary conditions by 31 December 2020 (or any later date as Jupiter and the Sellers may agree or as is determined in accordance with the terms of the SPA). Such conditions include approval of the Acquisition by Jupiter Shareholders at the General Meeting to be convened pursuant to the notice of meeting to be set out in the Circular; the Consideration Shares having been allotted and issued to the Sellers (subject only to Admission); and the FCA and the London Stock Exchange having confirmed to Jupiter that the respective applications for Admission have been approved and that Admission will become effective. In addition, Completion is also conditional upon necessary regulatory approvals having been obtained.

Warranties and indemnification

The SPA contains customary warranties and limitations for a transaction of this type. Warranty and indemnity insurance has been obtained to provide recourse in the event that a warranty is breached. In addition, the SPA contains a post-Completion net debt adjustment whereby there will be a pound-for-pound indemnification by Mintaka to Jupiter to the extent that the Merian Group's actual net debt (the "Actual Net Debt") at Completion exceeds an agreed target net debt figure (the "Target Net Debt", with any difference between the Target Net Debt and the Actual Net Debt being the "Net Debt Difference"). The Target Net Debt is £29 million (assuming Completion occurs on 1 July 2020) but that increases to £35 million if Completion occurs after the record date for the Jupiter 2020 interim dividend.

Conduct before Completion and termination rights

Mintaka and the Key Merian Management Shareholders have agreed to comply with customary provisions relating to the conduct of Merian's business during the period between the date of the SPA and Completion. The SPA may be terminated by Jupiter in certain limited circumstances including a material breach of certain provisions of the SPA and may also be terminated by the mutual agreement of the Sellers and Jupiter.

Merian debt and Jupiter regulatory capital issuance

Jupiter will acquire all of Merian's assets and liabilities at Completion. Jupiter will acquire Merian with Target Net Debt of approximately £29 million, with Merian's expected existing external gross debt of £162 million to be repaid at or before Completion. If Completion occurs after the record date for the Jupiter 2020 interim dividend, the Target Net Debt will be £35 million.

Jupiter intends to undertake an issuance of £50 million of Tier 2 subordinated debt, prior to Completion, thereby providing increased liquidity and regulatory capital for the Enlarged Group. Jupiter intends to extend and increase its revolving credit facility of £50 million, providing a total liquidity surplus over Jupiter's liquidity requirements.

Restrictive Covenants

The Key Merian Management Shareholders and other Merian employees will be subject to customary restrictive covenants in their employment agreements, including non-solicit and non-compete obligations for the duration of their employment by the Enlarged Group and for a period following termination of employment. The SPA also contains customary restrictions to prevent the Key Merian Management Shareholders from competing with the business of Jupiter, or soliciting Jupiter employees, customers or clients, in each case, for a period of two years following Completion.

Relationship Agreement

Jupiter has entered into a relationship agreement with Mintaka (a fund advised by TA), as the direct shareholder of Jupiter, and TA, as the indirect shareholder of Jupiter (the "Relationship Agreement") which will, conditional on Admission and for such time as Mintaka, together with any member of the TA Group holds in aggregate 10 per cent. or more of the issued share capital of the Enlarged Group, regulate the on-going relationship between Jupiter, Mintaka and TA following Admission.

The Relationship Agreement contains customary provisions to ensure that Jupiter is independent for the purposes of the Listing Rules and includes undertakings from Mintaka and TA that: (i) transactions and arrangements between them (and/or any of their respective affiliates) and Jupiter will be conducted at arm's length and on normal commercial terms; (ii) neither of them nor any of their respective associates will take any action that would have the effect of preventing Jupiter from complying with its obligations under the Listing Rules; and (iii) neither of them nor any of their respective associates shall propose or procure the proposal of a shareholder resolution which is intended or appears to be intended to circumvent the proper application of the Listing Rules.

Pursuant to the Relationship Agreement, TA will have the right to nominate one non-executive director to the Jupiter Board for as long as Mintaka, together with any member of the TA Group holds 10 per cent. or more of the issued share capital of the Enlarged Group. The nominated director will be subject to customary non-solicit and non-compete restrictions whilst he or she is a member of the Jupiter Board and for a period of time after he or she has ceased to be a Jupiter director.

Management Shareholders Lock-Up Agreements

Certain Key Merian Management Shareholders, have each entered into a share lock-up agreement with Jupiter (the "Management Shareholders Lock-Up Agreements") in respect of the Consideration Shares to be received by each such Key Merian Management Shareholder at Completion. The Management Shareholders Lock-Up Agreements are conditional upon Completion and restrict the relevant Key Merian Management Shareholders from disposing of: (i) any of the Consideration Shares for a period of 12 months following Completion; and (ii) more than 25 per cent. of the Consideration Shares held by them (including when aggregated with any previous disposals they have made) in the period of three years following Completion.

