

This Listing Document includes particulars given in compliance with the Listing Rules (the "CISEA Listing Rules") of the Channel Islands Securities Exchange Authority Limited (the "CISEA") for the purpose of giving information with regard to PraxisIFM Group Limited (the "Company"). The directors of the Company (the "Directors"), whose names appear on page 25 of this document, accept full responsibility for the information contained in this Listing Document and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

An application has been made to the CISEA for 89,139,600 Ordinary Shares of £0.01 each (the "Shares"), in issue, to be admitted to the Official List. It is expected that admission of the Shares to the Official List will become effective, and that dealing shall commence, on or about 12 April 2017. Application will be made for any further Shares to be listed on the Official List.

PRAXISIFM GROUP LIMITED

(incorporated and registered in Guernsey with registered no. 30367)

**PLACING OF 21,691,500 ORDINARY SHARES OF £0.01 EACH ("Sale Shares")
AT A PRICE OF £1.00 PER ORDINARY SHARE**

AND

**LISTING ON THE OFFICIAL LIST OF
THE CHANNEL ISLAND SECURITIES EXCHANGE AUTHORITY LIMITED**

**SPONSORS TO THE CISEA LISTING
RAVENSCROFT LIMITED**

Share capital of the Company immediately following Admission ⁽¹⁾

<i>Authorised</i>		<i>Issued and fully paid</i>	
<i>Number</i>	<i>Amount</i>	<i>Number</i>	<i>Amount</i>
500,000,000	£5,000,000	89,139,600	£891,396

Your attention is drawn to the section headed Risk Factors of this document, beginning on page 8, which contains details of certain factors which should be taken into account when considering whether to purchase Shares.

Neither the admission of shares to the Official List nor the approval of the Listing Document pursuant to the listing requirements of the Exchange shall constitute a warranty or representation by the Exchange as to the competence of the service providers to or any other party connected with the Shares, the adequacy and accuracy of the information contained in the Listing Document or the suitability of the Company for investment or any other purpose.

In the UK this Listing Document is directed only at (i) persons having professional experience in matters relating to investments, i.e. investment professionals within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "FPO"), (ii) high net-worth companies, unincorporated associations and other persons and bodies within the meaning of Article 49 of the FPO and (iii) persons to whom it is otherwise lawful to

distribute it. It has not been approved by the Financial Conduct Authority as a prospectus under the Prospectus Rules made under Part VI of the Financial Services and Markets Act 2000 and it may not be distributed in the UK, save to the limited number of people to whom it will be sent directly by the Company.

The Ordinary Shares have not been registered with or approved or disapproved by the U.S. Securities and Exchange Commission ("SEC") or by the securities regulatory authority of any state or other jurisdiction, and neither the SEC nor any such authority has passed opinion upon the accuracy or determine the adequacy of this Listing Document nor is it intended that the SEC or any such authority will do so. Any representation to the contrary is a criminal offence.

Neither this Listing Document nor any copy of it may be (i) taken or transmitted into the United States of America, (ii) distributed, directly or indirectly, in the United States of America or to any US person (within the meaning of regulations made under the Securities Act 1933, as amended), (iii) taken or transmitted into or distributed in any member state of the European Economic Area (other than the UK, as referred to above), Canada, Australia, the Republic of Ireland or the Republic of South Africa or to any resident thereof, except in compliance with applicable securities laws, or (iv) taken or transmitted into or distributed in Japan or to any resident thereof for the purpose of solicitation or subscription or offer for sale of any securities or in the context where the distribution thereof may be construed as such solicitation or offer. Any failure to comply with these restrictions may constitute a violation of the securities laws or the laws of any such jurisdiction. The distribution of this Listing Document in other jurisdictions may be restricted by law and the persons into whose possession this advertisement comes should inform themselves about, and observe any such restrictions.

If you are in any doubt about the contents of this Listing Document, you should consult a stockbroker, bank manager, solicitor, accountant or other independent professional adviser who specialises in advising on the acquisition of such shares.

Where this document is being reviewed in the context of a purchase of Ordinary Shares in the secondary market prospective investors are advised to examine all the risks that might be relevant in connection with an investment in Ordinary Shares. Prospective investors should read the entirety of this document and, in particular, the section entitled Part II: Risk Factors of this document for a discussion of certain risks and other factors that should be considered in connection with any investment in the Shares.

Unless required to do so by law or regulation or by the CISEA, the Company will not publish any supplementary prospectus or any other update to this document. Whilst the contents of this document are accurate at the date of this document stated above they may no longer be accurate at any subsequent date and there may be changes in the business affairs of the Company or the Group subsequent to the date of this document.

Recipients of this document may not reproduce or distribute the document in whole or in part. Prior to making any decision as to whether to invest in the Ordinary Shares as part of a secondary market transaction, prospective investors may consider whether they should take their own appropriate professional advice. In making any investment decision, each investor must rely on their own examination and analysis of the Company and the Ordinary Shares, including the merits and risks involved. Your attention is drawn to the section of this document entitled Part II: Risk Factors of this document.

No person has been authorised to give any information or make any representations other than those contained in this document and, if given or made, such information or representations must not be relied on as having been so authorised.

Neither the Company nor any of its representatives are making any representation to any prospective investor in the Shares regarding the legality of an investment in the Shares by such prospective investor under the laws applicable to such prospective investor. The contents of this document should

not be construed as legal, financial or tax advice. Each prospective investor should consult his, her or its own legal, financial or tax adviser for legal, financial or tax advice.

A copy of this document has not been filed with the GFSC pursuant to the Prospectus Rules 2008.

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PRESENTATION OF INFORMATION

1. General

Investors should rely only on the information in this Listing Document. No person has been authorised to give any information or to make any representations other than those contained in this Listing Document and, if given or made, such information or representations must not be relied upon as having been authorised by or on behalf of the Company, the Directors or Ravenscroft. No representation or warranty, express or implied, is made by Ravenscroft as to the accuracy or completeness of such information, and nothing contained in this Listing Document is, or shall be relied upon as, a promise or representation by Ravenscroft or any selling agent as to the past, present or future. Neither the delivery of this Listing Document nor any sale made under this Listing Document shall, under any circumstances, create any implication that there has been no change in the business or affairs of the Company or of the Group taken as a whole since the date hereof or that the information contained herein is correct as of any time subsequent to the earlier of the date hereof and any earlier specified date with respect to such information.

The Company does not accept any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media or any other person, the Company or the Group. The Company makes no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

The contents of this Listing Document are not to be construed as legal, business or tax advice. Each prospective investor should consult his or her own lawyer, financial adviser or tax adviser for legal, financial or tax advice in relation to any purchase or proposed purchase of Ordinary Shares. Each prospective investor should consult with such advisers as needed to make its investment decision and to determine whether it is legally permitted to hold shares under applicable legal investment or similar laws or regulations. Investors should be aware that they may be required to bear the financial risks of an investment in Ordinary Shares for an indefinite period of time.

No person has been authorised to give any information or make any representation other than those contained in this Listing Document and, if given or made, such information or representation must not be relied upon as having been authorised by or on behalf of the Company, the Directors or Ravenscroft. This Listing Document is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Company, the Directors, Ravenscroft or any of their representatives that any recipient of this Listing Document should purchase any of the Shares.

Prior to making any decision as to whether to purchase any Ordinary Shares, prospective investors should read the entirety of this Listing Document and, in particular, the section headed "Risk Factors".

Investors should ensure that they read the whole of this Listing Document and not just rely on key information or information summarised within it. In making an investment decision, prospective investors must rely upon their own examination of the Company and the terms of this Listing Document, including the risks involved. Any decision to purchase Ordinary Shares should be based solely on the Listing Document.

Investors who purchase Ordinary Shares will be deemed to have acknowledged that: (i) they have not relied on Ravenscroft or any person affiliated with Ravenscroft in connection with any investigation of the accuracy of any information contained in this Listing Document for their investment decision; and (ii) they have relied only on the information contained in this Listing Document, and no person has been authorised to give any information or to make any representation concerning the Company or the Ordinary Shares (other than as contained in this Listing Document) and, if given or made, any such other information or representation should not be relied upon as having been authorised by or on behalf of the Company, the Directors or Ravenscroft.

None of the Company, the Directors, the Selling Shareholders, Ravenscroft or any of their representatives is making any representation to any purchaser of Ordinary Shares regarding the legality of an investment by such purchaser.

In connection with the Placing, Ravenscroft and any of its affiliates, acting as investors for their own accounts, may acquire Ordinary Shares and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Ordinary Shares and other securities of the Company or related investments in connection with the Placing or otherwise. Accordingly, references in this Listing Document to the Ordinary Shares being offered, subscribed, acquired, placed or otherwise dealt with should be read as including any offer to, or subscription, acquisition, dealing or placing by, Ravenscroft and any of its affiliates acting as investors for their own accounts. Ravenscroft does not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

Ravenscroft and any of its respective affiliates may have engaged in transactions with, and provided various stockbroking and other services to the Selling Shareholders or the Company, for which they would have received customary fees. Ravenscroft and any of its respective affiliates may provide such services to the Selling Shareholders, the Company and any of their respective affiliates in the future.

2. Presentation of financial information

The Group's consolidated historical financial information included in paragraph 13 of Part I (Information on the Group) of this Listing Document has been prepared in accordance with the requirements of the Listing Rules and in accordance with UK GAAP. The significant accounting policies are set out within note 3 (Accounting Policies) of the Group's Audited accounts for the year ended 30 April 2016 which are included in Appendix A).

3. Rounding

Certain figures and percentages in this Listing Document have been subject to rounding adjustments. Accordingly, any apparent discrepancies in tables between the totals and the sums of the relevant amounts are due to rounding.

4. Currencies

Unless otherwise indicated in this Listing Document, all references to:

- "pounds sterling" or "£" are to the lawful currency of the UK;
- "U.S. dollars", "dollars" or "\$" are to the lawful currency of the United States; and
- "Swiss francs" or "CHF" are the lawful currency of Switzerland.

Unless otherwise indicated, the financial information contained in this Listing Document has been expressed in pounds sterling. For all members of the Group incorporated in Guernsey,

Jersey and the United Kingdom (“UK”), the functional currency is pounds sterling and the Group presents its financial statements in pounds sterling.

6. Forward-looking statements

Some of the statements in this document include forward looking statements which reflect the Directors’ current views with respect to financial performance, business strategy and plans and objectives for future operations (including development plans relating to the Group’s products and services) of the Group.

There are or will be important factors that could cause the Group’s actual results to differ materially from those indicated in forward looking statements. These factors include but are not limited to those described in the part of this document entitled Risk Factors, which should be read in conjunction with the rest of the document. Any forward looking statements are subject to these and other risks, uncertainties and assumptions relating to the Group’s operations, results of operations and growth strategy. Past performance of the Group is no indication of the Group’s future performance.

These forward looking statements speak only as at the date of this document. Subject to any obligations under the Listing Rules, the Company undertakes no obligation to publicly update or review any forward looking statement, whether as a result of new information, future developments or otherwise.

7. No incorporation of website information

The contents of the Company’s website do not form part of this Listing Document and prospective investors should not rely on them.

8. Interpretation

Certain terms used in this document are defined under Definitions.

RISK FACTORS

Any investment in the Ordinary Shares is subject to a number of risks. Prior to investing in the Ordinary Shares, prospective investors should consider carefully the factors and risks associated with any such investment in the Ordinary Shares, the Group's business and the industry in which it operates, together with all other information contained in this Listing Document including, in particular, the risk factors described below.

The risks and uncertainties described below represent those the Directors consider to be material as at the date of this document. However, these risks and uncertainties are not the only ones facing the Group. Additional risks and uncertainties not presently known to the Directors, or that the Directors currently consider to be immaterial, may individually or cumulatively also materially and adversely affect the business, results of operations, financial condition and/or prospects of the Group. If any or a combination of these risks actually occurs, the business, results of operations, financial condition and/or prospects of the Group could be materially and adversely affected. In such case, the market price of the Ordinary Shares could decline and investors may lose all or part of their investment. Investors should consider carefully whether an investment in the Ordinary Shares is suitable for them in the light of the information in this document and their personal circumstances.

The following is not an exhaustive list or explanation of all risks that prospective investors may face when making an investment in Ordinary Shares and should be used as guidance only. The order in which risks are presented is not necessarily an indication of the likelihood of the risks actually materialising, of the potential significance of the risks or of the scope of any potential harm to the Company's business, prospects, results of operation and financial position.

1. RISKS RELATING TO THE GROUP

Service Risk

The Group administers client structures in accordance with standard terms of business and administration agreements (the "contractual framework") which define the services to be delivered and limit the scope of services the Group is responsible for. Whilst the Group operates robust procedures and processes to ensure services are delivered in accordance with the contractual framework, errors or breaches may occur resulting in the invocation of PraxisIFM's contractual protections and potentially give rise to a claim against the Group. Examples include the incorrect inputting of bank account details, resulting in payment errors, interest or bank charges.

Fiduciary Risk

The Group acts in a fiduciary capacity on many client structures. This may involve acting as trustees and/or acting as directors on administered entities where responsibility for decision making is assumed. Acting in a fiduciary capacity creates specific legal obligations, a breach of which could give rise to a claim against the Group and its employees, and/or regulatory sanction. The procedures and processes operated by the Group have been designed to address the risks associated with acting in a fiduciary capacity and whenever possible the Group's terms of business seek to cap or otherwise limit liability except in cases of fraud, wilful misconduct or gross negligence, or in respect of any other liability which cannot lawfully be excluded. Furthermore, the costs of defending against claims or any settlement of a claim may be covered by professional indemnity insurance ("**PII cover**") up to the limit of the Group's policies. However a successful claim in excess of, or not covered by, the Group's PII cover could have a material adverse effect on the Group's business, results of

operations or financial condition. In this regard, there is a risk that the Group's PII cover is not of a sufficient level or scope to protect the Group against a large potential claim that may arise. Additionally, there is a risk that the Group's insurers deny or otherwise withhold cover in the event of a false or fraudulent claim, failure to make full and frank disclosure, or a failure to give written notice of a claim as soon as reasonably practicable leaving the Group to fund the defence against claims and any settlement of a claim. Furthermore, the Group may be unable to obtain PII cover in the future on acceptable terms, or without substantial premium increases, particularly if there is deterioration in its claims experience history.

Litigation Risk

The Group takes such precautions as it considers appropriate to avoid or minimise the likelihood of any legal proceedings or claims against it, and any resulting financial loss. However, the Directors cannot preclude the possibility of litigation being brought against the Group. There can be no assurance that claimants in any litigation proceedings will not be able to devote substantially greater financial resources to any litigation proceedings or that the Group will prevail in any such litigation. Any litigation, whether or not determined in the Group's favour or settled by the Group, and notwithstanding the PII cover maintained by the Group to meet claims, may be costly and may divert the efforts and attention of the Group's management and other personnel from normal business operations and may have a material and adverse effect on the Group.

Third Party Service Providers Risk

The Company is reliant upon third party service providers for certain aspects of its businesses (for example its clients' banking arrangements and operating software for its core administration services). Any interruption or deterioration in the performance of these third party service providers or software could impair the timing and quality of the Group's services and profitability. In addition, if contracts with any of these service providers are terminated, the Group may not find alternative outsource providers on a timely basis or on equivalent terms. The occurrence of any of these events could impact upon the Group's reputation and have a material adverse effect on the financial condition, results and operations of the Group.

Current Regulatory Risk

The GFSC issued a Public Statement on 26 October 2015 in relation to the former directors of Confiance Limited and imposed certain restrictions on the licence and operations of Confiance Limited prior to its acquisition by the PraxisIFM Group Limited. The Group has undertaken to conduct a detailed review of the customer due diligence records of Confiance Limited and to undertake any resultant remediation work that is necessary. The Group has prepared a detailed remediation plan and has undertaken to report on its progress regularly to the GFSC. There is a risk that Confiance Limited and/or the Group does not meet the expectations of the GFSC in conducting any remedial work that is required.

Because of the short timescale available prior to the acquisition, there was limited opportunity for the Group to undertake the normal due diligence processes prior to the acquisition of Confiance Limited. The Group sought to protect itself against the potential for financial loss through the warranties and indemnities and other provisions of the sale and purchase agreement. There is a risk that these do not provide sufficient protection against all losses that may arise from the acquisition resulting in a loss to Confiance Limited and/or the Group.

Confiance Limited continues to operate under the conditions imposed upon it by the GFSC. There remains a risk that Confiance Limited fails to meet one or more of those conditions. At this point in time neither Confiance Limited nor the Group is aware of any such failings.

Employee Risk

The Group's employees are given appropriate training and they are experienced in providing services to the Group's clients in accordance with the Group's procedural environment which has been designed and tested to prevent errors and misconduct. However, the Group's clients engage in complex transactions involving high value assets, complex financial instruments and multi-jurisdictional transactions, and this complexity increases the probability of employees making errors. Such errors could include, among other things, incorrect processing of payments, NAV pricing errors, breaching client confidentiality, and breaching regulatory rules and regulations. Staff may be required to exercise their judgement in the course of providing services to clients, especially when acting in a fiduciary capacity, and this too may result in errors. Employee errors could subject the Group to financial losses and/or regulatory sanctions and, in the case of negligence, fraud and wilful misconduct, seriously harm the Group's reputation with existing and prospective clients.

Misconduct or negligence by employees could include engaging in unauthorised or improper transactions or activities on behalf of clients or the Group, or breaching regulatory rules and regulations, or improperly using confidential information. Although the Group operates robust procedures based on four or six eye principles dictating at least two employees must review and approve key decisions and transactions, errors, misconduct, negligence or fraud may be difficult to prevent or detect, and the Group may not be able to recover the losses resulting from these activities.

Errors, poor employee performance or fraud could expose the Group and/or its clients to financial losses and/or regulatory sanctions. Such losses could expose the Group to claims from clients, which may not be covered by insurance, and damage the Group's reputation with existing and prospective clients, and therefore have a material adverse effect on the Group.

Service Line risk

The Group's operating businesses focus on three main service lines, Trust, Fund Administration and Pensions which are all subject to differing commercial pressure and regulatory change. A significant downturn in one of the Group's operating divisions may not be outweighed by a corresponding outperformance in one or more of the Group's other divisions in order to meet the Group's financial performance expectations. The three main service lines are susceptible to fluctuations in performance driven by, among other things, macroeconomic factors, changing regulatory obligations, changing taxation legislation, competitors in the market, and shifts in client preferences and demands. The existence of one, or a combination of, these factors in one or more of the Group's businesses would have a negative impact on the Group's financial performance, and potentially place a burden on the rest of the Group to outperform which could cause the Group to redefine its risk appetite to counter this.

Regulatory Risk

The Group and its Subsidiaries are subject to the laws and regulations of the countries in which they operate. Many of the Group's Subsidiaries operate in a regulated environment and are subject to ongoing supervision and other regulatory requirements. Any breach of any applicable law, regulations, licence conditions or the requirements of the relevant

regulatory authority could result in the Group, its directors and key personnel being fined or being the subject of criminal or other disciplinary proceedings and have material adverse consequences for the Group and its business.

Jurisdictional Risk

The Group offers services in a range of regulated and unregulated jurisdictions and relies on central support to ensure a common compliance framework across the group overlaying compliance with local laws and regulations. To the extent permitted by local legislation and regulations, all new operations are required to implement the Group's procedures but there is a risk that the Group's procedures and culture may not be immediately adopted within the new operation which could result in, for example, taking on clients that do not fit the Group's risk appetite, making errors, or failing to comply with the Group's client take-on procedures.

Any adverse change in the legal or regulatory environment in which the Group operates may adversely impact the Group's operating results. If regulatory or tax authorities change their policy or policy approach in or towards a jurisdiction in which the Group operates, clients may close, withdraw or reduce the exposure of their structures and entities in or to such jurisdiction. It is possible that the Group may cease to provide services or reduce the range of services in a jurisdiction in the event of reduced or eliminated demand, which could have significant costs. There could be a significant cost impact to the Group and its clients in the form of, amongst other things, increased regulatory burden and increased taxation costs, leading to reduced profitability.

Currency Risk

The Group operates across multiple jurisdictions and this exposes the Group to financial risks associated with fluctuations in exchange rates, primarily between pounds sterling, Swiss francs, euro and US dollar. To the fullest extent possible, the Group invoices clients in the local currency of each jurisdiction in which it operates. However the Group provides certain services centrally across the Group and there is the risk of exchange rate fluctuations affecting the cost of these services. The Group may not be able to compensate for, or hedge against, exchange rate movements which could therefore have an adverse effect on the Group's business, results of operations or financial condition.

Pricing Risk

The Group operates in a competitive environment and it may face increased price pressure in the markets and jurisdictions in which it operates. While the Group does not focus on price as its primary means of competition, the Group recognises that price is an important competitive factor for its business. The Group's competitors may seek to compete aggressively on price in order to protect or gain market share. To the extent that the Group matches or exceeds any reduction in price by its competitors, its business, financial conditions and results of operations could be materially and adversely affected. In addition, to the extent that the Group does not match or remain within a competitive margin of its competitors' pricing, or if the Group otherwise seeks to implement price increases, the Group may lose market share and experience a decline in revenue, which could materially and adversely affect the Group's business, financial conditions and results of operations.

Factors outside of the Group's control, including adverse economic conditions or political developments, may also adversely affect the Group's pricing strategy. Pricing issues may also arise as the Group enters new markets which may be price sensitive, resulting in an erosion of margin or an inability to grow the business as anticipated.

