

THIS LETTER IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, accountant or other appropriate independent financial adviser authorised under the Financial Services and Markets Act 2000, if you are in the United Kingdom or from another appropriately authorised independent financial adviser if you are taking advice in a jurisdiction outside the United Kingdom.

In the event of a conflict between this Letter and the rules of the River and Mercantile Group PLC SAYE Option Plan, or any relevant legislation, the rules of the River and Mercantile Group PLC SAYE Option Plan or the legislation will prevail.

References to taxation are for information only. If you are internationally mobile, you may be subject to tax in more than one jurisdiction. If you have any questions in relation to the tax treatment that applies to you, you should seek professional independent tax advice.

16 March 2022

To: Participants in the River and Mercantile Group PLC SAYE Option Plan (the **Plan**) who hold options granted under the Plan (the **Options**).

Recommended All-Share Acquisition of River and Mercantile Group PLC by AssetCo plc

1. BACKGROUND

On 25 January 2022, the independent directors of River and Mercantile Group PLC (**RMG**) and the board of directors of AssetCo plc (**AssetCo**) announced that they had reached agreement on the terms and conditions of a recommended all-share acquisition by AssetCo of the entire issued and to be issued share capital of RMG other than the RMG shares already beneficially owned by AssetCo (the **Acquisition**).

The purpose of this letter (the **Letter**) is to explain the effect of the Acquisition on the Options granted to you under the Plan.

Under the terms of the Acquisition, RMG shareholders will be entitled to receive:

0.07392 new AssetCo shares in exchange for each RMG share

The Acquisition will be implemented by way of a court sanctioned scheme of arrangement under Part 26 of the Companies Act 2006 (the **Scheme**). Further information in relation to the Scheme is set out in the scheme document dated 8 March 2022 (the **Scheme Document**), a copy of which is available at www.riverandmercantile.com/investor-relations/. You should read this Letter in conjunction with the Scheme Document.

The Scheme is expected to become effective (subject to RMG shareholder approval and the satisfaction of certain conditions, including but not limited to FCA approval), during the second quarter of 2022. Further information on the estimated timeline of the Scheme is set out in the Scheme Document. If the expected timeline of the Scheme changes, you will be notified.

2. IMPACT OF THE ACQUISITION ON OPTIONS

2.1 Options granted to participants who left RMG as a consequence of the sale of the RMG Solutions business

Options granted under the Plan to optionholders who ceased to be employed within the RMG group of companies on 31 January 2022, as a consequence of the sale of the RMG Solutions business (the **Solutions**

Optionholders) are already exercisable. They can be exercised to the extent of the accrued savings under the linked savings contract at the date of exercise, at any time during the six-month exercise period which commenced on 31 January 2022. They will lapse to the extent not exercised before the expiry of that six-month period.

Solutions Optionholders should not incur any charge to income tax or employee's National Insurance contributions on the exercise of these Options. There may be a capital gains tax charge (for which the Solutions Optionholder will be liable to account under self-assessment) in respect of the gain realised on the disposal of their RMG shares. If the RMG shares acquired on exercise of these Option are acquired by AssetCo under the Scheme or following the Scheme, the gain will be calculated on the amount by which the value of the new AssetCo shares received as consideration for those RMG shares (the **New AssetCo Shares**) exceeds the aggregate Option exercise price paid to acquire those RMG shares.

2.2 Options granted on 4 April 2019

Options granted under the Plan on 4 April 2019 may become exercisable before the date that the Scheme implementing the Acquisition is sanctioned by the Court (**Court Sanction**), depending on whether the related savings contract is completed by this date. If these Options do become exercisable before Court Sanction, they can be exercised at any time during their six-month exercise period, following which they will lapse to the extent not exercised.

Holders of Options granted on 4 April 2019 which do become exercisable before Court Sanction due to the expiry of the related savings contract (**April 2019 Optionholders**), should not incur any charge to income tax or employee's National Insurance contributions on the exercise of these Options. There may be a capital gains tax charge (for which the April 2019 Optionholder will be liable to account under self-assessment) in respect of the gain realised on the disposal of the RMG shares. If the RMG shares acquired on exercise of these Options are acquired by AssetCo under the Scheme or following the Scheme the gain will be calculated on the amount by which the value of the New AssetCo Shares exceeds the aggregate Option exercise price paid to acquire those RMG shares.

2.3 Other Options

Options granted under the Plan on 3 December 2019, 2 April 2020 or Options granted on 4 April 2019 in respect of which the related savings contract has not been completed before Court Sanction (the **Other Options**), will not be become exercisable before Court Sanction.

However, as a result of the Acquisition, the Other Options will become exercisable earlier than in normal circumstances. The Other Options will be exercisable during the period of six months commencing on the date of Court Sanction, although only to the extent of the accrued savings under the linked savings contract at the date of exercise. At the expiry of the six month period following Court Sanction, the Other Options will lapse to the extent not exercised.