Each of the Key Merian Management Shareholders subject to a Management Shareholders Lock-Up Agreement will be permitted to dispose of Consideration Shares with Jupiter's consent or in accordance with certain customary exceptions including, but not limited to, disposals required by law, court order or regulation, in order to participate in rights issues, in order to accept a takeover offer or transfers pursuant to compromises or arrangements with creditors or members which are sanctioned by the court. Disposals are also permitted to fund amounts repayable to Merian, which amounts are not material in the context of their respective holdings of Consideration Shares.

Deferred Earn Out

There will also be a deferred earn out plan for Key Merian Management Shareholders of up to £20 million, payable in Jupiter shares on the 4th and 5th anniversary after Completion for growing and retaining revenues in their investment strategies, subject to continued employment. In addition, TA will bear the cost of an additional amount of Deferred Earn Out up to £10 million.

Jupiter has the benefit of an indemnity from TA in an amount of up to an additional £10 million in relation to certain cash payments to be made on the third anniversary of Completion (subject to the satisfaction of certain conditions under the Deferred Earn Out) in respect of the Deferred Earn Out with the amount of any performance fees earned and accrued by Merian funds existing at the date of signing the SPA (and any successor of such funds) for the period from Completion to 31 December 2021 being offset against that indemnity obligation to the extent not utilised in relation to the AUM Purchase Price Adjustment.

TA Lock-Up Agreement

Mintaka (a fund advised by TA) has entered into a share lock-up agreement with Jupiter (the "TA Lock-Up Agreement") in respect of the Consideration Shares to be received by Mintaka at Completion. The TA Lock-Up Agreement is conditional upon Completion and restricts Mintaka from disposing of any of the Consideration Shares received at Completion for a period of 24 months following Completion. During that period, Mintaka will be permitted to dispose of Consideration Shares with Jupiter's consent or in accordance with certain customary exceptions including, but not limited to, disposals required by law, court order or regulation, in order to participate in rights issues, in order to accept a takeover offer or transfers pursuant to compromises or arrangements with creditors or members which are sanctioned by the court. Mintaka is also permitted to dispose of Consideration Shares to the extent required to fund any payment in relation to the AUM related Purchase Price Adjustment and/or payments under indemnities provided by Mintaka in favour of Jupiter under other transaction documents and/or any payment in relation to the net debt arrangements under the SPA as referred to above.

The TA Group will also be restricted from increasing its shareholding in Jupiter beyond that received at Completion.

Following the end of the lock-up period and except with Jupiter's prior written consent, or in certain other limited circumstances, Mintaka is restricted from disposing of, in any rolling three-month period, such number of Consideration Shares as is equal to or more than 5 per cent. of the total number of Jupiter Shares in issue at such time, subject always to a restriction on disposing of, in any rolling six-month period, such number of Consideration Shares as is equal to more than 7.5 per cent. of the total number of Jupiter Shares in issue at such time.

Combined financial information¹³

¹³ FY19 draft financials of both parties are unaudited at the time of this announcement

	Jupiter (A)	Merian (B)	Combined¹⁴ (A + B)
AUM (as at 31 December 2019)	£42.8 billion	£22.4 billion	£65.2 billion
<i>Of which GEAR</i>	<i>n.a.</i>	<i>£2.9 billion</i>	<i>£2.9 billion</i>
Net flows (FY19)	£(4.5) billion	£(8.9) billion	£(13.4) billion
<i>Of which GEAR</i>	<i>n.a.</i>	<i>£(6.2) billion</i>	<i>£(6.2) billion</i>
Net revenue (FY19)	£379 million	£170 million	£550 million
<i>Of which net management fees</i>	<i>£370 million</i>	<i>£167 million</i>	<i>£537 million</i>
Run-rate net management fee margin ¹⁵	82bps	62bps	76bps
EBITDA (FY19) ¹⁶	£168 million	£66 million	£234 million

Capital and liquidity

In order to maintain capital strength, including a robust surplus over regulatory capital requirements, Jupiter intends to issue £50 million of Tier 2 subordinated debt ahead of Completion. The resulting regulatory capital surplus is estimated to be £70-100 million¹⁷. Merian's existing external gross debt of £162 million is to be repaid at or before Completion, with Jupiter acquiring Merian with Target Net Debt of £29 million but with Target Net Debt increasing to £35 million if Completion occurs after the record date for the Jupiter 2020 interim dividend.