Variable Fee Risk

The Group charges its clients based on a mix of contractually fixed and variable fees. Variable fees are based on the time spent by the Group's employee on a client's affairs or on the value of assets under administration. The exact proportion of variable fees varies across the Group's businesses. In the event that client structures have lower than expected activity levels or their net asset value declines, the Group's revenue could be significantly reduced from that anticipated and impact the Group's financial results.

Key Personnel Risk

The Group is dependent upon key senior management personnel who have extensive experience and knowledge of the Group, the Group's markets, product offering, client base, and administered structures.

The successful implementation of the Group's strategy depends on the continuing availability of senior management and the Group's ability to attract, motivate and retain other highly qualified employees and to recruit and retain high quality young people. If members of the Group's senior management depart, the Group may not be able to find effective replacements in a timely manner, or at all, and the Group's business may be disrupted or damaged. While the Group conducts an annual assessment of remuneration packages to ensure market position is maintained, there can be no guarantee that the Group's business model, strategy and remuneration packages will remain effective in securing applications (and subsequently acceptances of employment) from a high calibre of candidates in all Group jurisdictions and this could diminish the quality of the services that the Group is able to provide to its clients.

Furthermore there can be no assurance as to the continued service of existing key personnel beyond the terms of their existing service agreements and the departure of key personnel from the Group without adequate replacement may have a material and adverse effect on the Group's performance. There is no guarantee that senior management and key staff will remain with the Group. This could negatively impact the Group's ability to retain existing clients and structures. In particular, the loss of key members of senior management and other skilled personnel could have a material adverse effect on the Group's competitive position and threaten its relationship with existing clients on whom a significant proportion of the Group's growth strategy is reliant. Even if the Group's ability to retain existing clients was not affected, the loss of key employees could restrict the Group's potential to capture additional work from such clients and therefore impact upon the Group's targets and revenues. Additionally, growth aspirations in certain jurisdictions may be curtailed by limitations on the employment pool, a risk that may become more acute as the Group grows in scale.

Staff Efficiency and Inflation Risk

Salary and payroll costs are a material part of the Group's costs and therefore managing staff costs and staff efficiency are fundamental to the Group's ability to maintain margins and levels of profitability. Salary inflation could be caused by a number of internal and external factors, such as macroeconomic conditions, changes to national immigration policies, or changes and/or introductions of minimum pay regulations in the jurisdictions in which the Group operates. As the Group's highest cost, an increase in labour costs could threaten the Group's margins and profitability. A failure to increase staff pay in line with the Group's competitors could restrict the ability to attract new staff and retain existing staff, which could impact the quality of the services the Group provides to clients. The risk of

salary inflation is particularly important in the context of the Group's growth strategy, which may require additional headcount. The Group's expansion and development could be hampered by any staff shortage or the inability to recruit suitably qualified and experienced staff and the quality of its services could be adversely affected.

Because a significant proportion of the Group's revenue is derived from variable fees that are based on time spent, there is a risk that if staff efficiencies, the ratio of chargeable to non-chargeable time, and recoveries, the ratio of recorded time cost to billed time cost, are not maintained, the Group's revenue and profitability could be materially adversely affected.

Continued Growth Risk

The Group has been successful in attracting new business since the merger of the Praxis Group and the IFM Group. Continued growth will require continued focus on the new business processes across the enlarged group and investment across all of the Group's jurisdictions in personnel, facilities, information technology infrastructure, and financial and management systems and controls. The Group may not be successful in implementing all of the processes and adding all of the additional facilities and other resources that are necessary.

The failure to attract new clients and/or to undertake further acquisitions, could represent a potential limitation on the Group's ability to sustain its historic growth rate and adversely impact on the Group's operating results or financial condition. Failure to make or to implement necessary expansion and upgrades of the Group's systems and infrastructure in a timely manner whilst maintaining client service levels could cause a loss of clients, a reduction in fee income, or a reduction in the rate of growth of the Group's client base. Furthermore, unless growth results in an increase in revenues that equals or exceeds the associated increase in costs, operating margins and profitability would be adversely affected. In each case, this may have a material adverse effect on the Group's business.

Client Relationship Risk

A large proportion of the Group's fee billing is from servicing structures from existing clients, and a significant proportion of the Group's organic growth is derived from taking on new structures from its existing client base. There can be no guarantee that existing client relationships will continue to grow or clients will not choose to close, or move the servicing of, their existing structures to a competitor. The failure to retain existing client structures or gain increased revenue from these clients as they create new structures could impact the Group's competitive position and growth prospects.

New Business Risk

Although the Group is a member firm of HLB International, a worldwide network of independent accounting firms and business advisers, historically the Group has pursued a strategy of originating new business referrals through its existing clients and a variety of advisers that it has relationships with. If the Group is unable to sustain these relationships, this could have a material adverse effect on the Group's business, results of operations and/or financial condition.

Reputational Risk

The Group's reputation is an extremely valuable component of the business and it is key to the Group's future success. Failure to meet the expectations of its clients, employees, regulators, intermediaries and shareholders may have a material adverse effect on the

Group's reputation. Adverse events including a failure to effectively address client disputes, regulatory investigations, fraudulent or other illegal activity, sustained or repeated systems outage or a loss of customer data could damage the Group's reputation. Any damage to the Group's reputation from this or from any negative publicity surrounding the Group, its prospects or its competitive position may have a harmful impact on the Group's ability to win new work, on the Group's ability to maintain existing client relationships and contracts, and on the Group's attempts to retain key staff or attract new staff. Therefore, any damage to the Group's reputation could have a material adverse effect on the Group's business, results of operations and financial condition.

Acquisition Risk

The Group completed the acquisition of the IFM Group Limited in April 2015, Confiance Pension Services Limited in October 2015, Confiance Limited in December 2015, Cavendish Administration Limited in November 2015, Ampersand Management SA and Ampersand Management (Mauritius) Limited in March 2016, Balmor Management SA in August 2016, the business and assets of Ryland Gray Information Technology Consultancy in December 2016 and Cavendish Corporate Investments PCC Limited in January 2017. The Group's overall growth strategy has acquisitive growth at its core in order to continue to build operational scale in key markets. Notwithstanding the fragmented nature of the markets in which the Group operates, there is no guarantee that the Group will succeed in identifying suitable acquisition opportunities in the future, or that they will be capable of being executed on advantageous terms, or at all.

Acquisitions also give rise to inherent execution and integration risk. The process of integration may produce unforeseen operating difficulties and expenditures and may absorb significant attention of the Group's management that would otherwise be available for the ongoing development of the business. In addition, acquisitions also involve a number of other risks including unforeseen liabilities, difficulties in realising costs or revenues, loss of key employees and client relationship issues. Accordingly, the Group may not obtain the intended benefits from any acquisitions that the Group may pursue in the future.

Failure to adequately protect the Group from losses resulting from acquisitions, including losses resulting from the unsuccessful integration of future acquisitions, could damage the Group's reputation and brand, and could have an adverse effect on the Group's business, financial condition and results of operations.

Furthermore, the Group's acquisition strategy and costs of integrating acquired businesses or portfolios of contracts may involve capital outlays that could impact the financial position and funding structure of the Group, as well as having an effect on the Group's ability to finance its long-term working capital requirements.

Tax Risk

Any change in the Company's tax status or in taxation legislation in Guernsey, Jersey or any other jurisdiction affecting the Company or a Subsidiary could affect the value of the Company. Profits from the Group's Subsidiaries are paid up to the Group by way of dividend or loan repayment and changes to taxation of profits and withholding tax on dividends could increase the Group's overall effective tax rate and have a material adverse effect on the Group's financial condition.

Business Continuity/IT Security Risk

The Group is dependent on the information technology systems, servers, networks, hardware and software that it has in place which are under the control of its technology support team and supported by vendor service and support contracts. As with all computer and communication systems they can be subject to failure or performance degradation. The Group is heavily dependent on the capacity and reliability of the computer and the public and private communication systems that support its operations. These computer and communications systems and networks can be subject to performance degradation or failure for reasons within or outside the control of the Group and its suppliers and, where foreseeable, can be mitigated by the Group's business continuity protocols which can be tested only against identifiable scenarios.

Any loss of operational capability or disruption of the computer and communication systems on which the Group relies could have a material adverse effect on its ability to deliver services to clients and may lead to direct or indirect financial losses, loss of clients, claims from clients and regulatory investigation and sanctions, any of which, individually or collectively, could have a negative effect on the Group's reputation, business, results of operations and financial condition.

The secure management of confidential client data is integral to service delivery. Networks may be vulnerable to unauthorised access, computer viruses and other security breaches. Third parties who circumvent security measures could wrongfully use Group or client confidential data or cause interruptions or malfunctions in operations. Notwithstanding the investments made by the Group and its service providers to protect against security breaches, it may not be possible to implement security measures that protect against all security risks.

A breach of confidentiality either by the actions of a member of staff or as a result of unauthorised access could result in claims against the Group from both clients and regulatory bodies and/or result in the Group having to pay damages which could have a material adverse effect on the Group's reputation, business, results of operations and financial condition.

Compliance and Operational Risk

The Group's ability to comply with applicable laws and regulations governing service delivery is largely dependent on the Group's compliance and reporting systems, the ongoing training of staff, and the Group's ability to attract and retain suitable compliance personnel. Whilst the Group does, and will, continue to take steps to establish and maintain adequate systems and controls, should the Group fail to effectively maintain and adhere to these compliance procedures or fail to attract and retain suitable personnel, it will increase the likelihood that the Group becomes subject to litigation, investigations by regulatory agencies and suffer a loss of reputation. In addition, these compliance procedures may not be adequate to detect errors or defaults.

Strategy and Business Objectives Risk

There can be no guarantee that the strategy and objectives of the Company will be achieved. The Company's business strategy may not be implemented successfully which could mean that results may be lower than expected.

Borrowing and Interest Rate Risk

The Group has taken out various borrowings from the Company's Bankers and the main companies within the Group have given cross guarantees in favour of the Company's Bankers to secure the facilities. The facilities are subject to two covenant tests and the interest rate payable is linked to the Bank of England Base Rate. In addition, in the event that the Group's profit falls for whatever reason, the use of borrowings will increase the impact of such a fall on the net profit of the Group and accordingly will have an adverse effect on the Company's ability to pay dividends to Shareholders.

The Group pays interest on its borrowings. As such, the Group is exposed to interest rate risk due to fluctuations in the prevailing market rates. Interest rate movements may adversely affect the interest payable on the Group's variable rate borrowings. In the event that interest rate movements raise the interest required to be paid by the Group, returns to investors will be reduced.

Although the Company is not currently in breach of any covenants set forth in any agreements related to its debt facilities, if in future the Group were to experience the occurrence of events of default or breaches of financial or performance covenants under its financing arrangements, this could result in the amortisation, default and/or acceleration of such facilities and could reduce or terminate the Group's access to institutional funding. If such an event were to occur, it would have a material adverse effect on its business, financial condition, operating results and cash flow.

Any amounts that are advanced under a bank or other debt facility will rank ahead of Shareholders' entitlements and, accordingly, Shareholders may not recover their initial investment in some circumstances.

Dilution Risk

The Group has in place a number of share option arrangements that may lead to an increase in the total issued share capital even if there is no corresponding increase in the Group's profitability or of its EBITDA. Under certain circumstances the share option arrangements may lead to an increase in total issued share capital even if the Group's profitability and/or its EBITDA decline. These circumstances would lead to a decline in the reported earnings per Share and EBITDA per Share.

Counterparty Credit Risk

The Group holds its cash and the cash and other assets of its clients with various banks or similar counterparties. Wherever possible, the Group ensures that its client assets are held with suitable custodian banks. A default of a bank or similar counterparty may adversely affect the Group and its clients. The Group and its clients are not generally protected by deposit protection schemes which are designed to protect retail investors.

Listed Company Risk

As a newly listed company, the Group will incur additional legal, accounting and other expenses, including the costs of recruiting and retaining non-executive directors, and the costs resulting from listing obligations and complying with corporate governance related rules and regulations. The Group's management and other employees will need to devote a substantial amount of time to ensure that the Group complies with, and continues to comply with, all of these requirements. These reporting requirements, rules and regulations will

increase the Group's legal and financial compliance costs and make some activities more time-consuming and costly.

2. RISKS RELATING TO THE GROUP'S INDUSTRY

Regulatory Risk

The Group has chosen to deliver fiduciary and administration services principally from regulated financial centres. Although there are benefits to this strategy, including business reputation, acceptability for institutional clients and barriers to entry for less well-structured competitors, there are also risks to the business associated with regulatory breach and the impact of regulatory change including the cost of assimilation and possible structure redundancy. The regulatory risks to the Group cover both regulations that the Group has to comply with and also those regulations that its clients are required to adhere to. Any change in the laws and regulations governing the Group's business or the operations of its clients, or in the interpretation of these by the regulatory bodies in the jurisdictions in which the Group and its clients operate, could negatively impact the products and services which the Group is able to offer or could impact the demand for such products and services from the Group's clients. Regulatory change could increase the Group's regulatory compliance costs which may reduce the Group's margins. Whilst regulatory change is a key driver of the Group's business and can raise barriers to entry and impact competition, such change could also have an adverse effect on the Group's results of operations, financial condition and growth prospects.

Political Risk and Future Tax Regulation Risk

The industry in which the Group operates is susceptible to changes to government policy and approach regarding international tax regulations which could cause certain asset classes to lose favour with clients and investors. In these circumstances, demand for the Group's services may be reduced or there may be a significant increase in the Group's regulatory or litigation burden and risk.

In particular, The Organisation for Economic Co-operation and Development ("**OECD**") published its Action Plan on Base Erosion and Profit Shifting ("**BEPS**") in 2013 and its final reports in 2015. The BEPS is expected to generate changes to tax policy and systems in numerous jurisdictions. Whilst some jurisdictions have already taken steps to implement some of the actions, it is not yet known when and the extent to which all the actions will be implemented and which countries will implement them. Depending on how BEPS is introduced, any changes to tax laws based on recommendations made by the OECD in relation to BEPS may result in additional reporting and disclosure obligations for the Group and its clients and administered structures and/or additional tax being suffered by them which may adversely affect the viability of the client structures, and the Group's operations and financial position.

The environment of evolving and expanding regulation represents a future cost associated with the identification of changes and amendments to operating and control procedures. This cost increases as the Group enters additional jurisdictions. It is not possible to predict the future impact of possible changes.

Regulatory change or political initiatives to protect fiscal revenues can render previously legitimate structures either uneconomic, unpalatable or illegal. Any significant adverse changes not limited to a specific business area could have a material impact upon the Group's business.

BREXIT Risk

On 23 June 2016, the United Kingdom voted in a referendum to leave the European Union (“EU”). In the immediate aftermath of the vote to leave the EU, the pound sterling fell significantly in value but it is not clear what the longer term economic impact will be on the UK or any of the other markets the Group operates in or where its clients are based. In the event there are negative economic consequences, these could have a material adverse impact on the Group’s operations, growth prospects and financial condition.

The only certainty at the moment is that once the UK gives notice of its departure to the EU, the exit will occur two years later, whether or not a withdrawal treaty is in place. While there is a lot of speculation as to what would happen with regard to the UK’s future trading arrangements with the EU, and the relationship with other countries where it currently benefits from treaties between the EU and that country, at this stage, the effects are unknown and any solution will be driven by a combination of economic, commercial and political consideration. In particular, it is not clear whether the “passporting” rights for UK based financial services sector will continue. In the event “passporting” is restricted or stopped, the negative effect on the UK financial services sector may have an adverse impact on the Group’s operations and financial position. There is likely to be a prolonged period of uncertainty which may have an adverse effect on the clients of the Group, and the Group’s business and results.

Regulatory Breach Risk

If a regulated business fails to comply with any applicable laws, rules or regulations in the ruling territory, that business may be subject to investigation, censure (which may take the form of both private warnings and public censures), fines, cease-and-desist orders, suspension of business, suspensions of personnel or other sanctions including revocation or variation of licences and/or registrations with the respective regulatory agencies, criminal penalties and civil lawsuits. In addition regulatory approval may be required prior to any expansion of business activities either within an existing jurisdiction or into a new jurisdiction, or prior to a Shareholder taking a controlling position in the Group. Such regulatory sanctions may have a material adverse effect on the Group’s ability to retain existing clients and to deliver services due under existing agreements. Losing its regulatory licence or having variations to its licence or other regulatory sanctions imposed on it as a result of regulatory breach would seriously impact the Group’s reputation, business, results of operations and financial condition.

Capital Adequacy Risk

The Group operates businesses in a number of jurisdictions that are subject to on-going oversight by Regulatory Authorities. Each Regulatory Authority applies differing solvency tests on the companies they regulate but in general the solvency tests cover matters such as capital resources test, net assets and liquidity tests. In accordance with the applicable regulations, certain members of the Group are required to monitor their compliance with the relevant solvency tests and either to confirm compliance or report any instance of non-compliance with the relevant solvency requirement. In the event of a non-compliance event, the Group would be required to resolve the non-compliance and would be subject to closer regulatory scrutiny.

The Group has historically never had a material breach of the relevant solvency requirements. Trireme Pension Services (Malta) Limited was in breach of its regulatory liquidity requirement due to an incorrect interpretation of allowable expenses. This matter was resolved on 10 October 2016, when the MFSA approved the revised arrangements that

were put in place. A significant increase in the solvency requirements may result in certain members of the Group materially failing the relevant solvency tests such that the relevant Regulatory Authority seeks to take action. Such increase could be caused by a large increase in operating costs such as salaries or a significant drop in certain subsidiaries of the Group's net liquid assets, which could be the result of a large drop in certain subsidiaries of the Group's cash reserves or a material ageing of certain members of the Group's WIP and debtor book.

Failure by certain subsidiaries of the Group to comply with the relevant solvency requirements could result in the relevant Regulatory Authority taking regulatory action which could have material adverse financial implications and adversely affect the Group's reputation and business.

It is possible that any of the Regulatory Authorities could in the future seek to amend the relevant solvency requirements and tests resulting in a change to how the calculation is undertaken or to the amount of buffer required. In this event, there is a risk that the Group may not meet any such revised solvency test.

Vicarious Reputational Risk

It is in the nature of providing fiduciary and outsourced administration services to entities which are closely connected to clients either in name or through ownership that the structures under the governance of the service provider, and as such the reputation of the service provider itself, can be affected by the independent actions of the client. This potential exposure has increased with the global flow of information via the internet and social media through which adverse comments, whether substantiated or not, can reach a wide audience very quickly and without appropriate balance or context.

Robust client acceptance procedures mitigate the risk of client actions resulting in such reputational damage, but service providers are unable to control unsubstantiated adverse comments and this represents a growing risk to the industry, in terms of reputational damage and the costs of representation.

Any negative publicity, particularly that caused by fraudulent behaviour or misconduct, surrounding the Group's client base could in turn damage the Group's own reputation, its regulatory status, its ability to meet growth targets and its business and financial condition.

Macro-Economic Risk

As a service industry, the fiduciary and administration services sector is dependent upon continued commercial activity by existing and potential clients. The Group's financial performance is therefore impacted by macro-economic factors such as Gross Domestic Product, interest rate fluctuations, inflation rates, availability of credit, equity market conditions, consumer confidence, unemployment rates and changes in fiscal and monetary policy globally. Deterioration in the economic conditions in the markets in which the Group operates, both directly and indirectly, or a renewed global recession would adversely affect demand for the Group's services and as such, the Group's financial condition, operations and business prospects. Because a significant proportion of the Group's income is derived from variable fees, in the event that client activity within existing structures and the establishment of new structures slow, the Group fee income may suffer a material adverse decline. Furthermore in situations where fees are charged on an ad valorem basis, declining portfolio values can also have a direct impact on fee levels.

The success of the Group's business depends in part on its ability to identify and respond to evolving macro-economic and sector trends in demographics and client preferences. Failure to identify or effectively respond to changing requirements and preferences of its client base could adversely affect the Group's business.

Anti-Money Laundering, Bribery and Corruption Risk

The Group is subject to anti-money laundering and bribery and corruption laws ("ABC laws") which govern the conduct of all client business and the operations of the Group itself. In accordance with the Group's regulated status, there is a requirement to operate and test robust procedures to assure compliance with applicable ABC laws in each relevant jurisdiction. Notwithstanding the continued operation of such procedures by the Group, there remains the risk that through the failure of the Group's control framework, the illegal actions of a client or other party, or employee fraud or negligence, the Group might handle the proceeds of crime or that a structure administered by the Group might be used in layering or integrating the proceeds of crime.

The consequences of being found guilty of an offence under ABC laws include fines, cease-and-desist orders and imprisonment (for individuals) or censure, fines, cease-and-desist orders, suspension of business or other sanctions including revocation of licences and/or registrations with the respective regulatory agencies, criminal penalties and civil lawsuits (for companies). The direct and indirect impact of such proceedings could have a material adverse effect on the Group's reputation, business, results of operations and/or financial condition.

Client Asset Fraud Risk

The provision of fiduciary and administration services will generally necessitate the service provider having control over client assets such as bank accounts and registered investments. Although the Group operates robust procedures to control the transfer of client assets, based on 4 or 6 eye principles only permitting senior employees to authorise transfers, such controls cannot eliminate the risk of internal fraud committed by a member of staff and the Group is at risk of such conduct.