Due to the form of consideration being paid for the RMG shares under the Scheme, and the applicable legislation governing the Plan, holders of Other Options (**Other Optionholders**) will incur a charge to income tax and employee's National Insurance contributions on the exercise of their Other Options. The RMG shares acquired on exercise of an Other Option will be acquired by AssetCo under the Scheme or following the Scheme and the charge to income tax and employee's national Insurance contributions will be calculated on the amount by which the value of the New AssetCo Shares exceeds the aggregate Option exercise price paid to acquire those RMG shares.

2.4 Option Proposals

RMG and AssetCo propose that Solutions Optionholders, April 2019 Optionholders, and Other Optionholders all take the action that they feel is appropriate with respect to their Options, after taking into account the

exercise price of their Options, the value of an RMG share under the Acquisition and the tax treatment applicable to their Options (the **Option Proposals**).

Solutions Optionholders and April 2019 Optionholders can exercise their Options using the normal exercise procedures at any time before they lapse. Please contact Link Group (the Plan administrator) (**Link**) at emailquery@linkgroup.co.uk / 03716640330 if you need any advice on how to exercise your Options, please note that Link cannot provide you with investment or financial advice.

Any RMG shares acquired on the exercise of these Options:

- (i) **before** the Scheme Record Time and not sold before the Scheme Record Time; or
- (ii) **after** the Scheme Record Time,

will be automatically acquired by AssetCo if the Scheme completes. You will receive 0.07392 New AssetCo Shares for each RMG share acquired by AssetCo, which is the same consideration due to all RMG shareholders under the Scheme.

Other Optionholders who wish to (i) exercise their Options early (on Court Sanction) or (ii) continue saving under the linked savings contract for up to six-months following Court Sanction and then exercise their Other Options, should do so using the normal exercise process at any time before they lapse. Please contact Link at emailquery@linkgroup.co.uk / 03716640330 if you need any advice on how to exercise your Options.

Any RMG shares acquired on the exercise of an Other Option will be automatically acquired by AssetCo following the date of exercise if the Scheme completes. You will receive 0.07392 New AssetCo Shares for each RMG share acquired by AssetCo, which is the same consideration due to all RMG shareholders under the Scheme.

2.5 Queries

If you have any queries in relation to your Options (not requiring the giving of financial or investment advice), please contact Link at emailquery@linkgroup.co.uk / 03716640330.

3. WHAT HAPPENS IF I TAKE NO ACTION?

If you do nothing, your Options will lapse in due course to the extent not exercised, and your savings under your linked savings contract will be returned to you in full.

4. CAN I WITHDRAW MY SAVINGS?

If you decide not to exercise your Options, you can request earlier repayment of your savings accrued under your linked savings contract at any time by contacting Link at emailquery@linkgroup.co.uk / 03716640330.

5. RMG B SHARE SCHEME

In light of the planned return of capital to shareholders announced by RMG on 8 March 2022 (the **B Share Scheme**), the RMG board may, in accordance with rule 8 of the Plan, adjust outstanding Options, to maintain (so far as is possible), the value of each Option before and after the B Share Scheme takes effect, and essentially neutralise the effect of the B Share Scheme for Optionholders. Further details will be sent to you separately in due course.

For the avoidance of doubt, the B Share Scheme (and associated adjustments which may be made to your Options), will have no impact on your ability to exercise your Options in accordance with the Option Proposals.

6. WHAT IF I CEASE TO HOLD EMPLOYMENT WITH RMG?

This section does not apply to Solutions Optionholders who have already ceased employment with RMG.

If you cease to hold employment within the RMG group of companies, your Options may become exercisable (to the extent they are not already) or may lapse in accordance with the Plan rules (depending on the reason for your cessation of employment). If your Options do not lapse, you will receive a notification of this from Link, and the Option Proposal will remain the recommended course of action. If your Options lapse, you will no longer be entitled to exercise them and if you have already exercised them in accordance with the Option Proposal, this exercise will be of no effect - your savings will be returned to you in full, and you will not be eligible to participate in the Scheme.

7. WHAT IF THE SCHEME IS NOT SANCTIONED BY THE COURT?

If, for whatever reason, the Scheme is not sanctioned by the Court and the Acquisition does not proceed, any Options not already exercisable will not become exercisable as described in section 2.3 of this Letter and will remain in place on their existing terms.

8. RECOMMENDATION

The independent RMG directors, who have been so advised by Lazard & Co., Limited and Fenchurch Advisory Partners LLP as to the financial terms of the Option Proposals, consider the terms of the Option Proposals set out in this letter to be fair and reasonable in the context of the Acquisition. In providing advice to the independent RMG directors, Lazard & Co., Limited and Fenchurch Advisory Partners LLP have taken into account the commercial assessments of the independent RMG directors.