Dividend and dividend policy

The Jupiter Board's ordinary dividend policy remains unchanged¹⁸. No special dividend will be declared for the financial year ended 2019 as Jupiter balances investment for long-term growth with distribution to Jupiter Shareholders. The Jupiter Board remains committed to returning surplus capital in excess of needs to Jupiter Shareholders, aligned to its capital allocation framework.

Further details of the terms and conditions of the Acquisition, including further details of the agreements and arrangements referred to above, will be set out in the Circular.

Acquisition timetable

The Acquisition is subject to a number of conditions including:

- *Jupiter shareholder approval*: the Acquisition qualifies as a Class 1 transaction for Jupiter under the Listing Rules. Accordingly, the approval of Jupiter Shareholders is required and will be sought at the General Meeting expected to take place in April 2020. The Circular containing the notice convening the General Meeting will be published in due course.
- *Allotment, issue and admission of the Consideration Shares*: Jupiter will publish the Prospectus in connection with Admission in due course; and
- *Regulatory approvals*: FCA and certain other regulatory change of control approvals are required in connection with the Acquisition as well as certain "controller" approvals in respect of the TA Group's holding of Consideration Shares. Regulatory approvals are expected to be obtained shortly prior to Completion.

The timing of certain of the conditions to Completion is uncertain given the involvement of third parties, including relevant regulators, but it is currently expected that Completion will occur in the second half of 2020, with the earliest expected completion date being 1 July 2020. Following Completion, Merian will be fully consolidated into Jupiter.

¹⁴ Combined financials represent the sum of relevant Jupiter and Merian financial information

¹⁵ Based on net management fee rate of the AUM as at 31 December 2019

¹⁶ EBITDA stated before Exceptional Items

¹⁷ Estimated as at 1 July 2020

¹⁸ Subject to Board approval

APPENDIX II

SOURCES OF INFORMATION AND BASES OF CALCULATION

In this Announcement:

1. Unless otherwise stated:
 - financial information with respect to the year ended 31 December 2019 relating to Jupiter is unaudited at the time of this announcement; and
 - financial information with respect to the year ended 31 December 2019 relating to Merian is unaudited at the time of this announcement.
2. The volume weighted average price of a Jupiter Share is calculated by reference to:
 - the Closing Price of Jupiter Shares on each day of the 20 Business Day period prior to and including 14 February 2020, being the latest practicable date prior to the publication of this announcement; and
 - the volume traded in Jupiter Shares on each day of the 20 Business Day period from 20 January 2020 to 14 February 2020.
3. At the close of business on 14 February 2020, being the latest practicable date prior to the publication of this announcement, Jupiter had in issue 457.7 million Jupiter Shares.
4. The 95,360,825 new Jupiter Shares to be issued to the shareholders in Merian is calculated by reference to:
 - the volume weighted average price per Jupiter Share for the 20 day trading period to and including 14 February 2020, being the latest practicable date prior to the publication of this announcement, of 388 pence; and
 - the total upfront consideration paid for the entire issued and to be issued share capital of Merian of £370 million.
5. The implied Merian ownership of the enlarged share capital of Jupiter is calculated by reference to:
 - the total number of Jupiter Shares in issue on 14 February 2020, being the latest practicable date prior to the publication of this announcement; and
 - the total number of Consideration Shares to be issued to Merian.
6. The implied Key Merian Management Shareholders' ownership of the enlarged share capital of Jupiter is calculated by reference to:
 - the Key Merian Management Shareholders' ownership of Merian of 3 per cent.; and
 - the implied Merian ownership of the enlarged share capital of Jupiter, as calculated above.
7. Unless otherwise stated, all Closing Prices and volumes for Jupiter Shares are provided by Bloomberg.
8. The volume weighted average price per Jupiter Share for the 20 day trading period to and including 14 February 2020 is derived using the Closing Prices and volumes from the relevant dates from data provided by Bloomberg.
9. Combined financials as laid out in this announcement are calculated as the sum of the relevant financial metrics relating to Jupiter with respect to the year ended 31 December 2019 and the relevant financial metrics relating to Merian with respect to the year ended 31 December 2019.