Measures taken by the Group to verify the probity and integrity of all staff on joining the business mitigate this risk, but in the event that a staff member commits fraud by transferring client assets without authority the Group would be exposed to claims by the client and possible regulatory sanctions which could have material financial implications and adversely affect the reputation of the Group.

Competitive Risk

The Group operates in the fiduciary services industry which is well developed and highly competitive. The Group has a number of direct competitors in its respective locations of operation and across the key business areas.

The strategy of the Group has been to focus on high value-added services delivered across a broad range of business areas and jurisdictions. There is a risk that competitors may adopt aggressive pricing models to gain market share or develop attractive competitive offerings which could challenge the Group's status with clients and staff.

Whilst the Directors believe that the Group has and continues to develop a strong business proposition in its chosen jurisdictions, there are no assurances that the strength of the

Group's competitors will not improve or that the Group will win new mandates or retain existing client relationships.

The fiduciary services industry may undergo a period of consolidation and the Group's current and potential competitors may pursue strategic acquisitions to enable them to penetrate the market the Group currently occupies and to acquire market share at the Group's expense. Existing and/or increased competition could adversely affect the Group's market share and/or force the Group to consider price reductions which could have a material adverse effect on the Group's business, results of operations or financial condition. The inability of the Group to maintain its competitiveness may also have a material adverse effect on the Group's business, results of operations or financial condition.

Market Consolidation Risk

The markets in which the Group operates may undergo a period of consolidation. Such consolidation could limit the Group's potential client base and thereby reduce the Group's revenues. Such consolidations could also create larger end market clients that have increased bargaining power in negotiations for new contracts, possibly including the ability to demand more beneficial pricing terms.

Reversal of Outsourcing Trend Risk

The trend towards higher levels of outsourcing seems to continue amongst the Group's existing and target clients, driven by increasing regulatory requirements and differentiation, increasing transparency requirements, and growing demand for international structures. Nonetheless, there is a risk that the Group's existing and target clients seek to reverse the trend towards higher levels of outsourcing and seek to administer their own structures in-house. Such a shift in the industry could reduce the numbers of clients and structures that the Group could potentially provide services to, and could have a material adverse effect on the Group's business, results of operations or financial condition.

The market for outsourced administration services is dependent upon clients choosing to utilise internal resources in a focused way, outsourcing those non-core functions to industry specialists. A significant change in utilisation levels of internal resources amongst fund managers and institutions could result in a redeployment of spare resource to fulfil outsourced capabilities and this could impact the sector in general.

Investor Restriction Risk

The Group operates across many jurisdictions, the majority of which have regulations that control the acquisition of material stakes in the Group and shareholders that intend exceeding the proscribed limits are generally required to get prior approval or a confirmation of no objection from the relevant Regulatory Authority before they breach the relevant percentage interest. These restrictions, a non-exhaustive summary of the regulatory requirements applicable to persons holding, or intending to hold, shares in the Company are set out in Part IV - Shareholder Regulatory Obligations, differ between jurisdictions and they may delay or prevent a change of control of the Company, which may in turn reduce the value of the Shares.

The regulations controlling the acquisition of material interests in the Group may hamper the Group's ability to acquire other businesses by way of share exchange. It is possible that one of the relevant Regulatory Authorities may withhold or delay the granting of such consent as is required and this may adversely affect any proposed acquisition being

contemplated by the Group that involves issuing a material interest in the equity of the Group to the vendors or new investors.

Additionally, a shareholder may be required by the relevant Regulatory Authority to obtain prior approval before they increase, or dispose of part or all of their holding so that the person's relevant shareholding reaches, exceeds or falls below certain threshold levels. Furthermore, each regulated company within the Group must notify the relevant Regulatory Authorities of any changes of the type set out above and also if any person has ceased to be a "shareholder controller".

Investors should seek their own legal advice in all applicable jurisdictions if they are intending to acquire a substantial amount of shares in the Company.

The Articles contain provisions whereby if any person or persons fail to comply with any direction issued by a relevant Regulatory Authority, then the Company may, inter alia, sell the relevant person's (or persons') shares in the market on their behalf to comply with such a direction. Further details of these provisions are set out in Part VI (Additional Information) of this document.

The regulatory requirements applicable to the Group may change and may, in their current or any future form, discourage potential investors from acquiring interests in the Company of 10 per cent. or more (or indeed any interests in Ordinary Shares) and may also delay, deter or prevent a change of control of the Company, including through transactions, and in particular unsolicited transactions, that some or all of the Shareholders might consider to be desirable. This may in turn reduce the value of the Ordinary Shares.

Disposals of any relevant person's (or persons') shares in the market, as a result of complying with any direction issued by a relevant Regulatory Authority, may have a similar effect.

3. RISKS RELATING TO THE PLACING AND THE ORDINARY SHARES

Liquidity Risk

Prior to Admission, there has been no public trading market for the Ordinary Shares and Admission should not be taken as implying that there will be a liquid market for the Ordinary Shares. An active trading market for the Ordinary Shares might not develop or, if developed, might not be sustained. If an active and liquid trading market is not developed or sustained, the liquidity and trading price of the Ordinary Shares could be materially adversely affected and investors may have difficulty selling their Ordinary Shares. Even if an active trading market develops, the market price for the Ordinary Shares may fall, perhaps substantially and for a substantial period. As a result of fluctuations in the market price of the Ordinary Shares, investors may not be able to sell their Ordinary Shares at or above their acquisition price, or at all.

Price Fluctuation Risk

Publicly traded securities from time to time experience significant price and volume fluctuations that may be unrelated to the operating performance of the company that issued them. The market price of the Ordinary Shares may prove to be highly volatile, which may prevent Shareholders from being able to sell their Ordinary Shares at or above the price they paid for them. The market price for the Ordinary Shares could fluctuate significantly for various reasons, many of which are outside the Group's control. These factors could include: variations in operating results in the Group's reporting periods; cyclical fluctuations in the

performance of the Group's business; changes in financial estimates by securities analysts; changes in market valuations of similar companies; announcements by the Group of significant contracts, acquisitions, joint ventures or capital commitments; speculation, whether or not well-founded, regarding the intentions of the Group's major Shareholders or significant sales of shares by any such Shareholders or short selling of the Ordinary Shares; speculation, whether or not well-founded, regarding possible changes in the Group's management team; loss of one or more major clients; additions or departures of key employees; any shortfall in revenue or net profit or any increase in losses from levels expected by securities analysts; and future issues or sales of Ordinary Shares. Any or all of these events could result in a material decline in the price of the Ordinary Shares. Investors may not be able to sell their Ordinary Shares at or above their acquisition price, or at all.

Dilution Risk

The issue of additional shares in the Company in connection with future acquisitions, any share incentive or share option plan or otherwise will in certain circumstances dilute all other shareholdings. The Group may seek to raise financing to fund future acquisitions and other growth opportunities. The Group may, for these and other purposes, such as in connection with share incentive and share option plans, issue additional equity or convertible equity securities. To the extent that such issues take place on a non-pre-emptive or partially non-pre-emptive basis, the Company's Shareholders will suffer dilution in their percentage ownership and/or the price of the Shares may be adversely affected.

The issued share capital of the Company immediately following Admission is expected to be 89,139,600 Ordinary Shares of £0.01 each. The Articles include pre-emption rights in respect of any further issues of Shares by the Company. In the event that a Shareholder waives or renounces their right of pre-emption in respect of an allotment of further Shares the proportion or value of an existing Shareholder's holding of Shares in the Company may be diluted.

Future Substantial Sales Risk

Subject to or following the expiry of the restricted sale arrangements (described in paragraph 4 of Part III (Summary of the Placing)), the Selling Shareholders, the Company or one or more of the Directors could sell a substantial number of Ordinary Shares in the public market. Such sales, or the perception that such sales could occur, may materially adversely affect the market price of the Ordinary Shares. This may make it more difficult for Shareholders to sell their Ordinary Shares at a time and price that they deem appropriate, and could also impede the Company's ability to issue equity securities in the future. During the periods immediately prior to and following the end of the periods of sales restriction provided for by these restricted sale arrangements, the market price of the Ordinary Shares may fall in anticipation of a sale of Ordinary Shares. Following the expiry of these arrangements, there will be no contractual restriction on the sale of the Ordinary Shares owned by the Shareholders who were previously subject to them. The Group cannot predict whether a substantial number of Ordinary Shares in addition to those which will be available in the Placing will be sold in the open market following the expiration or waiver of these restrictions. In particular, there can be no assurance that after the restrictions expire, such Shareholders will not reduce their holdings of the Ordinary Shares.

Restrictions on Pre-emption Rights

Holders of Ordinary Shares in jurisdictions outside Guernsey may not be able to exercise their pre-emption rights unless the Company decides to take additional steps to comply with applicable local laws and regulations of such jurisdictions. In the case of certain increases in

the Company's issued share capital, the Company's existing Shareholders are generally entitled to pre-emption rights pursuant to the Articles unless such rights are waived by a waiver resolution of the Shareholders. Holders of Ordinary Shares outside Guernsey may not be able to exercise their pre-emption rights over Ordinary Shares unless the Company decides to comply with applicable local laws and regulations. The Company cannot assure any Shareholders outside Guernsey that steps will be taken to enable them to exercise their pre-emption rights, or to permit them to receive any proceeds or other amounts relating to their pre-emption rights.

Dividend Risk

The ability of the Company to pay a dividend on the Ordinary Shares will depend on, *inter alia*, the solvency of the Company. Before any dividend or distribution can be paid by the Company, the Guernsey Companies Law requires the Directors authorising a distribution or dividend to certify that, in their opinion, the Company will be able to discharge its liabilities as they become due immediately after the payment of that dividend or distribution and will be able to do so for the next 12 months. If at the time any dividend payment is to be authorised, or at any time before any dividend payment is to be made, the Directors believe that the solvency test cannot be passed; no payment may be made to holders of the Ordinary Shares.

Exchange Rate Risk

The Ordinary Shares will be quoted and any dividends to be paid in respect of them will be paid in pounds sterling. An investment in Ordinary Shares by an investor in a jurisdiction whose principal currency is not pounds sterling exposes the investor to foreign currency exchange rate risk. Any depreciation of the pound sterling in relation to such foreign currency will reduce the value of the investment of the Ordinary Shares or any dividends in foreign currency terms.

DIRECTORS, SECRETARY, REGISTERED OFFICE AND ADVISERS

Directors	Simon John Thornton (Chief Executive Officer) Andrew Haining (Non- Executive Chairman) Michael "Iain" Kenneth Stokes (Non- Executive Director) <i>(referred to as "Iain Stokes" in this Listing Document.)</i>
Secretary	Julia Wilkes Sarnia House Le Truchot St Peter Port Guernsey, GY1 1GR
Registered Office	Sarnia House Le Truchot St Peter Port Guernsey, GY1 1GR
Counsel to the Company as to Guernsey law	Appleby (Guernsey) LLP Regency Court Glategny Esplanade St Peter Port Guernsey, GY1 1WW
Auditors	<p><i>For the year ended 30 April 2016 onwards</i></p> <p>BDO Limited PO Box 180 Place du Pre, Rue du Pre, St Peter Port, Guernsey, GY1 3LL</p> <p><i>For years prior to the financial year ended 30 April 2016</i></p> <p>Saffrey Champness PO Box 141 La Tonnelle House Les Banques St Sampson Guernsey, GY1 3HS</p> <p>BDO Limited and Saffrey Champness are firms of Chartered Accountants who are duly qualified to act as auditors in Guernsey.</p>
Registrars	Praxis Fund Services Limited PO Box 296 Sarnia House Le Truchot St Peter Port Guernsey, GY1 4NA
Bankers	RBS International Limited

	Royal Bank Place 1 Gategny Esplanade St Peter Port Guernsey, GY1 4NW
Listing Sponsor and Market Maker	Ravenscroft Limited PO Box 222 Level 5 The Market Buildings Fountain Street St Peter Port Guernsey, GY1 4JG

PLACING STATISTICS

Placing Price of Ordinary Shares	£1.00
Number of Sale Shares being placed on behalf of the Selling Shareholders (1)	21,691,500
Sale Shares as a percentage of the total number of Ordinary Shares in issue immediately following Admission⁽²⁾	24.3%
Number of Ordinary Shares in issue immediately following Admission	89,139,600
Market capitalisation of the Ordinary Shares at the Placing Price (2)	£89,139,600

Notes:

- (1) Assuming that the Selling Shareholders sell the maximum number of Ordinary Shares which they intend to sell.
- (2) This is calculated on the basis of the aggregate number of Ordinary Shares in issue immediately following Admission assuming that the maximum number of Sale Shares are placed.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of Prospectus	6 April 2017
Placing period ends	10 April 2017
Admission and commencement of dealings in Ordinary Shares	12 April 2017
Issue and despatch of definitive share certificates	by 21 April 2017

Each of the times and dates in the above timetable is subject to change. All times are Guernsey times.

KEY INFORMATION

The following information should be read in conjunction with the full text of this document from which it is derived and of which it forms part. Potential investors should read the whole document and not just rely on the key information set out below. Your attention is drawn, in particular, to the risk factors section of this document.

The Company was incorporated under the laws of Guernsey on 15 December 1995 and with registration number 30367. The Company's registered address is Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR.

1. The Company's business

The Company is the holding company to a number of operating companies whose activities are organised around the following business divisions:

Trust

The Trust division provides formation, fiduciary, accountancy and administrative services for a variety of structures. Primarily clients are high net worth individuals and families and corporates. The Group works closely with our clients' professional advisors.

Fund Administration

The Fund Administration division administers funds investing into debt, equity, fund of funds, private equity, infrastructure and property. The majority of the funds are structured as closed ended, although open ended funds are administered. Fund administration services include, bookkeeping and accounting, valuations, preparation of financial statements, company secretarial, compliance, registrar, and project management of new fund launches.

Pensions

The Pensions division is branded Trireme and administers a variety of personal and corporate pensions.

Additional Services

In addition to the three main divisions, the Group offers a number of complementary services, the principal ones being, fund management, treasury services and asset finance.

Other than expansion and developing complementary services to existing activities, the Company does not contemplate any material changes in the nature of the business it currently undertakes.

2. Summary financial information

The table below sets out a summary of the trading record of the Group's businesses for each of the three years ended 30 April 2014 to 30 April 2016. This data has been extracted, without material adjustment, from the audited financial statements of the Group.

PraxisIFM Group Limited

3 Year Summary : Audited Consolidated Group Financial Statements

Summary Income Statement			
Year	2014	2015	2016
Ends	30 April 2014	30 April 2015	30 April 2016
	£000's	£000's	£000's
Revenues	11,237	15,822	27,681
Direct costs	(6,030)	(7,968)	(12,915)
Gross Margin	5,207	7,854	14,766
Margin %	46%	50%	53%
Expenditure	(3,583)	(5,133)	(9,528)
Operating Profit	1,624	2,721	5,238
Interest	(11)	(9)	(159)
Tax	(152)	(337)	(631)
Profit	1,461	2,375	4,448
Minority Interests	(265)	(502)	(710)
Net Profit	1,196	1,873	3,738

Summary Balance Sheet			
Year	2014	2015	2016
Ends	30 April 2014	30 April 2015	30 April 2016
	£000's	£000's	£000's
Intangible Assets	546	8,879	17,956
Tangible Assets	851	1,831	2,237
Investments	183	239	259
Total Fixed Assets	1,580	10,949	20,452
Cash	1,465	5,384	6,333
Other Current Assets	3,677	6,583	10,740
Creditors	(2,198)	(5,444)	(13,563)
Net Current Assets	2,944	6,523	3,510
Non-current Creditors	(6)	(1,223)	(4,036)
Net Assets	4,518	16,250	19,926

The audited financial statements to 30 April 2016 are included in Appendix A

3. Current trading and prospects

The Company has traded in line with expectations in the period since the last financial year end of 30 April 2016.

The unaudited consolidated accounts of the Group for the six months to 31 October 2016 showed revenues of £16.7 million with net profit before tax and minority interests of £3.1 million and net profit after tax and minority interests of £2.6 million. Gross margin was 50% (30.4.2016: 53%) and net profit margin before tax and minority interests of 19% (30.4.2016: 19%).

As at 31.10.2016, Shareholders' funds stood at £21.5 million (30.4.2016: £19.9 million).

The Directors are not aware of any issues that would suggest that the Group has not continued to trade in line with expectations in the period since 31.10.2016, or that it will continue to do so for the rest of the current financial year.

4. Dividend policy

The Directors intend to retain sufficient profits to meet the Company's regulatory and working capital requirements and intend only to retain further profits where they consider that attractive investment opportunities have been identified which should be financed by the Company's internal resources. The Board intends to pay an interim and final dividend each year, however dividends are declared at the Board's absolute discretion.

5. Summary of the Placing and reasons for Admission

The Placing, which is not being underwritten, comprises the placing at the Placing Price of up to 21,691,500 Sale Shares with investors.

Assuming the maximum number of Sale Shares is sold, the Sale Shares will represent 24.3 per cent. of the issued share capital immediately following Admission.

The Placing is conditional, amongst other things, on Admission becoming effective.

It is expected that Admission will become effective, and that dealing shall commence, on or about 12 April 2017.

The Company will not receive any proceeds from the sale of the Sale Shares; proceeds will be received by the Selling Shareholders.

The entirety of the costs associated with the Admission is borne by the Group. The Company will not be liable to bear any sale commission arising on the Placing.

Any Sale Shares that are not successfully placed will continue to be held by the Selling Shareholders.

All Selling Shareholders will be subject to formal lock-in arrangements in respect of the Shares that they hold.

The Directors are seeking Admission for the following reasons:

- to raise the Group's public profile and status;
- to enhance the Group's profile within its target markets;
- to provide the Group with access to capital markets;
- to enhance the Group's ability to attract and retain staff;
- to gain a potentially attractive acquisition currency, for use were any suitable acquisition opportunity to arise; and
- to provide existing Shareholders with a market for their Shares.

PART I

INFORMATION ON THE GROUP

1. OVERVIEW

The Company is the parent company to a number of operating Subsidiaries who are specialist providers of bespoke administration and fiduciary services. The Group was formed on the merger of the Praxis Group and IFM Group in 2015. Both Praxis and IFM were until recently members of international accountancy networks.

Praxis has traded in Guernsey since 1983 and initially focused on fiduciary services for corporate and private clients. The group commenced providing treasury services in 1996 and fund administration services in 2000. The Group expanded by opening offices in Geneva and Malta in 2008, and in Luxembourg in 2009. The Praxis Group sold its interest in PKF (Channel Islands) Limited in 2010.

IFM was founded in Jersey in 2001 from the amalgamation of 3 existing fiduciary businesses, the oldest of which started trading in 1972. IFM opened offices in Geneva and South Africa in 2004, New Zealand in 2007 and Mauritius in 2014. IFM Group sold its interest in MRI Moores Rowland in 2007.

PraxisIFM Merger

The PraxisIFM Group was created in April 2015.

Subsequent to the merger, the Group has consolidated its two offices in Geneva and unified its operations on a common IT platform. This will allow the Group to offer certain services across the enlarged Group and facilitate the centralisation of certain operational functions.

On 14 October 2015 the Group acquired Confiance Pension Services Limited and rebranded the business Trireme Pension Services (Guernsey) Limited to mirror the branding of its existing Maltese pension business. In October 2015 the Group took control of Confiance Limited and acquired the company in December 2015. The former directors of Confiance Limited had been the subjects of a Public Statement issued by the GFSC on 26 October 2015. On assuming control of Confiance Limited, its staff were relocated to the Group's offices in St Peter Port.

In November 2015, the Group acquired Cavendish Administration Limited, a specialist fund administration business based in the UK.

In April 2016, the Group acquired Ampersand Management. Ampersand has offices in Geneva and Mauritius and in August 2016 the Group purchased Balmor Management SA. Ampersand's and Balmor's Geneva operations have moved into the Group office and all three businesses have migrated to the Group's IT platform.

In December 2016 the Group acquired Ryland Gray Information Technology Consultancy, a specialist administration business based in the United Arab Emirates. In an associated development, the Group has obtained a fiduciary licence and opened an office within Abu Dhabi Global Market.

In November 2016, the Group agreed to dispose of its interests in United Ventures Limited.

In January 2017, the Group acquired Cavendish Corporate Investments PCC Limited, a specialist annuity provider based in Guernsey. Cavendish Corporate Investments PCC Limited has been administered by the Group since the acquisition of Confiance Pension Services Limited.

The Group has a mixed client base which is well-diversified, with no client accounting for more than 3.26 per cent of annual billings in the financial year ended 30 April 2016. Furthermore, the top 10 clients accounted for less than 18 per cent of billings in the financial year ended 30 April 2016.

2. DIVISIONAL SPECIALISMS

The Group is organised around three principal business divisions which offer a specialist range of services to our clients. The three principal business areas of the Group are as follows:

Trust

The Group's Trust division represents about two thirds of the Group's total revenues. Within the Trust business, approximately two thirds of the revenue comes from private client structures, with the balance coming from corporate clients, family office services and employee incentives.

The Trust division provides an independent formation, fiduciary, accountancy and administrative service for a variety of entity types spanning structures for individuals to larger corporate trust structures. Primarily clients are high net worth individuals and families and corporates. The Group works closely with our clients' professional advisors.

As detailed in paragraph 7 of Part I, and in common with the rest of the Group, the Trust division has a significant number of professionally qualified staff and deals with a wide range of assets and investments.

The strategic aims of the Trust division are to widen and deepen its referral network with key introducers including banks, lawyers and accountants in target markets.

