

9 February 2021

James Hay in offer to acquire Nucleus plc

- *Combined businesses will be one of the largest independent adviser platforms in the UK with c. £45 billion of AUA**
- *Transaction will bring together James Hay and Nucleus's respective areas of expertise*
- *Advisers and their clients will benefit from the benefits of scale:*
 - *enabling greater investment in technology, products and services*
 - *enhanced ability to provide comprehensive financial planning and retirement solutions*
- *It is envisaged that underlying platform technology and administration services for the combined group will be provided by FNZ over time*
- *There will be no immediate change for either set of advisers*

James Hay has today announced an offer to acquire Nucleus plc for a total consideration of £145 million. The transaction will bring together the respective expertise of Nucleus and James Hay to create one of the UK's leading independent adviser platforms with c. £45 billion of assets under administration (AUA)*.

The combination will create a leading financial planning and retirement focused adviser platform with the scale to enable greater investment in technology, products and service to meet the needs of advisers and their clients. It will have the capability to service the entire adviser market with a wide range of financial planning and retirement needs, including leading SIPP and drawdown features among a broad range of tax wrappers (including ISAs, GIAs, onshore and offshore bonds).

Separately, James Hay has entered into a long-term strategic partnership with FNZ for the provision of specialist platform technology and outsourced administration services.

Whilst there is no immediate change for advisers on either platform, it is envisaged that underlying platform administration services for the combined group will be provided by FNZ over time in a measured and controlled way to ensure continuity for clients, with the migration of some technology and the platform administration of Nucleus' assets from the existing arrangements onto FNZ's technology and operations.

James Hay is pleased that the Board of Nucleus has recommended that its shareholders vote in favour of this transaction. Additionally, Nucleus' largest shareholder Sanlam UK Limited which owns 52.19%, along with the Board of Directors (2.36%) have all agreed irrevocable undertakings to vote in favour of this transaction. The acquisition is subject to

approval by Nucleus shareholders and the FCA. It is to be implemented by way of a Scheme of Arrangement and is expected to complete in the second quarter of 2021.

Commenting on the Offer, Richard Rowney, CEO of James Hay said: “We are excited to be announcing the acquisition of Nucleus, which on completion will create one of the leading, independent, adviser platforms, with over £45 billion of AUA. The two businesses have complementary areas of expertise and common beliefs about the importance of independence and only serving the adviser market.

“We admire much about Nucleus and the skills within its team, and look forward to working with them to better serve the growing needs of advisers. By joining forces, we can combine Nucleus’s reputation for great digital user-experience and James Hay’s pension specialism, creating greater strength and a platform with the scale to invest and deliver real value for advisers and their clients.”

David Ferguson, CEO of Nucleus added: “Since we launched in 2006 we’ve always put the customer centre stage and while that has made us a little bit different it’s carried us to £17.4bn in AUA and to a point where the sentiment of our users and our people has never been better. Becoming part of this enlarged group gives us a key role in a much bigger story where we can create a leading independent platform of scale with a high tech, high touch proposition and philosophy. I think the combination of our people’s talents and the size of the opportunity can see us carefully navigate the roadmap to deliver on this collective medium-term goal. I look forward to getting to know our new colleagues and moulding a group culture that is centred on doing the right thing and building a market-defining product that really delivers for advisers and their clients.”

This release should be read in conjunction with the full text of the [RNS announcement 2.7](#) (including the Appendices).

*Reference to c.£45bn of AUA represents the combination of the AUA of James Hay (being £27.6bn) and Nucleus Financial (being £17.4bn) as at 31 December 2020.

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About James Hay

As a specialist platform for retirement wealth planning, James Hay works with advisers to help investors successfully navigate the second half of their financial lives.

We've been working with financial advisers and their clients for more than 40 years, providing the means to administer pensions, savings and investments in a cost and tax efficient way, and challenging industry norms from the get-go. Today over 58,000 investors trust James Hay to look after more than £26bn worth of pension and investment savings.

From being one of the first SIPP providers in the UK, to pioneering the modular approach to retirement wealth planning, James Hay works to earn the trust of advisers. Our flagship retirement planning vehicle, the Modular iPlan, embraces the modular approach for SIPPs, ISAs and General Investment Accounts. This proposition enables fair and flexible pricing ensuring investors only pay for what they use, while they're using it.

We're able to continue to innovate thanks to the support of our shareholder, the independent private equity manager, [Epiris](#).

Any quotations are correct as at the date of the press release.