APPENDIX III
DEFINITIONS

"Acquisition"	the proposed acquisition of Merian by Jupiter;
"Admission"	the admission of the Consideration Shares to listing on the premium segment of the Official List and to trading on the London Stock Exchange's main market for listed securities;
"AUM"	assets under management;
"Business Day"	a day, not being a public holiday, Saturday or Sunday, on which banks in London are open for normal business;
"Circular"	the circular to be issued by Jupiter setting out further details of the Acquisition and containing a notice convening the General Meeting;
"Closing Price"	the closing middle market price of a Jupiter Share as derived from the Daily Official List on any particular date;
"Completion"	completion of the Acquisition;
"Consideration Shares"	the 95,360,825 newly issued Jupiter Shares to be issued to the Sellers as consideration for the Acquisition, in accordance with the terms of the SPA;
"Daily Official List"	the daily official list of the London Stock Exchange;
"Debt Prospectus"	the listing document in relation to the issuance of Tier 2 subordinated debt instruments to be issued by Jupiter, or another member of the Jupiter Group;
"Enlarged Group"	the enlarged group of companies which will, following Completion, comprise the Jupiter Group and the Merian Group;
"Exceptional Items"	items of income or expenditure that are significant in size and which are not expected to repeat over the short to medium term;
"FCA"	the Financial Conduct Authority;
"General Meeting"	the general meeting of shareholders of Jupiter to be convened to approve the Acquisition;
"Jupiter"	Jupiter Fund Management plc or the Jupiter Group, in each case as the context may require;
"Jupiter Board"	the board of directors of Jupiter Fund Management plc;
"Jupiter Group"	Jupiter Fund Management plc and its subsidiaries and subsidiary undertakings from time to time, and where the context permits, each of them;
"Jupiter Shareholder(s)"	holders of Jupiter Shares;
"Jupiter Share(s)"	the ordinary shares of two pence each in the capital of Jupiter Fund Management plc;
"J.P. Morgan Cazenove"	J.P. Morgan Securities plc, which conducts its UK investment banking business as J.P. Morgan Cazenove;
"Key Merian Desks"	the following investment teams within the business of the Merian Group at Completion: (a) the "UK Small and Mid Cap. (SMID)" desk currently led by Daniel Nickols; (b) the "Systematic" desk currently led by Ian Heslop; and (c) the "UK All Cap" desk currently led by Richard Buxton;
"Listing Rules"	the listing rules, made by the Financial Conduct Authority under Part 6 of the Financial Services and Markets Act 2000, as amended from time to time;
"Management Shareholders Lock-Up Agreements"	the share lock-up agreements to be entered into between Key Merian Management Shareholders and Jupiter on 17 February 2020 and conditional upon Completion;

"Merian"	Merian Global Investors Limited or the Merian Group, in each case as the context may require;
"Merian PPA AUM"	the AUM attributable to funds managed by the Key Merian Desks as at the date of the General Meeting and including certain net flows over the period, but excluding market movements;
"Merian Group"	Merian and its subsidiaries and subsidiary undertakings from time to time and where the context permits, each of them;
"Mintaka"	Mintaka LP, a fund advised by TA;
"Key Merian Management Shareholders"	Richard Buxton, Ian Heslop, Amadeo Alentorn Farre, Daniel Nickols and Richard Watts;
"Operating Margin"	operating profit (before Exceptional Items) divided by net revenue;
"Participant Sellers"	the beneficial owners of certain shares in Merian currently registered in the name of Zedra Trust Company;
"Prospectus"	the prospectus to be published by Jupiter in relation to the Admission;
"Purchase Price Adjustment"	has the meaning given to it on page 2 of this announcement, with further detail in Appendix I;
"Relationship Agreement"	the relationship agreement to be entered into between Jupiter, Mintaka LP and TA on 17 February 2020 and conditional upon Completion;
"Sellers"	Mintaka, the Key Merian Management Shareholders, Zedra Trust Company and the Participant Sellers;
"SPA"	the sale and purchase agreement entered into between Jupiter and the Sellers on 17 February 2020;
"TA"	TA Associates Management LP or the TA Group, in each case as the context may require;
"TA Group"	TA and its subsidiaries and subsidiary undertakings from time to time and where the context permits, each of them;
"TA Lock-Up Agreement"	the share lock-up agreement to be entered into between Mintaka LP and Jupiter on 17 February 2020 and conditional upon Completion;
"Underlying EPS"	Underlying Profit Before Tax less tax at the UK headline rate divided by the number of shares in issue, time weighted for share issued in the year from the date of issue;
"Underlying Profit Before Tax"	profit before tax before Exceptional Items excluding amortisation arising from acquisitions; and
"Zedra Trust Company"	Zedra Trust Company, a professional trustee company appointed to hold certain shares in Merian as nominee for certain employees and former employees of the Merian Group.