Fund Administration

The Group's fund administration business comprises 23% of turnover. The Group administers funds investing into debt, equity, fund of funds, private equity, and property. The majority of the funds are structured as closed ended, although open ended funds are administered.

Across the Guernsey and London offices, 17 of the closed ended funds are listed on the London Stock Exchange, Alternative Investment Market ("**AIM**"), or the Specialist Fund Market. This makes the Group experienced in the administration of the listed fund segment of the London Stock Exchange.

Fund administration services include, bookkeeping and accounting, preparation of financial statements, company secretarial, compliance, registrar, and project management of launches. Staff include a substantial number of professionally qualified members particularly in the disciplines of accountancy and company secretarial.

The strategic aim of the fund administration division is to grow in tandem with existing clients as well as to source new mandates through targeted jurisdictional marketing.

Pensions

The Group's Pension unit is relatively new and is branded Trireme. Trireme's first office started trading in Malta in May 2013 and it specialised in offering contractual personal pensions. In October 2016 the Group bought Confiance Pension Services, a Guernsey provider of personal and corporate pensions. The Pension division now contributes 6% of the Group's revenue.

The strategic aims of the Pension division are to build on its existing referral network and to expand its abilities in international corporate pensions servicing.

Additional Services

In addition to the three main divisions, the Group offers a number of complementary services, the principal ones being, fund management, treasury services and asset finance.

Fund Management Services

These are provided under the separate brand of International Fund Management Limited, which can act in the following capacities:

- Principal Manager to offshore funds for predominantly South African based advisors;
- Alternative Investment Fund Manager/Risk Manager to offshore funds privately placing into the European Union; and
- Risk Advisor to Maltese UCITs funds.

Fund management services, which have grown from a small base in 2015, now generate nearly 2% of Group turnover. These services also include general advisor oversight and supervision, ensuring adherence to investment parameters, regulatory filings for private placement, and risk management, monitoring and advisory services.

Treasury services

The Group has offered treasury management in Guernsey since 1996 with the aims of risk management and enhancing deposit returns through collective negotiation with banks. Furthermore, the Group provides Forex transaction services. Although currently a relatively small part of Group turnover, the recent adoption of common operating systems across the Group will speed up the adoption of this service across the enlarged Group.

Asset Finance

The Group offers assistance in obtaining a range of funding options to its client base. Primarily these will be asset backed loans spread across senior, mezzanine and bridging facilities. The Group generally charges success based fees for this work.

3. JURISDICTIONAL CAPABILITIES

The Group has expanded into other jurisdictions largely as a consequence of client demand and also through acquisition to establish international regulated capabilities that enable the Group to address the service needs of its clients.

The Group has the following offices through which it provides regulated services:

- **Abu Dhabi** – regulated by the Financial Services Regulatory Authority
- **Guernsey** – regulated by the Guernsey Financial Services Commission
- **Jersey** – regulated by the Jersey Financial Services Commission

- **Luxembourg** – regulated by the Commission de Surveillance du Secteur Financier
- **Malta** – regulated by the Malta Financial Services Authority
- **Mauritius** – regulated by the Mauritius Financial Services Commission

The Group also has offices in the following jurisdictions whose activities are not currently subject to regulation by a financial services authority:

- **New Zealand**
- **South Africa**
- **Switzerland**
- **United Kingdom**

4. THE GROUP'S REGULATORY OBLIGATIONS

As a Group with regulated businesses in multiple jurisdictions, the Group is subject to a comprehensive set of regulatory conditions and codes of practice. Such regulation presents both a challenge and opportunity to the Group which must continue to evolve its regulatory governance and risk management frameworks to ensure that licence conditions are being met.

These regulators require the Group to satisfy certain licence conditions in order to obtain and maintain its regulated status. At the outset a regulated business must be able to demonstrate sufficient technical capabilities in relation to the services being regulated and present an effective regulatory governance and risk management framework which can deliver the necessary reporting outputs and declarations.

Certain members of the Group are also expected to maintain minimum regulatory capital and liquidity requirements which can range from the holding of minimal regulatory capital in order to meet licence conditions through to meeting specific net asset and/or liquidity requirements, often based on expenditure.

The Group submits regular reports and declarations to the appropriate regulatory bodies in order to demonstrate and maintain compliance with the applicable licences. In addition regulatory bodies typically conduct periodic regulatory visits which may be themed towards a particular element of service provision or more generally on regulatory themes.

The Group is expected to hold and maintain the appropriate insurances (PII for example) which provide protections against certain losses in relation to client services. The Group also holds cyber security insurance cover.

All of the above present new entrants in the markets in which the Group operates with significant barriers to entry, particularly as the regulatory landscape continues to develop with further complex regulation and control.

The Group has also implemented detailed monitoring programmes to monitor risk exposures and to ensure regulatory requirements are being met.

Apart from the matters raised in respect of the former directors and owners of Confiance Limited by the GFSC in the Public Statement dated 26 October 2015, no material issues have been identified as a result of the periodic regulatory visits conducted by the Group's respective

regulators in the last five years. PraxisIFM is carrying on a process of review and remediation of the Confiance business and exiting relationships where appropriate.

The following table illustrates the various registrations and licences held by the principal Group entities:

Company name	Country of operation	Regulated Services	Regulator	Jurisdiction of registration
PraxisIFM Trust Limited (and joint licensees)	Guernsey	Licensed and Regulated under The Regulation of Fiduciaries, Administration Businesses and Company Directors, etc (Bailiwick of Guernsey) Law, 2000 to provide trust and company administration and ancillary services.	Guernsey Financial Services Commission	Guernsey
Praxis Fund Services Limited	Guernsey	Licensed and Regulated under The Protection of Investors (Bailiwick of Guernsey) Law 1987 to provide fund administration services.	Guernsey Financial Services Commission	Guernsey
PraxisIFM Treasury Services Limited	Guernsey	Licensed and Regulated under The Protection of Investors (Bailiwick of Guernsey) Law 1987 to provide securities dealing services.	Guernsey Financial Services Commission	Guernsey
International Fund Management Limited	Guernsey	Licensed and Regulated under The Protection of Investors (Bailiwick of Guernsey) Law 1987 to provide AIFM and risk management services.	Guernsey Financial Services Commission	Guernsey
Trirème Pension Services (Guernsey) Limited	Guernsey	Licensed and Regulated under The Regulation of Fiduciaries, Administration Businesses and Company Directors, etc (Bailiwick of Guernsey) Law, 2000 to provide pension administration services.	Guernsey Financial Services Commission	Guernsey
PraxisIFM Trust Limited (and participating members)	Jersey	Licensed and Regulated under The Financial Services (Jersey) Law 1998 and related legislation, to provide trust & company and fund administration and ancillary services.	Jersey Financial Services Commission	Jersey
Praxis Luxembourg S.A.	Luxembourg	Licensed and regulated under the Law of 5 April 1993 as registrar agents, corporate domiciliation agents, professionals providing company incorporation and management services, client communication agents and administrative agents of the financial sector.	Commission de Surveillance du Secteur Financier	Luxembourg
Praxis Fund Services (Malta) Limited	Malta	Licensed and regulated under the Company Services Providers Act 2013 and Recognised under The Investment Services Act, 1994 to provide fund administration services.	Malta Financial Services Authority	Malta
PraxisIFM Trust Limited	Malta	Licensed and Regulated under The Trusts and Trustees Act to provide trust, company and private foundation administration and ancillary services.	Malta Financial Services Authority	Malta
Trirème Pension Services (Malta) Limited	Malta	Licensed and Regulated under The Retirement Pensions Act to administer retirement schemes.	Malta Financial Services Authority	Malta
PraxisIFM Management (Mauritius) Limited	Mauritius	Licensed and Regulated under The Financial Services Act 2007 to provide trust and company administration and ancillary services.	Financial Services Commission of Mauritius	Mauritius
PraxisIFM Trust S.A.	Switzerland	The provision of trust and company administration and ancillary services is unregulated. The Company is subject to the Swiss Anti-Money Laundering Act and is a member of the Association Romande des Intermédiaires Financiere, a self regulating body recognised by the Swiss Financial Markets Supervisory Authority.	Association Romande des Intermédiaires Financiere	Switzerland
PraxisIFM Fund Services (UK) Limited and PraxisIFM Trust and Corporate Services Limited	United Kingdom	The provision of accountancy services and director/company secretarial services requires registration with HMRC, the supervisory body for compliance with the UK Laws on Money Laundering, for businesses of this sort.	HMRC	United Kingdom

5. MARKET OVERVIEW

Although there has been a significant degree of corporate activity in the sector over the last 15 years, the Group operates in a highly fragmented market. Initially banking groups invested in the sector with a view to gaining access to a captive client base. More recently, private equity funds have provided capital to the sector to facilitate consolidation within the industry. However, there remain a large number of service providers in the jurisdictions in which the Group operates. The Group believes there will continue to be opportunities to acquire suitable businesses in the coming years.

Because of the way fees are charged to the Group's clients, the Group is vulnerable to general declines in asset values and periods of lower economic activity. However, the long term nature of the client relationships managed within the Group's distinctive business segments of Trust, Fund Administration and Pensions, provides a degree of insulation from short term macro-economic factors.

The Group continues to benefit from the increasing amount of work institutions and corporates more generally are outsourcing and the scale required of services providers to meet increasing regulatory obligations. Legislation such as the European Alternative Investment Fund Managers

Directive (**AIFMD**) and the US Foreign Account Tax Compliant Act (**FATCA**), have created opportunities for the Group to widen its service offering.

In this context and against the backdrop of increasing regulatory requirements, the Group believes that its multi-jurisdictional presence and its size have clear benefits and position it well for sustained growth. The Group's presence across nine jurisdictions and its diverse and client focused service offering will allow the Group to retain and attract international clients.

6. STRATEGY

The Group's strategy is to grow both organically and through acquisition. The ongoing strategic focus of the Group is to continue building scale in our existing offices so that we can benefit from economies of scale and to establish offices in new markets.

Organic growth strategy

Historically, little of the Group's new business referrals came from the accountancy networks they belonged to and this was one of the factors that caused them to sell their member firms. Over the years the Group has focussed on establishing a network of advisers, through which new business is often referred.

The key drivers of the Group's organic growth strategy include:

- deepening of existing client relationships;
- developing complementary services such as treasury and risk management to improve our overall client offering;
- growing our network of offices by building a presence in new jurisdictions; and
- nurturing relationships with our key intermediaries.

Acquisition growth strategy

Underpinning the Group's organic growth strategy is its acquisition strategy, demonstrated by management's recent track record in sourcing, executing and integrating its chosen acquisitions.

Assessments are made as to the strategic rationale of an acquisition opportunity based on a number of indicators, including:

- the opportunity to build operational scale in existing and/or complementary jurisdictions;
- the cultural approach of the acquisition target;
- the opportunity to acquire a skilled workforce;
- the potential synergies the target presents; and
- the opportunity to further strengthen client relationships in cases where there are common clients.

The Group sees further consolidation occurring in the sector and, therefore, future acquisition opportunities.

7. EMPLOYEES

As at 1 November 2016, the Group employed 290 people (excluding short term contractors). The number of people employed in the business divisions was 239, the remaining 51 employees were in functions overseeing finance, HR, compliance, risk, legal, regulatory, IT and administration roles. Broken down by location, this is reported as follows:

Location	Business Divisions	Support Functions
Geneva	14	1
Guernsey	119	23 (11 of which are Group roles)
Jersey	50	11 (2 of which are Group roles)
London	8	0
Luxembourg	9	1
Malta	43	1
Mauritius	5	0
Other	5	0

The Board is responsible for delivering the strategic business objectives of the Group, day to day responsibility of which is handed down to the senior management team. The senior management team is responsible for ensuring the quality of ongoing client service and regulatory compliance.

The Group's employee policies along with its performance management and reward strategies are intended to maximise employee retention and minimise staff turnover. The Group's competency matrix which is adopted throughout its recruitment process assists in ensuring that quality employees are recruited. The probationary assessments and training plans which are in place from day 1 of employment highlight any potential performance issues early on so that those isolated cases can be dealt with immediately.

The Group is mindful of market rate salaries and will take steps to ensure that its salaries are competitive in the relevant market place. Although benefits vary slightly depending on location employees generally receive benefits such as medical cover, permanent health insurance and life assurance. Pension contributions are paid in the majority of locations. The Group also pays staff bonuses and these are based on a combination of the profits of the relevant operating company and each employee's individual performance. Bonuses are made on a fully discretionary basis.

The Group has enjoyed a good record of employee relations in all locations and has no history of industrial disputes. The Group's ethos is to grow and develop its own talent and to then retain that talent. Staff retention is good with latest figures indicating 14% turnover across the Group. When adjusted to take account of staff relocations, career changes and terminations under probational arrangements, turnover figures are lower than those generally experienced within the industry. Staff retention is measured monthly by the HR department and is reported as necessary to the Board.

Of the Group's employees, 148 are professionally qualified and a further 40 are currently part-way through study. The vast majority of the Group's senior employees are professionally qualified and such qualifications include ACCA, ACA, ATT, ICSA, STEP, CIPD and Chartered Managers. As part of the performance management strategy, staff are supported through professional qualifications as well as CPD, technical and soft skills training. The Group also recognises that its managers need to be equipped to deal with the day to day management of their team and in this regard, relevant staff attend management training programmes. A commitment to continual professional development maintains knowledge, skills and management capabilities and ensures that the Group's businesses understand and adapt to regulatory developments and general market trends across multiple jurisdictions. Staff are encouraged to undertake professional study and the Group is currently in the process of developing a graduate training programme.

The following table shows the Group's number of employees by jurisdiction as at 30 April 2014, 2015 and 2016:

Location	2014	2015	2016
Geneva	4	8	14
Guernsey	77	80	124
Jersey	0	0	61
London	0	0	7
Luxembourg	5	8	9
Malta	13	20	39
Mauritius	0	0	2
Other	1	3	4
Total	100	119	260

The following table shows the Group's employee numbers by business division as at 1 November 2016:

Fund Administration	69
Fiduciary	140
Pension Services	25
Other	5
Group Services	51

8. RISK MANAGEMENT AND COMPLIANCE

The Group has adopted a multi-layer approach to risk management and compliance. On a day to day basis the Group's client facing teams are responsible for operating in accordance with the Group's policies and the specific procedural and control environment of the business unit. The Group's divisional compliance teams, under the direction of and reporting directly to the Group head of compliance, are responsible for conducting and reporting on the compliance monitoring programme. The relevant business's compliance officer reports directly to each operating board and independently, via the Group Head of Compliance, to the Group Chief Executive Officer and

the Board. The divisional and Group risk committees are responsible for overseeing the risk management arrangements and reporting their deliberations to the relevant company's board.

The Group maintains high standards of compliance in respect of risk assessment, client take-on, anti-money laundering and other regulatory requirements. The Group spends significant time and resources in training staff, in reviewing and improving risk management, and on the implementation and monitoring of its compliance procedures and processes. The Group believes it has an effective risk and compliance function and a culture of compliance embedded within the service teams. The Group's risk and compliance structure provides appropriate checks and balances, with procedures well documented and key controls embedded within the Group's database systems.

The Group's risk committees are mandated under clear terms of reference which include client acceptance, dealing with exceptional cases and reviewing risk exposures.

The Group has sought to embed controls within its client management systems and it has adopted appropriate segregation over the input and multiple authorisation of transactions to minimise the risk of errors and ensure that all transactions are subject to the appropriate level of scrutiny by senior employees with the relevant specialist experience.

Each of the regulated businesses within the Group has undertaken a business risk assessment exercise which is subject to review by the Group head of compliance. The process helps verify existing risk assessments, identify potential new risks and help frame the compliance monitoring programmes and other risk management controls.

The Group has in place a number of key controls to ensure that client assets are monitored, managed and safeguarded as follows:

- high level of director control over processes
- HR screening processes
- quality of the employee base and on-going training
- specialisation of employees within divisions
- segregation of transaction processing and approval
- strong IT platforms and business continuity arrangements
- divisional and Group risk committee structure
- dedicated risk and compliance function
- long term client and staff relationships

The Group has adopted a corporate governance framework which defines its strategic business objectives ("**SBO**"), identifies the risks to achieving the SBO, formalises and documents the Group's corporate governance architecture, ensures all committees have terms of reference (to avoid internal reliance vacuums) and agrees and documents the Group's risk appetite. This corporate governance architecture enables the Group to identify and block holes in its defences, through the identification of deficiencies in the Group's policies and procedures, or their application. The compliance monitoring programme is a key tool to test and monitor the control environment, analyse the results and report the management information to the operating company boards and

onwards to the Group Board. The Group Board will consider these findings in the context of its SBOs and take appropriate, risk-based action.

9. INFORMATION TECHNOLOGY

The Group's information technology platform is based on an enterprise level solution utilising Microsoft Hyper V virtual servers with Citrix desktop applications. The systems are scalable and by utilising Citrix proven technology allows the Group to quickly deploy a complete IT solution at a remote office with minimal local investment, whilst ensuring compliance with the Group's procedures, systems and security.

All the Group's hardware and software is owned by the Group and supported via a service level support agreement by a third party provider working along with in-house IT staff.

The live hardware itself is hosted at a remote data centre located in Guernsey which operates to international standard ISO\IEC27001. The business continuity systems are similarly hosted at a remote data centre in Jersey which operates to the same standard. Using locations in two geographically separate locations increases resilience because they are not dependent on the same power and telecommunications infrastructure. Each server is also replicated automatically to a second redundant server held in the second data centre. In the event of server failure the server will automatically switch over to its partner server.

The Group's core systems are sourced from market leading software companies.

The Group utilises a suite of common database systems as its core client management systems. Each system utilises Microsoft SQL server database technology to hold and process the core data. The systems have been developed over a number of years and the Group has a significant level of expertise in the design, implementation and operation of these systems. Significant investment has been made in linking the core client management systems to the other core systems such as our document management suite to improve productivity and security.

The Group is constantly reviewing and checking its ability to manage and counter cyber security threats and provide a robust business continuity offering.

10. INSURANCE COVERAGE

The Group has insurance cover to protect its business in the event of claims. In particular, regulated businesses are required to carry PII cover that meets specified requirements. The Group meets all of these requirements. The Directors believe that the Group's current insurance coverage is appropriate for its business, in respect of its level and applicable excesses and deductibles, considering the Group's business location as well as the size of its business activities.

11. REASONS FOR THE LISTING, THE PLACING AND USE OF PROCEEDS

The Directors believe the Placing and Admission will raise client and investor awareness of the PraxisIFM Group and will provide the Group with a long-term capital framework to support future growth and investment.

The Directors believe the Placing and Admission will position the Group for its next stage of development by:

- raising the Group's public profile and status;

- enhancing the Group's profile within its target markets;
- providing the Group with access to capital markets;
- enhancing the Group's ability to attract and retain staff;
- gaining a potentially attractive acquisition currency, for use were any suitable acquisition opportunity to arise; and
- providing existing Shareholders with a market for their Shares.

The Placing will provide the Selling Shareholders with net proceeds of approximately £21.7 million.

12. CURRENT TRADING AND PROSPECTS

The Company has traded in line with expectations in the period since the last financial year end of 30 April 2016.

The unaudited consolidated Accounts of the Group for the six months to 31 October 2016 (Appendix B) showed revenues of £16.7 million, net profit before tax and minority interests of £3.1 million. Gross margins were 50% (30.4.2016: 53%) and net profit margin before tax and minority interests was 19% (30.4.2016: 19%).

As at 31.10.2016 Shareholders' funds stood at £21.5 Million (30.4.2016: £19.9 million).

The Directors are not aware of any issues that would suggest that the Group has not continued to trade in line with expectations in the period since 31.10.2016, or that it will continue to do so for the rest of the current financial year.

13. HISTORICAL TRADING

The table below sets out a summary of the trading record of the Group's businesses for each of the last three years ended 30 April 2014 to 30 April 2016. The data has been extracted from the audited financial statements. The audited financial statements for the year ended 30 April 2016 are included in Appendix A.

PraxisIFM Group Limited

3 Year Summary : Audited Consolidated Group Financial Statements

Summary Income Statement			
Year	2014	2015	2016
Ends	30 April 2014	30 April 2015	30 April 2016
	£000's	£000's	£000's
Revenues	11,237	15,822	27,681
Direct costs	(6,030)	(7,968)	(12,915)
Gross Margin	5,207	7,854	14,766
Margin %	46%	50%	53%
Expenditure	(3,583)	(5,133)	(9,528)
Operating Profit	1,624	2,721	5,238
Interest	(11)	(9)	(159)
Tax	(152)	(337)	(631)
Profit	1,461	2,375	4,448
MI's	(265)	(502)	(710)
Net Profit	1,196	1,873	3,738

Summary Balance Sheet			
Year	2014	2015	2016
Ends	30 April 2014	30 April 2015	30 April 2016
	£000's	£000's	£000's
Intangible Assets	546	8,879	17,956
Tangible Assets	851	1,831	2,237
Investments	183	239	259
Total Fixed Assets	1,580	10,949	20,452
Cash	1,465	5,384	6,333
Other Current Assets	3,677	6,583	10,740
Creditors	(2,198)	(5,444)	(13,563)
Net Current Assets	2,944	6,523	3,510
Non-current Creditors	(6)	(1,223)	(4,036)
Net Assets	4,518	16,250	19,926

The audited financial statements to 30 April 2016 are included in Appendix A

14. ACQUISITIONS WITHIN THE LAST TWO YEARS

The Group has made the following acquisitions within the last two years.