The independent RMG directors recommend that you accept the Option Proposals.

If you have any queries about this Letter, please contact Link at emailquery@linkgroup.co.uk / 03716640330.

Yours faithfully,

JDS Dawson

Jonathan Dawson
Chairman
River and Mercantile Group PLC



Campbell Fleming
CEO
AssetCo plc

NOTES

Subject to the paragraph below, the RMG Directors, whose names are set out in paragraph 2.1 of Part Six of the Scheme Document, accept responsibility for the information (including any expression of opinion) contained in this Letter other than the information for which responsibility is taken by the AssetCo Directors pursuant to the paragraph below. To the best of the knowledge and belief of the RMG Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this Letter for which they accept responsibility is in accordance with the facts and does not omit anything likely to affect the import of such information.

Martin Gilbert, a non-executive director of RMG, is not an Independent RMG Director, due to his position as the Chairman of AssetCo, and therefore has not participated in the consideration of the Acquisition or the Option Proposals by the Independent RMG Directors or the decision of the Independent RMG Directors to recommend the Acquisition and the Option Proposals. Consequently, Martin Gilbert does not accept responsibility for: (i) the views and opinions of the Independent RMG Directors in relation to the Acquisition set out in this document; and (ii) any expressions of intention or expectation on the part of the Independent RMG Directors set out in this document.

The AssetCo Directors, whose names are set out at paragraphs 2.2 of Part Six of the Scheme Document, accept responsibility for the information (including any expression of opinion) contained in this letter relating to AssetCo and each member of the Wider AssetCo Group. To the best of the knowledge and belief of the AssetCo Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this letter for which they are responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.

Lazard & Co., Limited (**Lazard**), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively as joint financial adviser and Rule 3 advisor to RMG and no one else in connection with the matters set out in this letter and will not be responsible to anyone other than RMG for providing the protections afforded to clients of Lazard nor for providing advice in relation to the matters set out in this letter. Neither Lazard nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Lazard in connection with this letter, any statement contained herein or otherwise.

Fenchurch Advisory Partners LLP (**Fenchurch**), which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively as joint financial adviser and Rule 3 advisor to RMG and no one else in connection with the matters set out in this letter and will not be responsible to anyone other than RMG for providing the protections afforded to clients of Fenchurch nor for providing advice in relation to the matters set out in this letter. Neither Fenchurch nor any of its affiliates owes or accepts any duty, liability or responsibility whatsoever (whether direct or indirect, whether in contract, in tort, under statute or otherwise) to any person who is not a client of Fenchurch in connection with this letter, any statement contained herein or otherwise.

Each of Lazard and Fenchurch has given and not withdrawn its written consent to the issue of this Letter with the inclusion of the references to its name in the form and context in which they appear.

The tax information included in this Letter is for information only and assumes you are UK tax resident. If you are internationally mobile, you may be subject to tax in more than one country. The tax implications in relation to your participation in the Plan and the Acquisition may depend on your personal circumstances. Nothing in the Letter constitutes tax advice and if you are in any doubt about the tax implications for you, you should take independent professional tax advice. No warranty express or implied is given as to the accuracy of the tax information included in this Letter. The information is based on laws and practices current at the time of publication of this Letter but may be subject to change in the future. Further, the above tax implications may be different if you cease to hold employment with RMG.

The distribution of this Letter in or into jurisdictions other than the UK may be restricted by law and therefore any persons who are subject to the laws of any jurisdiction other than the UK should inform themselves about, and observe, such restrictions. Any failure to comply with the applicable restrictions may constitute a violation of the securities laws of such jurisdiction. Neither this Letter nor any of the accompanying documents do or are intended to constitute or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of, any securities or the solicitation of any vote or approval pursuant to the Scheme or otherwise, in any jurisdiction in which such offer, invitation or solicitation is unlawful. This Letter has been prepared for the purposes of complying with English law and the Takeover Code and the information disclosed may not be the same as that which had been disclosed if this Letter had been prepared in accordance with the laws of any other jurisdiction.

Nothing in this Letter shall be construed as investment advice or any investment recommendation given by or on behalf of any other person.

Accidental omission to dispatch this Letter to, or any failure to receive the same by, any person shall not invalidate any of the proposals set out in this Letter.

Receipt of documents, acceptances and elections will not be acknowledged. All documents sent by or to you will be sent at your risk.

The Option Proposals (and any acceptances and elections in respect thereof) shall be governed by and construed in accordance with English law.

A copy of this Letter will be available, subject to certain restrictions relating to persons resident in Restricted Jurisdictions, on RMG's website at www.riverandmercantile.com/investor-relations/ by no later than 12 noon (London time) on the business day following the date of this Letter. The contents of RMG's website are not incorporated into and do not form part of this Letter.