- On 23 January 2015 the Group approved the purchase of the IFM Group Limited for a total consideration of £11,029,602, payable partially in shares and in cash. The transaction completed during April 2015. The purpose of the purchase was to increase the service offering and client base of the Group.
- On 21 October 2015 the Group purchased Confiance Pension Services Limited for a total consideration of £643,032, payable partially in shares and in cash. Part of the consideration is deferred and the details of the amounts outstanding as at 31 December 2016 are disclosed in the table below. The purpose of the purchase was to increase the service offering of the Group.
- On 8 December 2015 the Group purchased Confiance Limited and its goodwill for a total consideration of £7,262,685, payable partially in shares and in cash. Part of the consideration is deferred and the details of the amounts outstanding, as at 31 December 2016, are disclosed in the table below. The purpose of the purchase was to increase the client base of the Group.
- On 26 November 2015 the Group acquired Cavendish Administration Limited for a consideration of £725,450, payable in cash. Part of the consideration is deferred and the details of the amounts outstanding as at 31 December 2016 are disclosed in the table below. The purpose of the purchase was to increase the service offering of the Group.
- On 31 March 2016 the Group acquired 100% of Ampersand Management (Geneva) SA and Ampersand Management (Mauritius) Limited for a consideration of £1,392,278 payable partially in shares and in cash. Part of the consideration is deferred and the details of the amounts outstanding as at 31 December 2016 are disclosed in the table below. The purpose of the purchase was to increase the service offering of the Group.
- On 4 August 2016 the Group purchased Balmor Management SA for the amount of CHF 350,000 payable partially in shares and in cash. Part of the consideration is deferred and the details of the amounts outstanding as at 31 December 2016 are disclosed in the table below. The purpose of the purchase was to increase the client base of the Group.
- On 4 December 2016 the Group purchased the assets and business of Ryland Gray Information Technology Consultancy for a total consideration of £791,500 payable in shares in the Company and £356,176 in cash. Part of the consideration is deferred and the details of the amounts outstanding as at 31 December 2016 are disclosed in the table below. The purpose of the purchase was to expand the service offering of the Group and to provide administrative services to the Group's subsidiary in Abu Dhabi Global Markets.
- On 20 January 2017 the Group purchased Cavendish Corporate Investments PCC Limited for a total consideration of £3,450,000 payable in cash. Part of the consideration is deferred for one year. The purpose of the purchase was to extend the service offering of the Group.

BORROWINGS, CONTINGENT LIABILITIES

The Group issued £442,377 6% unsecured redeemable loan notes on 8 December 2016 as part of

the consideration for the purchase of Confiance Limited. The loan notes pay interest quarterly and are redeemable on 31 October 2020.

The Group has a 5 year facility for £4,500,000 from Royal Bank of Scotland International Limited. As at 31 December 2016 the balance of the loan was £4,342,038. The loan is secured by an intercompany composite cross guarantee between the Company, Confiance Limited, Praxis IFM Trust Limited (Guernsey) and PraxisIFM Trust Limited (Jersey).

The Group has an overdraft facility for £1,000,000 from Royal Bank of Scotland International Limited. As at 31 December 2016 the balance owing on the overdraft was £590,905. The loan is secured by the following guarantees:

- an intercompany composite cross guarantee between the Company, Praxis IFM Trust Limited (Guernsey) and PraxisIFM Treasury Limited and PraxisIFM Trust SA;
- an intercompany composite cross guarantee between the Company, Confiance Limited, Praxis IFM Trust Limited (Guernsey) and PraxisIFM Trust Limited (Jersey); and
- a joint and several guarantee for £1,220,000 from Simon Thornton, Timothy Cumming, David Piesing and Robert Fearis.

The Company has loans from Lombard Finance (CI) Limited in relation to the acquisition of certain fixed assets and other items. The balance outstanding as at 31 December 2016 was £1,122,888. The Group has given no guarantees in respect of these borrowings.

As a result of the various acquisitions it has made, the Group has the following gross deferred consideration commitments:

Company Acquired	Date due	Gross amount
Confiance Limited (see below for payment terms)	8 December 2017	£1,230,604
	8 December 2018	£1,230,604
Confiance Pension Services Limited	21 October 2017	£96,455
Cavendish Administration Limited	1 May 2017	£121,769
	1 May 2018	£121,769
	30 November 2018	£69,582
Ampersand Management SA	31 March 2017	CHF 150,048
	31 March 2018	CHF 150,048
Balmor Management SA	4 August 2017	CHF 23,333
	4 August 2018	CHF 23,333
Ryland Gray Information Technology Consultancy	4 December 2017	£71,235
	4 December 2018	£71,235
Total as at 31 December 2016 (CHF 1.2585: GBP 1.00)		£3,288,855

There are provisions in the relevant purchase contracts for any claims made under the relevant warranties or indemnities to be set off against any deferred consideration due.

Fifty percent of the deferred consideration payable in respect of Confiance Limited is settled by

the issue of further 6% unsecured redeemable loan notes that are repayable in full on 31 October 2020.

The Company has no mortgages, guarantees, contingent liabilities or other charges save as disclosed above.

All intra Group liabilities have been disregarded for the purposes of this document.

15. DIVIDENDS AND DIVIDEND POLICY

The Board intends to adopt a dividend policy for the Company from Admission which will seek to maximise Shareholder value and reflect its strong earnings potential and cash flow characteristics, while allowing it to retain sufficient capital to fund ongoing operating requirements and to invest in the Group's long term growth.

The ability of the Company to pay dividends is dependent on a number of factors and there is no assurance that the Company will pay dividends or, if a dividend is paid, what the amount of such dividend will be. In this regard, please see the "Risk Factors" section of this Listing Document.

16. TAXATION

The attention of investors is drawn to the information regarding taxation set out in paragraph 14 of Part VI (Additional Information), of this Listing Document. The information is intended only as a general guide to the current tax position under Guernsey taxation law for certain types of investor.

Investors who are in any doubt as to their tax position or who are subject to tax in jurisdictions other than Guernsey are strongly advised to consult their professional advisers.

PART II MANAGEMENT

1. Directors and senior management

PraxisIFM has since inception, brought together a team of professionals who have considerable experience in the offshore financial services sector. The Non-Executive directors also provide a breadth of further business experience.

(a) Directors

The Board comprises one Executive Directors and two Non-Executive Directors.

Name	Position	Age
<i>Andrew Haining</i>	Non-Executive Chairman	57
<i>Simon John Thornton</i>	Chief Executive Officer	52
<i>Iain Stokes</i>	Non-Executive Director	52

All of the above Directors have completed the necessary checks required by the GFSC.

Brief biographies of the Directors and members of senior management are set out below:

Andrew Haining, Non-Executive Chairman

Andrew has had a 30 year career in banking and private equity with Bank of America, CDC (now Bridgepoint) and Botts & Company. During this career, he has been responsible for over 20 private equity investments with transactional values in excess of \$1bn.

He holds several Guernsey and UK board positions including Chairman of Aurigny, the state owned Channel Islands airline.

Simon Thornton, Chief Executive Officer

After completing his PhD in retailing at Nottingham University, Simon joined PraxisIFM in 1992 working in the Audit and Accountancy practice. He qualified as a Chartered Accountant in 1994 winning the prize for the highest scoring Channel Islands student in his final exams. Simon has been CEO of the Group since 2002. He has been involved in many aspects of the offshore financial services sector.

Simon acts and has acted as chairman of the audit and remuneration committees of a variety of companies both quoted and unquoted.

Iain Stokes, Non-Executive Director

In his early career, Iain worked for BDO and Guernsey International Fund Managers Limited (part of ING Barings) before joining Mourant International Finance Administration (MIFA) in 2003. As Group Managing Director, he was a member of the executive team that managed the sale of MIFA to State Street in 2010, where he was a Senior Managing Director until

2012. He holds a range of non-executive directorships on fund management and fund investment companies focused on alternative asset strategies.

(b) Senior Management

PraxisIFM will operate a management committee, which it is anticipated will meet on a regular basis. This management committee may be consulted for advice on the ongoing operation and future strategy of the Company and is composed of Simon Thornton, Brian Morris, Tim Cumming, Anthony Paul, Chris Gambrell, Peter Bruges, Robert Fearis, John Medina and Richard Kearsley.

Brief biographies of the members of the management committee who are not Directors are set out below:

Brian Morris – Chair of the Management Committee

Brian is a Fellow of the Institute of Chartered Accountants in England and Wales. He was a partner in MRI Moores Rowland from 1984 to 2001 until its merger with Sierra Trust Limited a predecessor firm to PraxisIFM Jersey. He has over 30 years' experience in accountancy, corporate finance and taxation services, as well as trust and corporate management and administration services. As Group Chairman until the listing, Brian has spent the past 30 years providing wealth management support for high net worth private clients and their families.

Tim Cumming – Group Head of Projects

Tim gained a Masters Degree in History from Glasgow University in 1980. He qualified as a Chartered Accountant in 1984 with Arthur Young in Glasgow. After spells with KPMG and JP Morgan at Euroclear, he joined PraxisIFM in 1989 where he was the Managing Director of the Audit and Accounting practice until 2013. He is a director of a number of other regulated financial companies.

Peter Bruges – Group Head of Finance

Peter joined PraxisIFM in January 2017 as Head of Group Finance. He has held senior finance, IT and programme management roles in the retail and finance sectors. Having run a sales business in the UK, he qualified as a chartered certified accountant in 2005 whilst head of Internal Audit and Finance Programmes at Specsavers Optical Group. In 2008 he joined Terra Firma to establish the Guernsey office as Finance and Operations Director. After leaving Terra Firma and before joining PraxisIFM, he held CFO roles with the Channel Islands Cooperative and Hark Capital, a family office where he remains on the investment committee for the family trusts and is a director on the general partner of a private equity fund.

Anthony Paul – Group Head of Compliance

Anthony is a member of the Chartered Institute for Securities & Investment and he has over 30 years' experience in the offshore finance industry. He has held a variety of roles including Manager of Internal Control with Manufacturers Hanover Bank (later to become Chemical Bank) and in 1997, Compliance Officer at Rea Brothers Fund Services (later to become Close Fund Services). Anthony joined PraxisIFM in 2007.

Anthony has served on various industry committees including the Guernsey Investment Fund Association Compliance Sub-committee and he was a member of the Guernsey Financial Services Commission Class B Rules working party.

Chris Gambrell – Managing Director, Funds Division

Chris trained and qualified as a Chartered Accountant with KPMG, and he joined PraxisIFM in 2005. Chris is responsible for the business development and strategy of the Funds division. Prior to joining PraxisIFM he spent eight years at Close Fund Services Limited as Director of Finance and Operations where, in addition to operations, he implemented system changes, formulated business strategy and was responsible for client and business development. Chris also spent three years setting up and administering Bank Unigestion (Guernsey) Limited.

Robert Fearis – Managing Director, Trust Guernsey

A former Royal Marine, Robert joined PraxisIFM in 1992 and qualified as a Chartered Certified Accountant in 1996. He was appointed manager of the trust department in 1995 and appointed to the board of directors in 1997. His expertise covers a wide variety of structures for private and corporate clients and regulated financial services businesses. Robert is a member of the Society of Trust and Estate Practitioners.

Richard Kearsey – Managing Director, Trust Jersey

Richard has been a Fellow of the Institute of Chartered Accountants in England and Wales since 2002, having been admitted as a member in 1987. He was a partner in MRI Moores Rowland from 1989 to 2001 until its merger with Sierra Trust Limited a predecessor firm to PraxisIFM Jersey. He has over 30 years' experience in accountancy and taxation services, as well as trust and corporate management and administration services.

Richard structures and manages the affairs of large international families and high net worth private client relationships. He has also worked extensively on structuring cross border transactions for medium-sized owner-managed businesses looking to connect with trading partners worldwide.

John Medina

Over 30 years' experience in accountancy, taxation, trust and corporate management and fund administration services, providing a wide range of bespoke professional services to private individuals, families and corporate clients in relation to their wealth and asset structuring, management and administration. He is a Fellow of the Association of Chartered Certified Accountants and a member of the Society of Trust and Estate Practitioners and the International Tax Planning Association.

(c) Registrar

The Company appointed Praxis Fund Services Limited (the “Registrar”) to act as its Registrar pursuant to the terms of a Company Registrar Agreement dated 6 April 2017, pursuant to which the Registrar provides registration services to the Company.

The Registrar shall be entitled to delegate any of its Services (as defined therein) under this agreement to such persons as shall have prior approval in writing by the Company.

The Registrar was registered in Guernsey on 13 April 2005 and is a subsidiary of the Company. The Registrar's registered office is at Sarnia House, Le Truchot, St Peter Port, Guernsey, GY1 1GR.

2. Corporate governance and internal controls

The Board is committed to high standards of corporate governance and business integrity in all of its activities. The Group is managed in a manner that results in transparency, effective risk management and strong internal controls. The Board monitors the Group's adherence to these corporate governance standards to ensure their ongoing effectiveness.

Whilst the Company is not licensed by the GFSC, the Directors support high standards of corporate governance and they intend to comply with the GFSC Finance Sector Code of Corporate Governance as applicable to the Company, together with the general fiduciary duties and duties of care, diligence and skill imposed on directors under Guernsey law.

The Board meets at least four times a year and is provided with timely reports and direct access to any information on request.

The Board considers it necessary and appropriate to establish an Audit Committee. The Audit Committee will be responsible for reviewing and monitoring internal financial control systems and risk management systems on which the Company is reliant, considering annual and interim accounts and audit reports, considering the appointment and remuneration of the Company's auditors and monitoring and reviewing annually their independence, objectivity, effectiveness and qualifications.

The Board also undertakes to establish a Remuneration Committee that will be responsible for, inter alia, the Group's remuneration policy and for reviewing and recommending all Directors' and Senior Executives' remuneration, bonuses and incentives.

The Board also undertakes to establish a Nominations Committee with responsibility for identifying suitable candidates to be appointed as directors as and when a vacancy may arise. This committee will only meet as required.

3. Share Dealing

The Directors will comply with the Model Code for Securities Transactions by Persons Discharging Managerial Responsibilities of Listing Companies in the Channel Islands Securities Exchange Authority Limited, published by the CISEA and will take all reasonable and proper steps to ensure compliance by applicable employees as required by the CISEA Rules.

PART III

SUMMARY OF THE PLACING

1. Details of the Placing

The Placing, which is not being underwritten, comprises the placing at the Placing Price of up to 21,691,500 Sale Shares. Assuming that the maximum number of Sale Shares is sold, the Sale Shares will represent 24.3 per cent. of the issued share capital immediately following Admission. No debt securities will be issued.

The Placing is conditional, amongst other things, on Admission becoming effective.

The Company will not receive any proceeds from the sale of the Sale Shares; the proceeds will be received by the Selling Shareholders. The costs associated with the Admission are expected to be borne by the Group. Any Sale Shares that are not successfully placed will continue to be held by the Selling Shareholders. The Company will not be liable to bear any sale commission arising on the Placing and the Selling Shareholders shall be liable for the payment of any such commission.

All Directors, senior employees and other Selling Shareholders will be subject to formal lock-in arrangements in respect of any Shares they may hold.

2. Admission

Application has been made to the CISEA for the issued 89,139,600 Ordinary Shares to be admitted to trading on the Official List of the CISEA. Admission is expected to take place and dealings in the Ordinary Shares are expected to commence at 8a.m. on 12 April 2017. The Ordinary Shares are in registered form and will be capable of being held in certificated form.

3. Settlement and dealings

It is expected that definitive share certificates will be despatched to placees, at the risk of the person entitled thereto, by 21 April 2017. There is no present intention that dealings or settlement will be by any electronic settlement system such as CREST. No temporary documents of title will be issued. Timing and payment of the Placing Price will be in accordance with the Placing Letter (as defined in the Placing Agreement)

4. Lock-in and orderly marketing arrangements

Each Selling and Non-Selling Shareholder (who is also an employee of PraxisIFM), who will hold, following Admission, in aggregate issued Ordinary Shares, has agreed to certain sale restrictions in respect of the Lock-In Shares. Each has agreed that during the Initial Restricted Period following Admission, he or she will not without the prior written consent of each of the Company and Ravenscroft (acting in their absolute discretion and in the case of the Company, with the approval of a resolution of the board of directors of the Company) dispose of the legal or beneficial ownership of, or any other interest in, their Lock-in Shares

Thereafter, each Selling and Non-Selling Shareholder has agreed to the following further restrictions:

- each Selling and Non-Selling Shareholder will not for the Second Restricted Period, without the prior written consent of each of the Company and Ravenscroft (acting in their absolute discretion), Dispose of greater than 1/3rd of the legal or beneficial ownership of, or any other interest in, their Lock-in Shares; and

- they will not for a period of 12 months after the end of the Second Restricted Period, without the prior written consent of each of the Company and Ravenscroft (acting in their absolute discretion), dispose of greater than 1/3rd of the legal or beneficial ownership of, or any other interest in, their initial holding of Lock-in Shares.

FSOIL has also agreed that it will not effect or agree to effect a disposal of 16,000,000 Ordinary Shares for a period of 6 months following Admission.

Further details of the lock-in arrangements are set out in paragraphs 13.1 to 13.3 of Part VI of this document.

PART IV

SHAREHOLDER REGULATORY OBLIGATIONS

1. Shareholder Regulatory Obligations

Shareholders should be aware that in light of the regulatory licences issued to members of the Group as set out in Part I, section 4 above, they will need to comply with all legislation and codes of practice in each of the jurisdictions in which members of the Group are regulated. Set out below is a jurisdictional summary of certain important regulatory information in relation to the holding and disposal of Shares in the Company and thus indirectly holding and disposing of interests in the regulated Group companies.

This summary is not exhaustive and relevant legislation and codes of practice may change. It is the responsibility of all Shareholders to comply with all legislation and codes of practice applicable to them and as such all Shareholders should (i) obtain their own legal advice in all relevant jurisdictions; and (ii) make all necessary notifications and requests for approval in all relevant jurisdictions, before acquiring or disposing of Shares in the Company.

2. Jersey

No person can become a shareholder controller (as defined below) of any Jersey regulated companies in the Group without first making an application to the JFSC financial services regulatory division pursuant to Article 14 of the Financial Services (Jersey) Law 1998 (“**FSJL**”) seeking a confirmation from the Jersey Financial Services Commission (“**JFSC**”) that it has no objection to that person becoming a shareholder controller.

For these purposes a “shareholder controller” means a person who, either alone or with any associate or associates (which is widely defined):

- a. directly or indirectly holds 10 per cent. or more of the share capital issued by a Jersey regulated company;
- b. is entitled to exercise or control the exercise of not less than 10 per cent. of the voting power in general meeting of a Jersey regulated company or of any other company of which it is a subsidiary; or
- c. has a holding in the company directly or indirectly which makes it possible to exercise significant influence over the management of the relevant Jersey regulated company.

An application will also need to be made to the JFSC financial services regulatory division pursuant to Article 14 of the FSJL seeking a confirmation from the JFSC that it has no objection to the shareholding of any shareholder controller of any Jersey regulated companies being increased or reduced past 50 per cent., 33 per cent. and 20 per cent. thresholds.

A notification must also be made to the JFSC if a person ceases to be a shareholder controller.

3. Guernsey

No person may become a controller (defined below) of any Guernsey regulated company in the Group holding a licence under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 or the Regulation of Fiduciaries, Administration Businesses and Company Directors, etc (Bailiwick of Guernsey) Law, 2000, unless advance written notification has been given to the GFSC of the proposed change of controller.

Where a person is to become a controller pursuant to an on-market acquisition of shares, the notification should be submitted, and the consent of the GFSC obtained, before the trade is effected.

For these purposes:

“controller”, in relation to a company, means, among other things, a shareholder controller (defined below) or an indirect controller (defined below);

“indirect controller”, in relation to a company, means a person in accordance with whose directions or instructions any director of that company or of any other company of which that company is a subsidiary, or any controller of that company, is accustomed to act; and

“shareholder controller”, in relation to a company, means a person who, alone or with associates, is entitled to exercise, or control the exercise of, 15 per cent. or more of the voting power in general meeting of that company or of any other company of which that company is a subsidiary.

A notification must also be made to the GFSC if a person ceases to be a controller and if a shareholder indirectly acquires 5 per cent. or more of the shares in any Guernsey regulated company in the Group.

4. Luxembourg

A person taking the decision to acquire, directly or indirectly, a “qualifying holding” (i.e. 10 per cent. of capital or voting rights or possibility to exercise a (comparable) influence over the management of any Luxembourg regulated company in the Group (including indirectly over any of its parent companies) has a prior notification obligation under article 18(5) of the Luxembourg law of 5 April 1993 on the financial sector (as amended) (the “FSL”) and the Commission de Surveillance du Secteur Financier (“CSSF”) has the possibility to object to the transaction in accordance with article 18(11) of the FSL.

Subsequent additional acquisitions by a person increasing its qualifying holding up to or above the thresholds of 20 per cent., 33 1/3 per cent. or 50 per cent. or turning the Luxembourg regulated entity into their subsidiary will also need to be notified beforehand to the CSSF and the CSSF can object to such transaction within a maximum period of three months as of the notification date and may fix a deadline for the execution of the notified transaction.

Pursuant to article 18(16) of the FSL, any natural or legal person who has taken a decision to dispose, directly or indirectly, of a “qualifying holding” (i.e. 10 per cent. of capital or voting rights or possibility to exercise a (comparable) influence over the management of the Luxembourg

regulated company in the Group (including indirectly over any of its parent companies) is required to notify in advance in writing the CSSF, indicating the size of its intended holding.

A person must likewise inform the CSSF in advance in writing of its decision to reduce its qualifying holding so that the proportion of the voting rights or of the capital participation held by him/her would fall below the thresholds of 20 per cent., 33 1/3 per cent. or 50 per cent. or so that the Luxembourg regulated company would cease to be its subsidiary.

5. Abu Dhabi

A person taking the decision to become a controller (as defined below) of any Group entity (“the **Authorised Person**”) regulated by the Financial Services Regulatory Authority of the Abu Dhabi Global Market (“the **Regulator**”) must apply to the Regulator for prior written approval.

Pursuant to Rule 8.8.2 of the General Rulebook of the Financial Services Regulatory Authority a “controller” is a person who (a) holds 10% or more of the shares in either the Authorised Person or a Holding Company of that Authorised Person; (b) is entitled to exercise, or controls the exercise of, 10% or more of the voting rights in either the Authorised Person or a Holding Company of that Authorised Person; or (c) is able to exercise significant influence over the management of the Authorised Person as a result of Holding Shares or being able to exercise voting rights in the Authorised Person or a Holding Company of that Authorised Person or having a current exercisable right to acquire such Shares or voting rights. Prior written approval of the Regulator is also required before an increase in the relevant Holding from below 20% to 20% or more; from below 30% to 30% or more; or from below 50% to 50% or more.

A written notification must be made to the Regulator by the controller, where that Person proposes to cease being a controller; proposes to decrease that Person's Holding from more than 50% to 50% or less; more than 30% to 30% or less; or more than 20% to 20% or less.

6. Malta

The different regulatory laws impose different shareholder obligations. For reasons of brevity, only the most stringent requirements are included below. Shareholders are referred to the Retirement Pensions Act Cap 514 for obligations at incremental shareholding levels.

<http://www.mfsa.com.mt/pages/viewcontent.aspx?id=229>

Pursuant to the Trust and Trustees Act Cap 331 and the Investment Services Rules for Recognised Persons Part B.I: On-Going Requirements for Recognised Fund Administrators any person who has a direct or indirect interest in the body corporate which represents 10% or more of the capital or, in the case of a company, every person who has a qualifying shareholding, must be approved by the Malta Financial Services Authority as being fit and proper

7. Mauritius

Pursuant to Section 23 of the Financial Services Act 2007 every change in beneficial ownership in the Mauritius management company (including changes at the holding company level) must be notified to the Mauritius Financial Services Commission (“**MFSC**”). Furthermore, any change in beneficial ownership of 5% or more requires the prior approval of the MFSC. However, the MFSC has confirmed that neither notification, nor prior approval is required in respect of any change of ownership in the Group holding company shares, listed on the Channel Islands Securities Exchange.

PART V

CONFLICTS OF INTEREST

It is recognised that any conflicts of interest, in terms of an interest in a transaction or proposed transaction with the Company, must be reported by the Directors to the Company in accordance with s.162 of the Companies Law. This requirement is also set out in the Articles as detailed in Part VI: Additional Information, Summary of the Articles of this document.

Further to this, the Company maintains a 'Conflict of Interests Register' listing all reported interests. It is recognised that s.162 of the Companies Law states that a general disclosure to the Board to the effect that a Director has an interest (as director, officer, employee, member or otherwise) in a party and is to be regarded as interested in any transaction which may after the date of the disclosure be entered into with that party is sufficient disclosure of interest in relation to that transaction. This statement is also set out in the Articles. In this respect it is noted that s.167 of the Companies Law defines 'interest' to include acting as a director of another company that is party to a transaction.

The Company also maintains a 'Register of Outside Directorships' recording other directorships held by the Directors as reported to it.

Furthermore, the Company prepares consolidated financial statements in accordance with applicable United Kingdom accounting standards and material related party transactions are reported for each reporting period in accordance with FRS102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland".

The Directors are aware of their legal duties in respect of any conflict of interests and believe that the procedures in place to record and manage such conflicts of interest are appropriate. Set out below are the interests and directorships reported to the Company:

Ravenscroft

Ravenscroft is the Company's Listing Sponsor, Market Maker and Placing Agent, and is the Manager, Market Maker and Placing Agent of FSOIL. Certain directors of Ravenscroft have a personal interest in the shares of FSOIL.

FSOIL owns 80,000 "A" ordinary shares in the Company (9.93%) and has committed to purchase a further minimum of 10% and maximum of 15% of the Ordinary Shares in the Placing.

In light of the information disclosed above and below, Ravenscroft has advised that it considers the Company to be a connected stock. Where Shareholders hold their Shares in an account with Ravenscroft, whereby Ravenscroft's wholly owned subsidiary Huntress (CI) Nominees Limited ("**Huntress**") is the registered holder of the Shares, as a matter of best practice Ravenscroft has confirmed that Huntress will not, except as expressly instructed by the beneficial owner, exercise its voting rights in connection with the Shares.

Praxis Fund Services Limited

Praxis Fund Services Limited, a subsidiary of the Company, provides secretarial and administrative services to FSOIL and is Listing Sponsor to FSOIL. The services are provided on arms length commercial terms.

Praxis Fund Services Limited is registrar to the Company.

Praxis Fund Services Limited provides services to other companies and investment funds that are listed on the CISEA.

CISEA

The Group holds 31,500 ordinary shares in The Channel Islands Securities Exchange Limited, the parent company of the CISEA.

Employees

There are a number of current employees of the Group who have minority shareholdings in the Company and certain of its subsidiaries, and/or options granting them rights to acquire Shares in the Company or certain of its subsidiaries, which would constitute a minority shareholding.

BDO Limited

BDO Limited and other member firms of BDO International Limited provide professional services to structures administered by the Group and to companies where employees of the Group act as directors. BDO Limited is obliged to confirm its independence before undertaking any audit assignment.

Iain Stokes

Iain Stokes has interests in the shares in FSOIL via Huntress (CI) Nominees Limited.

PART VI

ADDITIONAL INFORMATION

1. Incorporation and status of the Company

- 1.1. The Company was incorporated and registered in Guernsey under the Companies (Guernsey) Law 2008 as amended (the “**Companies Law**”) on 15 December 1995 with registered number 30367 as a private company limited by shares.
- 1.2. The principal legislation under which the Company operates under is the Companies Law and the regulations made thereunder.
- 1.3. The registered office of the Company is at Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR. Statutory records of the Company are located at the registered office of the Company.
- 1.4. Subject to the applicable laws, the liability of the members of the Company is limited.

2. Share capital of the Company

- 2.1. The Company’s authorised and issued share capital, at the date of this document and as it is expected to be immediately following Admission is as follows:

At the date of this document

	No of Ordinary Shares	Nominal value of Ordinary Shares £
Authorised	1,000,000	£1.00
Issued and fully paid	891,396	£1.00

Following Admission

	No of Ordinary Shares	Nominal value of Ordinary Shares
Authorised	500,000,000	£0.01
Issued and fully paid	89,139,600	£0.01

As at the date of this document and as expected to be both immediately following the Share Capital Reorganisation (as defined in 2.3 below) and following Admission, the Directors and their associates have the following interest in the nominal value of the issued share capital carrying rights to vote in all circumstances at general meetings of the Company.

	At the date of this document		Immediately Following Share Capital Reorganisation		Following Admission	
	<i>Number of "A" ordinary shares</i>	<i>Percentage of Issued Share Capital carrying rights to vote</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of Ordinary Shares</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of Ordinary Shares</i>
Andrew Haining*	3,000	0.4%	300,000	0.3%	550,000	0.6%
Iain Stokes	1,211	0.2%	121,102	0.1%	196,102	0.2%
Simon Thornton	51,361	7.2%	5,136,100	5.8%	3,595,270	4.0%

As at the date of this document and as expected to be both immediately following the Share Capital Reorganisation (as defined in 2.3 below) and following Admission, the following parties have an interest in 3% or more of the nominal value of the issued share capital carrying rights to vote in all circumstances at general meetings of the Company.

	At the date of this document		Immediately Following Share Capital Reorganisation		Following Admission	
	<i>Number of "A" ordinary shares</i>	<i>Percentage of Issued Share Capital carrying rights to vote</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of Ordinary Shares</i>	<i>Number of Ordinary Shares</i>	<i>Percentage of Ordinary Shares</i>
FSOIL	80,000	11.2%	8,000,000	9.0%	19,081,527	21.4%
The Trustees of the PraxisIFM Holdings Employee Benefit Trust	61,113	8.6%	8,044,800	9.6%	8,131,300	9.1%
Brian Morris	71,097	9.9%	7,109,700	8.0%	4,834,596	5.4%
Chris Gambrell*	0	0.0%	6,107,800	6.9%	4,153,304	4.7%
Richard Kearsley	56,760	7.9%	5,676,000	6.4%	3,859,680	4.3%
Simon Thornton	51,361	7.2%	5,136,100	5.8%	3,595,270	4.0%
Robert Fearis	50,275	7.0%	5,027,500	5.6%	3,517,500	3.9%
Timothy Cumming	48,501	6.8%	4,850,100	5.4%	3,298,068	3.7%
John Medina	47,106	6.6%	4,710,600	5.3%	3,203,208	3.6%
Steve Cliff	26,260	3.7%	4,500,000	5.0%	3,060,000	3.4%
David Piesing	45,000	6.3%	4,500,000	5.0%	3,060,000	3.4%
Stuart McInnes	31,465	4.4%	3,146,500	3.5%	2,139,620	2.4%

* Indirect holdings

2.2 The following changes in the authorised share capital since 1 November 2014 have occurred:

On 14 April 2015, the Company converted 2,996 fully paid "A" ordinary shares into fully paid "B" ordinary Shares.

On 15 April 2015, the Company issued 287,043 fully paid "A" ordinary shares at £36.83 each as the consideration for the acquisition of IFM Group Limited.

On 15 April 2015, the Company issued 2,156 fully paid "A" ordinary shares at £36.83 each for cash.

On 28 October 2015, the Company issued 1,929 fully paid "A" ordinary shares at £57.42 each as part of the consideration for the acquisition of Confiance Pension Services Limited.

On 8 December 2015, the Company issued 19,047 fully paid "A" ordinary shares at £57.42 each as part of the consideration for the acquisition of Confiance Limited.

On 15 March 2015, the Company converted 2,000 fully paid "A" ordinary shares into fully paid "B" ordinary shares.

On 31 March 2016, the Company issued 14,445 fully paid "A" ordinary shares at £57.42 each as the consideration for the acquisition of Ampersand Management (Geneva) SA and Ampersand Management (Mauritius) Limited.

On 15 April 2016, the Company converted 1,000 fully paid "A" ordinary shares into fully paid "B" ordinary shares.

On 10 May 2016, the Company converted 3,000 fully paid "A" ordinary shares into fully paid "B" ordinary shares.

On 4 August 2016, the Company converted 1,500 fully paid "A" ordinary shares into fully paid "B" ordinary shares.

On 4 August 2016, the Company issued 2,760 fully paid "A" ordinary shares at £57.42 each as the consideration for the acquisition of Balmor Management SA.

On 11 November 2016, the Company converted 1,500 fully paid "A" ordinary shares into fully paid "B" ordinary shares.

On 9 December 2016, the Company issued 39,282 fully paid "A" ordinary shares and 22,890 fully paid "B" ordinary shares to the Trustees of the Praxis Holdings Employee Benefit Trust so it could satisfy the options granted to various employees of the Group under the Group's General Service Option Scheme. The total consideration was £3,469,442 which was loaned by the Company to the Trustees of the Praxis Holdings Employee Benefit Trust.

On 22 December 2016, the Company issued 80,000 fully paid "A" ordinary shares at £81.65 each to the FSOIL. The FSOIL is managed by Ravenscroft.

On 31 January 2017, the Company issued 3,000 fully paid "A" ordinary shares at £81.65 each to Bourse Pension Administrators (Malta) Limited as Trustee of the Bourse Retirement Scheme re A Haining and 918 fully paid "A" ordinary shares at £81.65 each to Iain Stokes.

2.3 Upon Admission, the following reorganisation of the Company's Share capital will have been implemented on the terms summarised below (together the "**Share Capital Reorganisation**"):

- a) by a resolution of the Board passed at a meeting of the Board held on 24 February 2017 the Directors resolved that all existing "B" ordinary shares of £1 each in the capital of the Company be re-designated as "A" ordinary shares of £1 pound each pursuant to and in accordance with Article 3.3 of the Articles and that such re-designation was to take effect immediately prior to the actions contemplated by the shareholder resolutions approved at the extraordinary meeting of the shareholders of the Company held on 6 March 2017 (as described below) being implemented;
- b) at an extraordinary meeting of the shareholders of the Company held on 6 March 2017 it was resolved that subject to and conditional upon the Company being issued a grant of listing or equivalent confirmation of approval for listing by the CISEA:
 - (i) each of the issued "A" ordinary shares of £1.00 each in the capital of the Company be subdivided into 100 "A" ordinary shares of £0.01 each;
 - (ii) the authorised share capital of the Company be increased from £1,000,000 divided into 1,000,000 ordinary shares of £1 each to £5,000,000 divided into 500,000,000 ordinary Shares of £0.01 each;
 - (iii) all of the issued "A" ordinary shares be re-designated as Ordinary shares, such shares having the rights and being subject to the restrictions set out in the amended Articles to be adopted immediately prior to Admission; and
 - (iv) the transfer of Ordinary Shares pursuant to the Placing Agreement and the issue of Ordinary Shares pursuant to the Share Exchange Agreements (as defined below) be approved for all purposes and any rights of pre-emption or otherwise in relation thereto waived.
- c) pursuant to the terms of various share exchange agreements made between each of the minority shareholders in Praxis Fund Holdings Limited and the Company on 6 April 2017, each minority shareholder in Praxis Fund Holdings Limited agreed to sell to the Company all of their shares in Praxis Fund Holdings Limited in exchange for Ordinary Shares (together the "**Share Exchange Agreements**").

The obligations of the parties to the Share Exchange Agreements are conditional upon the Placing and Admission. Pursuant to the terms of the Share Exchange Agreements each of the minority shareholders in Praxis Fund Holdings Limited provide warranties in favour of the Company which are customary for an agreement of this nature in respect of title to the shares being acquired by the Company in Praxis Fund Holdings Limited.

3. Share Option Scheme

The Company has operated the PraxisIFM Holdings Employee Benefit Trust (“EBT”) since 23/10/2003. As set out below, the Trustees have acquired and been issued “A” and “B” ordinary shares in the Company and, in consultation with the Company, have granted options over those shares to certain employees of the Group. The “A” and “B” ordinary shares held by the EBT will be converted to Ordinary Shares as part of the Share Capital Reorganisation.

It is intended that the EBT trustees will continue to buy Ordinary Shares on the market or subscribe for them. It is intended that the EBT will be funded by way of loans and other contributions from the Group. The EBT will not without prior shareholder approval, acquire Ordinary Shares which would cause its holding to exceed 20 per cent of the Ordinary Shares in issue.

The Group has a number of historic share option arrangements, however it has recently standardised these arrangements. Currently, the Group, through the EBT, operates two share option schemes, a General Service Scheme and a Performance Conditions Scheme for its current employees. In the event an employee leaves the Group, any unexercised options will lapse.

The Performance Conditions Scheme is open to certain senior staff, including Directors who the Board have determined should be incentivised to grow the EBITDA of the Group business they work in. The ability to exercise the options is subject to the relevant business achieving predetermined targets. Options granted under the Performance Conditions Scheme do not have a fixed date on which they will lapse.

To the extent that the options under this scheme are not yet exercisable because the performance criteria have not been met, the Company has not issued the Ordinary Shares to the EBT necessary to fulfil its obligations under the Performance Conditions Scheme. However, in the event the EBT is unable to purchase sufficient ordinary shares to satisfy its obligations, the Company has undertaken to issue sufficient ordinary shares to the EBT at the relevant exercise price at such time as the options become exercisable. In the event all the targets are met the Company will have to issue the EBT 166,400 “A” ordinary shares at an average price of £77.33. Following the share capital reorganisation, this is equivalent to 16,640,000 ordinary shares at an average price of £0.773.

The General Service Scheme is open to all employees graded senior manager and above who operate in roles where it is not practical and/or sensible to apply performance benchmarks. The number of options depends on the seniority of the member of staff. The EBT has sufficient shares to satisfy all the Company’s obligations under the General Service Scheme. As a result of the issue of shares on 9 December 2016, the Company loaned the EBT the total consideration of £3,469,442. The loan will be repaid either through dividend receipts, the proceeds of option exercise or contributions from the Company. Unless the terms are varied by the Trustees of the EBT, options granted under the General Service Scheme generally lapse on 30 April 2018. In the event any of the options are not taken up,

they will be used to satisfy the obligation granted under the performance conditions scheme.

The EBT has a number of historic arrangements with certain senior staff. Under arrangements similar to the General Service Scheme, the EBT has granted options over 20,931 fully paid "A" ordinary Shares and 4,125 fully paid "B" ordinary Shares at the then prevailing price to certain key members of staff. The average price payable for these options is £40.48 per share. These options all expire on or before 30 April 2020. Following the share capital reorganisation, this is equivalent to 2,505,600 ordinary shares at an average price of £0.4048 per share. The EBT will hold, following the share capital reorganisation, sufficient Ordinary Shares to satisfy these options in full.

In the event options over Shares already held by the EBT are not exercised, the Trustees of the EBT will use them to satisfy other option arrangements.

Additionally, the Group has a performance based option scheme for the management of Praxis Luxembourg SA. The Group has agreed to sell up to 10% of the equity of Praxis Luxembourg SA to the senior management based on the Praxis Luxembourg SA meeting certain EBITDA targets. The exercise price of these options is the net asset value per share of the company at the exercise date. The options granted under these agreements do not have a fixed date on which they will lapse.

4. Memorandum and articles of incorporation

- 4.1. The principal objects of the Company are to carry on the business of a holding company. The objects of the Company are unlimited.
- 4.2. The Articles contain provisions on how the Company is to be governed. The summary provided below is for guidance purposes only and can not be relied upon as a substitution for reading the full text of the Articles. Any capitalised words shall have the meaning as set out in the Articles. The Articles contain, *inter alia*, the following:

Voting: Article 35 covers that in general meeting, every Member present in person or (being a corporation) being represented by a duly authorised representative (not being a Member himself), shall have one vote on a show of hands or on a poll, every Member present in person or by proxy shall have one vote for each share held by him, subject to any special voting powers or restrictions (if any).

Variation of rights: In addition to the rights expressed in Article 3 (summarised below), Article 4 provides that where at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue) may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class or with the sanction of a special resolution of the holders of the shares of that class.

General Meetings: Article 32 provides that general meetings shall be held once at least in each calendar year but no more than 15 months may elapse between one annual general meeting and the next. Other meetings shall be called extraordinary general meetings.

Pursuant to Article 5 when the share capital is divided into separate classes, the provisions applying to general meetings shall apply mutatis mutandis to any class meeting and to the voting on any matter by the Members of any such class.

Directors' material interests: Article 24 requires that Directors (and their alternates) shall declare their interests in any transaction at a meeting of the Board. Interests need to be declared whether direct or indirect. An interest of any person connected with a Director for the purposes of applicable law will be treated like an interest of the relevant Director. Save as otherwise provided by these Articles, a Director shall not vote at a meeting of the Directors in respect of any contract or arrangement or any other kind of proposal whatsoever in which he has an interest which (together with any person connected with him) is to his knowledge a material interest (other than an interest in shares, debentures or other securities of or otherwise in or through the Company). A Director shall not be counted in the quorum at a meeting in relation to any resolution on which he is not entitled to vote.

A Director shall (in the absence of some other material interest than is indicated below) be entitled to vote (and be counted in the quorum) in respect of any resolution concerning any of the following matters, namely:-

- the giving of any guarantee, security or indemnity in respect of money lent or obligations incurred by him or by any other person at the request of or for the benefit of the Company or any of its subsidiaries;
- the giving of any guarantee, security or indemnity in respect of a debt or obligation of the Company or any of its subsidiaries for which the Director has assumed responsibility in whole or in part under a guarantee or indemnity or by the giving of security;
- any proposal concerning an offer of shares or debentures or other securities of or by the Company or any of its subsidiaries for subscription or purchase or exchange in which offer he is or is to be interested as a participant in the underwriting or sub-underwriting of such offer; any proposal concerning any other company in which he is interested, directly or indirectly and whether as an officer or shareholder or otherwise, provided that he (together with persons connected with him) does not to his knowledge hold an interest in shares representing one per cent or more of the issued shares of any class of the equity share capital of such company (or of any third company through which his interest is derived) or of the voting rights available to members of the relevant company (any such interest being deemed for the purposes of this Article to be a material interest in all circumstances);
- any proposal concerning the adoption, modification or operation of a pension, superannuation or similar scheme or retirement death or disability benefits scheme or an employees' share scheme under which he may benefit and which relates both to employees and Directors and does not accord to such Director any privilege or benefit not generally accorded to the employees to whom such scheme relates;

- any proposal concerning the purchase, funding and/or maintenance of insurance which the Company is empowered to purchase fund and/or maintain for or for persons who include any Director or other officer of the Company under which he may benefit.

Where proposals are under consideration concerning the appointment (including fixing or varying the terms of appointment) of two or more Directors to offices or employments with the Company or with any company in which the Company is interested, or to fix or vary the terms of such appointments, such proposals may be divided and considered in relation to each Director separately and in such case each of the Directors concerned shall be entitled to vote (and be counted in the quorum) in respect of each resolution except that concerning his own appointment.

For the purposes of the Articles, an interest of a person who is, for any purpose of the Law (excluding any statutory modification thereof not in force when these Articles become binding on the Company), connected with a Director shall be treated as an interest of the Director and in relation to an alternate Director, an interest of his appointor shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director has otherwise.

If any question shall arise at any meeting as to the materiality of a Director's interest or as to the entitlement of any Director to vote and such question is not resolved by his voluntarily agreeing to abstain from voting, such question shall be referred to the chairman of the meeting and his ruling in relation to any other Director shall be final and conclusive except in a case where the nature or extent of the interests of the Director concerned have not been fairly disclosed.

A Director may hold any other office or place of profit under the Company (other than Auditor) in conjunction with his office of Director for such period and on such terms (as to remuneration and otherwise) as the Board may determine and no Director or intending Director shall be disqualified by his office from contracting with the Company either with regard to his tenure of any such other office or place of profit or as vendor purchaser or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director is in any way interested be liable to be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profits realised by any such contract or arrangement by reason of such Director holding that office or of the fiduciary relationship thereby established.

Any Director may act by himself or his firm in a professional capacity for the Company and he or his firm shall be entitled to remuneration for professional services as if he were not a Director.

Directors' remuneration: Article 21 stipulates that unless otherwise directed by ordinary resolution of the Company, the Board shall determine the Directors' remuneration, including questions of benefits such as (but not limited to) pensions, gratuities, insurance or expenses properly incurred in connection with the discharge of Directors' duties. An alternate Director is entitled to be paid any expenses properly incurred in connection with the discharge of his duties as an alternate Director including any fees agreed to be paid. An alternate Director is not entitled to be otherwise remunerated unless the Members approve such remuneration by ordinary resolution.

The Directors may delegate their power to determine their own remuneration to a committee under Article 22.1.

Borrowing powers: Article 23 permits that the Board may exercise all the powers of the Company to borrow money and to mortgage, hypothecate, pledge or charge all or part of its undertaking property and assets and uncalled capital and to issue debentures and other securities whether outright or as collateral security for any liability or obligation of the Company or of any third party.

Retirement of Directors: The Articles do not include a mandatory retirement or non-retirement age for Directors. Any retirement provisions will be imposed by operation of law and by the service contract for the relevant Director.

Appointment and removal of Directors: Pursuant to Article 20, the Company must have a minimum of two directors but has no upper limit. New Directors may be nominated by the Board or by Members of the Company. Directors may then be appointed by the Board (exercising their professional judgement as to the suitability of the candidate) or by ordinary resolution in a general meeting of the shareholders. A Director (other than an alternate Director) may appoint an alternate to exercise some or all of his powers as a Director for a specified period. The appointment must be in writing and a copy must be given to the Company. An alternate Director shall cease to be an alternate if the Director who appointed him ceases to be a Director or where the appointing Director terminates the appointment in writing, a copy of the termination must be given to the Company.

The Board may appoint one of their number to be the chairman of the Board and may at any time remove him from that office. Unless he is unwilling to do so, the Director so appointed shall preside at every meeting of the Board at which he is present. But if there is no Director holding that office, or if the Director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the Directors present may appoint one of their number to be chairman of the meeting.

A Director may be removed from office:

- by ordinary resolution of the Members;
- where he is requested in writing to resign by all other Directors of the Company (being no less than two);
- is declared bankrupt, or his affairs declared en désastre, has a preliminary vesting order made against his Guernsey realty, suspends payments or compounds with creditors or is adjudged, insolvent or any analogous event occurs under the laws of any jurisdiction;
- the Board resolves that his office is vacant because he becomes ineligible or incapable of continuing to act as a Director for whatever reason or
- the Board resolves that his office is vacant because he has been absent (without permission) from Board Meetings for more than six consecutive months.

Creation or issue of further Shares and alteration of capital: Article 3 provides that the Company may at any time by ordinary resolution increase its authorised share capital by such sum to be divided into shares of such amount as the resolution shall prescribe.

Any new shares created (which may include redeemable shares) shall be of such class and amount and may rank *pari passu* with the Ordinary Shares or have such preference or priority as regards dividends or in the distribution of assets or as to voting or otherwise over any other shares of any class whether then issued or not or be subject to such stipulations deferring them to any other shares with regard to dividends or in the distribution of the assets as the Board may determine.

The Company may also by ordinary resolution consolidate or divide existing share capital into shares of larger or smaller amounts than its existing shares; subdivide any or all of its shares into smaller amounts than is fixed in the Memorandum, provided that the proportion between the amount paid and the amount unpaid (if any) on each reduced share shall be the same as it was in the case of the share from which the reduced share is derived. The Company may cancel any shares which, at the date of passing the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

Where as the result of any consolidation or subdivision of shares Member of the Company are entitled to any issued shares of the Company in fraction, the Board may (i) sell the shares to any person (including, subject to the Law, the Company) for the best price reasonably obtainable and distribute the net proceeds of sale to, and among, the Members entitled to such shares in due proportions or (ii) if the necessary unissued shares are available, issue to each such holder credited as fully paid up by way of capitalisation the minimum number of shares required to round up his holding to a whole number (such issue being deemed to have been effected immediately prior to consolidation) and the amount required to pay up such shares shall be appropriated at their discretion from any of the sums standing to the credit of any of the Company's reserve accounts (including share premium account and capital redemption reserve) or to the credit of profit and loss account and capitalised by applying the same in paying up such shares.

Any reduction in its share capital, share premium account or capital account, whether by way of the redemption or repurchase of Shares or otherwise, may be done in any manner, subject only to obtaining such consents and authorisations as may be required by the Law.

Dividends and Distributions: Under Article 19 and subject to the Law, the Company may at any time declare and pay such dividends as appear justified given the position of the Company. No dividend paid shall exceed the amount permitted by the Law or approved by the Board. An entitlement to a dividend may be declared forfeited by the Directors where it remains unclaimed for six years from the date when it became due for payment. The Company is not liable to pay interest or any other penalty on dividends and distributions. The Company may also deduct any sums owed to it by a Member from any dividend or distribution otherwise payable to that Member.

Except as otherwise provided by the Articles or the rights attaching to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amounts

paid up on the shares during any portion or portions of the period in respect of which the dividend is paid; but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly.

Transferability of shares: Article 15 states that any transfer of shares shall be effected in any usual or common form or in any such form as permitted by Law and deemed acceptable by the Board. It is noted that next to the rules of the CISEA, the Uncertificated Securities (Enabling Provisions) (Guernsey) Law 2005 and the CREST Guernsey Requirements also apply in relevant circumstances and shall not be limited or restricted by the Articles.

The Board may in its absolute discretion and without giving reasons decline to register a transfer where the transfer regards shares which have not been fully paid up or on which the Company has a lien. A registration of a transfer may also be declined unless (i) the transfer is in respect of one class of shares, (ii) is lodged at the Office together with evidence of share ownership evidencing the right of the transferor to transfer the shares and (iii) where the transfer is in favour of joint holders, the number of joint holders does not exceed four.

The Board may only decline to register a transfer of an uncertificated share in the circumstances set out in the UK Regulations, and where, in the case of a transfer to joint holders the number of joint holders to whom the uncertificated share to be transferred exceeds four. If the Board refuses to register a transfer of any share they shall send to the transferee notice of refusal within a reasonable period.

Subject to the provisions of the CREST Guernsey Requirements, the registration of transfers of shares or of any class of shares may be suspended at such times and for such periods (not exceeding thirty (30) days in any one year) as the Board may decide.

A fee as determined by the Board may be charged in advance of registration for each transfer and also the registration of any probate notice, power of attorney or other document tendered for registration.

For the avoidance of doubt, nothing in these Articles shall require the shares to be transferred by written instrument if the Law provide otherwise and the Board shall be empowered to implement such arrangements as they consider fit in accordance with and subject to the Law and the rules of the CISX to evidence and regulate the transfer of title to shares in the Company and for the approval or disapproval as the case may be by the Directors or the operator of any relevant system of the registration of those shares.

Pre-emption rights: Pursuant to Article 18, with respect to any additional issuance of shares the Company shall not:-

- allot any shares to any person unless the Company has made an offer to every person who holds shares to allot to them on the same or more favourable terms a proportion of the shares to be allotted which is, as nearly as practicable, equal to the proportion in number held by that person of the aggregate of the shares in issue;
- allot any shares to a person unless the period during which any such offer may be accepted has expired or the Company has received notice of the acceptance or refusal of every offer so made.

Shares which the Company has offered to allot to a holder of shares may be allotted to him, or anyone in whose favour he has renounced his right to their allotment without contravening Article 18.

The abovementioned offer must state a period of not less than twenty one (21) days during which it may be accepted; the offer shall not be withdrawn before the end of that period.

The restriction on the allotment of shares by the Company shall not apply on the allotment of shares by the Company for the purpose of satisfying any award made to an employee or officer in accordance with the provisions of any employee share scheme or other scheme intended to incentivise or reward employees and/or officers of the Company, whether that allotment is in favour of any such employee or officer, his or her nominee or any other person becoming entitled to exercise the same by process of applicable law (to the extent that such exercise is and remains lawful).

Untraced shareholders: Under Article 13 the Company may sell (at a price which the Company shall use reasonable endeavours to ensure is the best obtainable) the shares of a Member or a person who is entitled to the shares by virtue of transmission on death or insolvency or otherwise by operation of law but only where:

- At least three dividends have become payable in respect of the shares within a period of six years prior to the advertisements referred to below and have not been claimed; and
- The Company, after the period of six years abovementioned, places adverts in a national newspaper or newspaper within the area where the last known address of the Member in question is and gives notice of its intention to sell the shares; and
- Within three months after the advertisement the Company received no indication of the whereabouts of the Member nor the existence of any person entitled to the shares; and
- Notice has been given to the stock exchanges on which the Company is listed.

Regulatory Provision: Pursuant to Article 48, if at any time the Company determines that a Shareholder Regulatory Event (as defined below) has occurred, it may, in its absolute discretion at any time, by written notice (a "**Shareholder Regulatory Event Notice**") to the holder(s) of any interest(s) in any shares (the "**Relevant Shares**") in the Company to whom a Shareholder Regulatory Event relates (or to whom the Company reasonably believes it to relate), in its absolute discretion with immediate effect (or with effect from such date as is specified in such Shareholder Regulatory Event Notice), suspend one or more of the following rights attaching to such Relevant Shares:

- the right to attend and speak at meetings of the Company and to vote either personally or by proxy at a general meeting or at a separate meeting of the holders of that class of shares or to demand and vote on a poll exercisable in respect of any

Relevant Shares, or to exercise, directly or through any trustee or nominee, any other related right conferred by such securities;

- the right to receive any payment or distribution (whether by way of dividend, interest, or otherwise) in respect of any Relevant Shares, or receive any other form of remuneration, including for services rendered; and
- the right to the issue of further shares or other securities in respect of the Relevant Shares;

provided that should the Company determine that the Shareholder Regulatory Event is no longer continuing it shall remove any suspension of rights that it has made.

A **“Shareholder Regulatory Event”** shall occur if:

a Regulatory Authority (as defined below) informs the Company, any member of its group or any member by way of a formal determination that any member of the Company or any person interested or believed to be interested in shares of the Company is for whatever reason:

- unsuitable to be a person interested in shares of the Company or any member of its group;
- not licensed, qualified or approved to be a person interested in shares of the Company or any member of its group; or
- disqualified as a holder of interests in shares of the Company or any member of its group, under any legislation regulating the operation of any activity undertaken by the Company or any member of its group or any other company, partnership, body corporate or other entity in which the Company or any member of its group is interested; and/or

a Regulatory Authority by reason, in whole or in part, of the interest of any person or persons in shares of the Company (or by its belief as to the interest of any person or persons in such shares) has:

- refused or formally notified to the Company or any member of its group or any other company, partnership, body corporate or other entity in which the Company or any member of its group is interested that it will or is likely to or may refuse;
- revoked or cancelled or indicated to the Company or any member of its group or any other company, partnership, body corporate or other entity in which the Company or any member of its group is interested that it will or is likely to or may revoke or cancel;
- opposed or formally notified to the Company or any member of its group or any other company, partnership, body corporate or other business in which the Company or any member of its group is interested that it will or is likely to or may oppose; or
- imposed any condition or limitation which may have a material adverse impact upon the operation of any activity undertaken or to be undertaken by the Company

or any member of its group or other entity in which the Company or any member of its group is interested, or upon the benefit of which the Company or any other member of its group derives or is likely to derive from the operation by any other member of its group or any other company, partnership, body corporate, or other entity in which the Company or any member of its group is interested or indicated to the Company or any member of its group or any such other company, partnership, body corporate or other entity that it will or is likely to or may impose any such condition or limitation, in relation to,

the grant, renewal, or the continuance of any registration, licence, approval, finding of suitability, consent, or certificate required by any legislation regulating (or any code of conduct or practice recognised or endorsed by the Regulatory Authority relevant to) the operation of any activity undertaken by the Company or any member of its group or any other company, partnership, body corporate or other entity in which the Company or any member of its group is interested, which is held by or has been applied for by the Company or any member of its group or other such person.

A “**Regulatory Authority**” means any authority wherever located (whether a government department, independent body established by legislation, a government, self regulating organisation, court, tribunal, commission, board, committee or otherwise) vested with responsibility (with or without another or others) for the regulation of any regulated activity carried on by the Company or any member of its group including, without limitation, the Jersey Financial Services Commission, the Guernsey Financial Services Commission, the UK Financial Conduct Authority, the Commission de Surveillance de Secteur Financier and the Dubai Financial Services Authority.

If at any time the Company determines that a Shareholder Regulatory Event has occurred it may, in its absolute discretion at any time, by written notice (a “**Disposal Notice**”) to a holder of any interest(s) in any shares in the Company to whom the Shareholder Regulatory Event relates (or to whom the Company reasonably believes it to relate), require the recipient of the Disposal Notice or any person named therein as interested in (or reasonably believed to be interested in) shares of the Company to dispose of such number of shares as is specified in the Disposal Notice (the “**Disposal Shares**”) and for evidence in a form reasonably satisfactory to the Company that such disposal shall have been effected to be supplied to the Company within 14 days (or such other time as may be required by a Regulatory Authority or as determined by the Company following the receipt of legal advice) from the date of the Disposal Notice or within such other period as the Company shall (in its absolute discretion) consider reasonable. The Company may withdraw a Disposal Notice so given whether before or after the expiration of the period referred to therein and shall withdraw it if it appears to the Company that the ground or purported grounds for its service do not exist or no longer exist.

If a Disposal Notice is not complied with in accordance with its terms or otherwise not complied with to the satisfaction of the Company the Company shall, in its absolute discretion, be entitled, to dispose (or procure the disposal) of the Disposal Shares at the highest price reasonably obtainable by the Company or its agents in the circumstances (or such amount permitted by the Regulatory Authority) and shall give written notice of any such disposal to those persons on whom the Disposal Notice was served and subject to all applicable law and regulation, the Company itself may acquire Disposal Shares.

For the purpose of effecting any disposal of Disposal Shares held in uncertificated form, the Company may make such arrangements on behalf of the registered holder of the Disposal Shares as it may think fit to transfer title to those shares through a relevant system.

For the purpose of effecting any disposal of Disposal Shares held in certificated form, the Company may authorise in writing any, Director, officer, employee or agent of the Company to execute any necessary transfer on behalf of the registered holder(s) and may issue a new share certificate or other document of title to the purchaser and enter the name of the transferee in the register.

The net proceeds of any such disposal shall be received by the Company whose receipt shall be a good discharge for the purchase money and shall be paid (without interest being payable thereon) to the former registered holder of the Disposal Shares upon surrender by him of all relevant share certificate(s) or other documents of title in respect of such Disposal Shares. The holder(s) of the Relevant Shares to whom such Shareholder Regulatory Event relates shall be liable to reimburse the Company for all expenses incurred by the Company in performing its obligations and exercising its rights hereunder, including attorney's fees.

If a Regulatory Authority serves any notice on a holder of shares in the Company relating to a Shareholder Regulatory Event then such member must immediately notify the Company of such Shareholder Regulatory Event and shall provide the Company with a copy of the notice within 5 days of the shareholder receiving the notice.

5. Information on the Directors and others

5.1. The names, dates of birth, nationality and functions of the Directors are as follows:

<i>Name</i>	<i>Date of Birth</i>	<i>Nationality</i>	<i>Function</i>
<i>Andrew Haining</i>	14 June 1959	British	Non-Executive Chairman
<i>Iain Stokes</i>	21 June 1964	British	Non-Executive Director
<i>Simon John Thornton</i>	26 June 1964	British	Chief Executive Officer

The business address of each of the Directors is Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 1GR.

- 5.2. In June 2011, Royal Bank of Scotland PLC, following an event of default of a secured loan, appointed a fixed charge receiver over the sole property asset of Ardleigh Road (Guernsey) Limited. Simon Thornton was a director of Ardleigh Road (Guernsey) Limited at the time.

Save as disclosed elsewhere in this document, none of the Directors:

- has any unspent convictions in relation to indictable offences;
- has been made bankrupt or has made an individual voluntary arrangement with creditors or suffered the appointment of a receiver over any of his assets;
- has been a director of any company which, whilst he was such a director or within 12 months after his ceasing to be such a director, was put into receivership, compulsory liquidation, creditors' voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with the company's creditors generally or with any class of creditors of any company or had an administrator or an administrative or other receiver appointed;
- has been a partner in any partnership which, whilst he was a partner, or within 12 months after his ceasing to be a partner, was put into compulsory liquidation or had an administrator or an administrative or other receiver appointed or entered into any partnership voluntary arrangement;
- has had an administrative or other receiver appointed in respect of any asset belonging either to him or to a partnership of which he was a partner at the time of such appointment or within the 12 months preceding such appointment; or
- has received any public criticisms by statutory or regulatory authorities (including recognised professional bodies) or has ever been disqualified by a court from acting as a director of a company or from acting in the management or conduct of the affairs of any company.

6. Directors' disclosures and other interests

Simon Thornton was connected to Alternative Solutions Limited which provides consultancy and information technology support to the Group. His pension trustees disposed of their interest in the company on 15 April 2016 to the Trustees of the Alternative Solutions Limited Employee Benefit Trust. He resigned as a director of Alternative Solutions Limited on 10 November 2016 but is one of the two trustees of the Alternative Solutions Limited Employee Benefit Trust but is not a beneficiary.

In the year to 30 April 2016, Alternative Solutions Limited invoiced the Group £601,969 in respect of goods and services.

Other conflicts of interest are detailed in Part V.

7. Service agreements and remuneration of the Directors

7.1. Remuneration of the directors of the Company

The aggregate of remuneration paid and benefits in kind granted to the Directors of the Company, past and present, in respect of the financial year ending 30 April 2016 was

£1,544,531. The estimated aggregate remuneration payable to, and benefits in kind receivable by, past, present and future Directors of the Company in respect of the current financial year ending 30 April 2017 is £1.5m

- 7.2. On Admission the Non-Executive Directors will be Andrew Haining and Iain Stokes. Each of the Non-Executive Directors has entered into a letter of appointment with the Company.
- 7.3. Under the respective letters of appointment, the appointments are for an initial period of one year and continue thereafter for an indefinite period, unless or until terminated by either party giving to the other not less than three months' prior written notice. In addition, the appointments may be terminated by the Company immediately in certain circumstances (e.g. if the Non-Executive Director is removed as a director by the Company's Shareholders).
- 7.4. Save for the disclosures made in this document, on Admission there will be no existing or proposed service agreements between the Directors and any member of the Company. Furthermore, save as set out at paragraph 7.1 above and the share incentive arrangements described in paragraphs 2 and 3 above, there are no commissions or profit-sharing arrangements with any of the Directors.

There is no arrangement under which any Director has waived or agreed to waive future emoluments nor has there been any waiver of emoluments during the financial year immediately preceding the date of this document. There are no outstanding loans by any member of the Group to any of the Directors.

- 7.5. No member of the Group has provided a loan to any of the Directors or guarantee in favour of them.

8. Takeovers - the City Code

The City Code applies to all takeover and merger transactions in relation to the Company and operates principally to ensure that Shareholders are treated fairly and are not denied an opportunity to decide on the merits of a takeover and that Shareholders of the same class are afforded equivalent treatment.

Under Rule 9, when a person or group acquires interests in shares carrying 30 per cent or more of the voting rights of a company, they must make a cash offer to all other shareholders at the highest price paid in the 12 months before the offer was announced (30 per cent of the voting rights of a company is treated by the City Code as the level at which effective control is obtained). A general offer will also be required where a person or group, holding not less than 30 per cent but not more than 50 per cent of the voting rights, acquires additional shares which increase his percentage of the voting rights.

There are not in existence any current mandatory takeover bids in relation to the Company. Ravenscroft has confirmed that it is not aware of any current existing persons acting in concert.

9. Subsidiaries

As at the date of this document, the Group has the following Subsidiaries. All are 100% owned other than where indicated

Subsidiaries	Type of shares	Percent held (%)	Country of Operation and Incorporation	Date of Incorporation	Nature of business
A2G Proprietary Limited	Ordinary	100	Mauritius	25/09/2014	Trade Facilitation
Ampersand Management (Geneva) SA	Ordinary	100	Switzerland	05/05/2006	Fiduciary
Ampersand Management (Mauritius) Limited	Ordinary	100	Mauritius	31./0/2013	Fiduciary
Atlantic Global Management Limited	Ordinary	100	BVI	16/10/2001	Corporate Director
Bexana Corporation	Ordinary	100	BVI	27/08/2004	Nominee
C S Directors Limited	Ordinary	100	Jersey	26/09/1994	Corporate Director
Cavendish Administration Limited	Ordinary	100	UK	29/7/1993	Funds
CCD Alpha Limited	Ordinary	100	Guernsey	20/6/2003	Nominee
CCD Beta Limited	Ordinary	100	Guernsey	20/6/2003	Nominee
Church Street Secretaries Limited	Ordinary	100	Jersey	24/03/1992	Corporate Secretary
Church Street Trustees Limited	Ordinary	100	Jersey	12/05/1999	Fiduciary
CN Alpha Limited	Ordinary	100	Guernsey	20/6/2003	Nominee
CN Beta Limited	Ordinary	100	Guernsey	20/6/2003	Nominee
Confiance Limited	Ordinary	100	Guernsey	20/6/2003	Fiduciary
Consec Limited	Ordinary	100	Guernsey	20/6/2003	Fiduciary
Edwards & CO (Jersey) Limited	Ordinary	100	Jersey	11/09/2003	Accounting
IASL Directors 1 Limited	Ordinary	100	BVI	17/3/2008	Corporate Director
IASL Directors 2 Limited	Ordinary	100	BVI	17/3/2008	Corporate Director
IASL Nominees Limited	Ordinary	100	Guernsey	19/5/2006	Nominee
IFM Corporate Directors Limited	Ordinary	100	Jersey	21/04/1997	Corporate Director
IFM Corporate Directors Limited	Ordinary	100	BVI	10/08/2004	Corporate Director
IFM Corporate Secretaries Limited	Ordinary	100	BVI	14/07/2004	Corporate Secretary
IFM Corporate Trustees Limited	Ordinary	100	Jersey	02/08/1994	Fiduciary
IFM Group (Pty) Limited	Ordinary	100	South Africa	24/11/2011	Holding
IFM Group Limited	Ordinary	100	Jersey	18/12/2000	Holding
IFM Holdings (UK) Limited	Ordinary	100	United Kingdom	24/04/2002	Holding
IFM Trust SA	Ordinary	100	Switzerland	18/03/2004	Fiduciary
IFM Wealth Management Limited	Ordinary	100	BVI	05/10/2004	Holding Company
International Fund Management Limited	Ordinary	100	Guernsey	03/09/1987	Fund Management
IPM Malta Limited	Ordinary	100	Malta	20/06/2014	Holding Company
Keeston Corporation	Ordinary	100	BVI	09/09/2004	Nominee
Moore's Nominees Limited	Ordinary	100	Jersey	26/09/1994	Nominee
MRI Services Limited	Ordinary	100	Jersey	20/12/2000	Services
Namaweb (Pty) Limited	Ordinary	100	South Africa	14/08/2013	Property Holding
Pirunico Nominees Limited	Ordinary	100	Jersey	03/03/1972	Nominee
Pirunico Trustees (Jersey) Limited	Ordinary	100	Jersey	17/10/1975	Fiduciary
Praxis Corporate Finance Limited	Ordinary	100	Guernsey	21/01/2000	Advisory
Praxis Directors One Limited	Ordinary	100	Guernsey	28/01/2000	Corporate Director
Praxis Directors Two Limited	Ordinary	100	Guernsey	28/01/2000	Corporate Director
Praxis Fund Holdings Limited	Ordinary	47	Guernsey	12/11/2013	Holding Company
Praxis Fund Services (Malta) Limited	Ordinary	100	Malta	30/04/2008	Funds
Praxis Fund Services Limited	Ordinary	100	Guernsey	13/04/2005	Funds
Praxis Group South Africa (Pty) Ltd	Ordinary	100	South Africa	09/07/2012	Marketing
Praxis Luxembourg SA	Ordinary	88	Luxembourg	23/09/2009	Funds
Praxis Nominees Limited	Ordinary	100	Guernsey	28/01/2000	Nominee

Praxis Portfolio Trustees Limited	Ordinary	100	Guernsey	08/02/2002	Fiduciary
Praxis Secretaries Limited	Ordinary	100	Guernsey	10/05/1990	Corporate Secretary
Praxis Trustees Limited	Ordinary	100	Guernsey	09/04/1987	Fiduciary
Praxis Wealth Solutions Limited	Ordinary	100	Guernsey	06/10/2006	Non-Trading
PraxisIFM Fund Services (UK) Limited	Ordinary	100	UK	19/11/2015	Funds
PraxisIFM Treasury Services Limited	Ordinary	100	Guernsey	29/03/1996	Treasury
PraxisIFM Trust & Corporate Services Limited	Ordinary	100	United Kingdom	26/08/2004	Fiduciary
PraxisIFM Trust (NZ) Limited	Ordinary	100	New Zealand	22/06/2007	Fiduciary
PraxisIFM Trust Limited	Ordinary	100	Malta	25/05/2011	Fiduciary
PraxisIFM Trust Limited	Ordinary	100	Guernsey	10/05/1990	Fiduciary
PraxisIFM Trust Limited	Ordinary	100	UAE	06/09/2016	Fiduciary
PraxisIFM Trust Limited	Ordinary	100	Jersey	20/12/2000	Fiduciary
PraxisIFM Trust SA	Ordinary	100	Switzerland	04/02/2008	Fiduciary
Sun Nominees Limited	Ordinary	100	Jersey	23/10/1992	Nominee
Trireme Pension Services (Guernsey) Limited	Ordinary	100	Guernsey	20/08/2012	Pensions
Trireme Pension Services (Malta) Limited	Ordinary	100	Malta	06/12/2012	Pensions
Truchot Trustees Limited	Ordinary	100	Guernsey	27/06/1985	Fiduciary
United Ventures (Pty) Limited	Ordinary	100	South Africa	14/05/2003	Services
United Ventures Limited	Ordinary	100	Jersey	28/03/2002	Services
UV Capital Limited	Ordinary	100	Jersey	23/12/2009	Loan Facilitation
UVL Corporate Directors Limited	Ordinary	100	Jersey	25/07/2011	Corporate Director
Apostrophe Limited	Ordinary	100	Labuan	02/06/2006	Nominee
Balmor Corporate Ltd	Ordinary	100	BVI	10/09/2010	Corporate Director
Balmor Holdings Ltd	Ordinary	100	BVI	10/09/2010	Holding Company
Balmor Management SA	Ordinary	100	Switzerland	25/11/2010	Fiduciary
Balmor Trustees Ltd	Ordinary	100	Nevis	27/04/2011	Fiduciary
Ellipsis Limited	Ordinary	100	Labuan	02/06/2006	Nominee
Epsilon Corporate Limited	Ordinary	100	BVI	20/05/2010	Corporate Director
Praxis Corporate Services S.A.	Ordinary	100	BVI	16/06/2010	Corporate Director
Praxis Directors Deux Limited	Ordinary	100	BVI	03/02/2009	Corp Director
Praxis Directors Un Limited	Ordinary	100	BVI	03/02/2009	Corp Director
Praxis Nominees S.A.	Ordinary	100	BVI	01/06/2010	Nominee
PraxisIFM Trustees SA	Ordinary	100	Switzerland	04/07/2008	Fiduciary
Omega Corporate Limited	Ordinary	100	BVI	12/05/2015	Corporate Director
PIFM Nominees One Limited	Ordinary	100	Mauritius	30/06/2016	Nominee
PIFM Nominees Two Limited	Ordinary	100	Mauritius	30/06/2016	Nominee
Cavendish Corporate Investments (PCC) Ltd	Ordinary	100	Guernsey	02/06/2008	Pensions
Santello Limited	Ordinary	100	BVI	04/01/2016	Nominee

10. Principal establishments and leasing arrangements

10.1. The Company's head office and principal place of business is at Sarnia House, Le Truchot, St Peter Port, Guernsey, GY1 1GR.

10.2. The premises in Sarnia House are leased from Ulmar Limited under a number of Leases that commenced on 20 November 2007 and 17 December 2007 and terminate on 30 November 2019 and 17 December 2019 respectively. The current rent payable is £332,694. This was

subject to review in 2013 and in 2016. The Landlord's agent served notice in respect of the 2013 review on 20 July 2016 to a revised annual rent of £385,616. This increase has been disputed.

10.3. The Company also holds a lease from Propinvest Charter Place Limited in respect of the Group's offices situated on the second floor of Charter Place, Seaton Place, Jersey that commenced on 1 September 2006 and terminates on 31 August 2027. The current rent payable is £242,718. This was subject to review in 2015 however the Landlord has not yet served notice in respect of the review. The Tenant has the right to terminate the lease on 1 September 2021 on giving one year's notice.

10.4. As at the date of this document there are no other principal establishments of the Company.

11. Pensions

The Group operates a number of defined contribution pension schemes in its various locations that are available to the relevant employees once they have completed their probation.

Guernsey

Employees are eligible to pensions contributions at the rate of 5% of gross salary with the exception of Directors, these contributions are capped at £5,000 per annum. Staff have the option of various flexible benefits in lieu of a pension contribution. If they elect for this, the value is less than 5%.

Jersey

Employees are eligible to a matching pension contribution of up to 5% of gross salary into a personal pension plan.

Malta

No pension contributions are payable

Other locations

Employees are entitled to a company contribution of between 4% and 10% of gross salary into a personal pension plan. In some cases the contributions of senior employees are subject to a cap.

All staff in any location may make additional personal contributions into their pension plans. If this option is chosen, generally the employee matches the contribution made by the company other than in Guernsey where employees generally make a flat contribution.

12. Research and Development

The Group developed certain pension products in the period to 30 April 2015. As the products met the relevant conditions in relation to intangible assets as set out in FRS102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland", the costs incurred have been capitalised and are being amortised over the products' estimated useful life of 10 years. The carrying value of the intangible fixed asset is reviewed annually for indications of impairment and if necessary a provision is made for any such impairment.

13. Arrangements relating to the Placing and the Lock-ins

13.1. *The Placing Agreement*

A Placing Agreement dated 6 April 2017 between the Company, Ravenscroft and the Selling Shareholders pursuant to which conditional upon, *inter alia*, Admission taking place not later than 8 am on 12 April 2017 (or such later time and/or such date as Ravenscroft and the Company may agree, not being later than 30 April 2017), Ravenscroft has agreed to use reasonable endeavours, as agent for the Selling Shareholders, to procure purchasers for the Sale Shares at the Placing Price. In addition, Ravenscroft has agreed to provide reasonable assistance to the Company in connection with its application for Admission.

The Placing Agreement contains warranties from the Company and Selling Shareholders in favour of Ravenscroft in terms which are customary for an agreement of this nature.

Under the terms of the Placing Agreement, Ravenscroft can invoke termination rights in certain circumstances including where any warranties are found to be untrue or inaccurate in any material respect. Under the Placing Agreement the Selling Shareholders, in the case of the Sale Shares have agreed to pay a commission of 2 per cent. of the value of the relevant Sale Shares at the Placing Price (save where Placing Shares are placed with placees who are clients of both Ravenscroft and the Company in which case the commission in respect of those Placing Shares shall be 1 per cent.). The Company and the Selling Shareholders have also provided an indemnity to Ravenscroft in terms which are customary for an agreement of this nature.

Under the terms of the Placing Agreement each Selling Shareholder has agreed to certain sale restrictions in respect of their Lock-in Shares. Each has agreed that during the Initial Restricted Period he or she will not directly or indirectly mortgage, pledge, charge, assign, transfer or otherwise dispose of any Lock-in Shares including agreeing (conditionally or unconditionally) to do the same of any interest therein.

Thereafter, each Selling Shareholder has agreed to the following further restrictions:

- they will not for the Second Restricted Period, without the prior written consent of each of the Company and Ravenscroft (acting in their absolute discretion), dispose of greater than 1/3rd of the legal or beneficial ownership of, or any other interest in, their Lock-in Shares; and
- they will not for a period of 12 months after the end of the Second Restricted Period, without the prior written consent of each of the Company and Ravenscroft (acting in their absolute discretion), dispose of greater than 1/3rd of the legal or beneficial ownership of, or any other interest in, their initial holding of Lock-in Shares.

The terms of the Placing Agreement also impose upon each Selling Shareholder restrictive covenants for a period of 18 months from the Departure Date prohibiting them from, *inter alia*, directly or indirectly, whether themselves, or by their employees or agents and

whether on their own behalf or on behalf of any other person, firm or company or otherwise:

- soliciting or canvassing orders from or otherwise dealing with clients of the Group; or
- soliciting or enticing away any employee of the Group.

The terms of the Placing Agreement also impose upon each Selling Shareholder restrictive covenants for a period of 12 months from the Departure Date prohibiting them from being employed or otherwise engaged in a business in competition with the Group.

13.2. *The Lock-In Agreement*

A Lock-In Agreement dated 6 April 2017 between the Company, Ravenscroft and the Non-Selling Shareholders pursuant to which conditional upon, *inter alia*, Admission taking place not later than 8 am on 12 April 2017 (or such later time and/or such date as Ravenscroft and the Company may agree, not being later than 30 April 2017).

Under the terms of the Lock-In Agreement each Non-Selling Shareholder has agreed to certain sale restrictions in respect of their Lock-in Shares. Each has agreed that during the Initial Restricted Period he or she will not without the prior written consent of each of the Company and Ravenscroft (acting in their absolute discretion and in the case of the Company, with the approval of a resolution of the board of directors of the Company) Dispose of the legal or beneficial ownership of, or any other interest in, their Lock-in Shares.

Thereafter, each Non- Selling Shareholder has agreed to the following further restrictions:

- they will not for the Second Restricted Period, without the prior written consent of each of the Company and Ravenscroft (acting in their absolute discretion), dispose of greater than 1/3rd of the legal or beneficial ownership of, or any other interest in, their Lock-in Shares; and
- they will not for a period of 12 months after the end of the Second Restricted Period, without the prior written consent of each of the Company and Ravenscroft (acting in their absolute discretion), dispose of greater than 1/3rd of the legal or beneficial ownership of, or any other interest in, their initial holding of Lock-in Shares.

The terms of the Lock In Agreement also impose upon each Non-Selling Shareholder restrictive covenants for a period of 18 months from the Departure Date prohibiting them from, *inter alia*, directly or indirectly, whether themselves, or by their employees or agents and whether on their own behalf or on behalf of any other person, firm or company or otherwise:

- soliciting or canvassing orders from or otherwise dealing with clients of the Group; or
- soliciting or enticing away any employee of the Group.

The terms of the Placing Agreement also impose upon each Non-Selling Shareholder restrictive covenants for a period of 12 months from the Departure Date prohibiting them from being employed or otherwise engaged in a business in competition with the Group.

13.3 *The FSOIL Lock-In Agreement*

A Lock-In Agreement dated 6 April 2017 between the Company and FSOIL pursuant to which FSOIL undertakes that it will not effect or agree to effect a disposal of 16,000,000 Ordinary Shares for 6 months following Admission.

14. Taxation

14.1 Guernsey taxation

The following statements are intended only as a general guide to current Guernsey tax legislation and to the current practice of the Director of Income Tax and may not apply to certain shareholders in the Company, such as dealers in securities, insurance companies and collective investment schemes. They relate (except where stated otherwise) to persons who are resident and ordinarily resident in Guernsey for Guernsey tax purposes, who are beneficial owners of Ordinary Shares and who hold their Ordinary Shares as an investment.

14.2 The Group

The Group is resident for taxation purposes in Guernsey and is mainly subject to income tax at the company intermediate rate which applies to activity regulated by the Guernsey Financial Services Commission such as income from banking, custody services, fiduciary services, domestic insurance business, domestic insurance broking, insurance management and fund administration. The intermediate rate of income tax is currently 10%.

Income from non-regulated activity carried on by the Group in Guernsey and income from activity carried on by overseas subsidiaries treated as Guernsey resident is subject to Guernsey income tax at the company standard rate of 0%.

Income from trading activities regulated by the Guernsey Competition and Regulatory Authority, income from the ownership of land and buildings situated in Guernsey, income from retail business carried on in Guernsey (generating annual profit in excess of £500,000) and income from the importation and supply of hydrocarbon oil or gas is subject to Guernsey income tax at the company higher rate of 20%.

14.3 Distributions

Depending on the level of tax paid by the Group, there is an obligation on the Group, when making distributions to Guernsey resident "beneficial members", to withhold and pay over tax at a rate of up to 20 per cent on behalf of the relevant Guernsey resident shareholder to the Director of Income Tax.

Section 81B of the Income Tax (Guernsey) Law, 1975 as amended, imposes a liability on the Group to account for income tax on distributions payable where the ultimate beneficial member is resident in Guernsey for Guernsey tax purposes. The Group is effectively required to act as an agent for Guernsey resident shareholders. Provided the ultimate beneficial member is not resident in Guernsey, then the distributions can be paid free of withholding tax.

The Company will have a reporting requirement to file quarterly returns with the Director of Income Tax of distributions to Guernsey residents.

14.4 Guernsey Shareholders

Shareholders who are resident in Guernsey, Alderney or Herm are liable to Guernsey income tax on any dividends paid to them in relation to Ordinary Shares. The Group will be required to treat any such dividend to a Guernsey resident beneficial member as being declared gross but paid net, and to pay the appropriate tax on the Shareholder's behalf to the Guernsey Director of Income Tax.

On the making of a claim by a Shareholder, the tax deduction will be available as a credit against the Shareholder's personal Guernsey tax liability on the dividend income.

Shareholders resident outside Guernsey will not be subject to any taxation in Guernsey in respect of, or in connection with, the acquisition, holding or disposal of any Ordinary Shares owned by them.

14.5 Employee Shareholders

In accordance with Guernsey Social Security regulation, Guernsey resident employee shareholders are liable to pay Class 1 (Employed Persons) Social Security Contributions on any distribution received in relation to the employer company shares. This liability to pay contributions applies only to shareholders of private companies.

On the floatation of the Group on a recognised stock exchange, subsequent dividends payable to employee shareholders will no longer be chargeable to Guernsey Social Security Contributions.

14.6 Stamp duty

No stamp duty is chargeable in Guernsey on the issue, or repurchase or disposal of shares of the Group.

14.7 Disposals

Gains on the disposal of shares by Guernsey resident shareholders will not be liable to income tax unless the shareholder is considered to be trading in shares.

14.8 Tax Information Reporting Agreements

The Group may be subject to the Foreign Account Tax Compliance Act ("**FATCA**"). In 2013, the States of Guernsey signed an inter-governmental agreement ("**IGA**") with the United

States (“**Guernsey – US IGA**”) concerning the implication of FATCA. The IGA provides details of the mechanism by which Guernsey-based entities will provide disclosure details in respect of certain investors in the Group who are residents or citizens of the US. The Guernsey – US IGA is implemented through Guernsey’s domestic tax legislation.

The Group reserves the right to request from any investor or potential investor such information as is deemed necessary to comply with FATCA and any obligations arising under the related IGA.

Guernsey announced that it would be an “Early Adopter” of the Common Reporting Standard (“**CRS**”) and this has been implemented from 1 January 2016, with first reporting taking place in 2017. As a result, further similar agreements with other jurisdictions have been executed, and are expected to be executed in the future, and the Group reserves the right to request from any investor or potential investor such information as is deemed necessary to comply not only with the existing IGA referred to above but any similar agreements relating to automatic exchange of information.

14.9 Anti-Avoidance

Under Guernsey’s “Zero 10” Tax legislation, certain anti-avoidance measures were introduced to counter the effect of Guernsey residents obtaining funds from Guernsey trading companies other than by way of company distribution. Sections 66A to 66C of the Income Tax (Guernsey) Law, 1975 as amended, applies a “loan to participator” charge at the rate of 20% on any loans made to Guernsey resident ultimate beneficial members.

The loan is treated as paid net of 20% Guernsey income tax and the lending company is required to pay the tax to the Director of Income Tax. Provided a loan is repaid within 6 years, the tax charge is similarly repaid to the lending company.

14.10 Jersey Shareholders

Jersey Tax legislation provides that a Jersey resident shareholder will be liable to Jersey income tax on dividends received from the Guernsey holding company at the rate of tax applicable to that shareholder.

The 2017 Jersey Budget Statement issued on 18 October 2016 and approved by the States of Jersey in December 2016 included the following:

“Relief for Guernsey underlying taxation

“Underlying tax” describes the corporate income tax paid on company profits before they are distributed by way of dividend to shareholders. Under long standing practice the Taxes Office has permitted Jersey residents to claim double tax relief for any Guernsey underlying tax suffered on dividends received from Guernsey companies. The availability of this relief reflects the unique relationship between the Islands, in particular the significant number of businesses that operate on a pan-Island basis (often with companies and shareholders located in both Islands).

This unique relationship means that the availability of relief for Guernsey underlying tax should be maintained, but the relief should also have a clear legal basis. Discussions with

Guernsey indicate that there is in-principle support for making the necessary changes to the double tax treaty between the Islands to give such relief on a reciprocal basis. If agreement can be reached, the terms of the treaty will be changed with effect from the date that the treaty entered into force.”

The underlined text above relates to published Concession M2, which states that:

“...concessionary unilateral relief will be granted to Jersey residents at the discretion of the Comptroller of Income Tax. The principles guiding the grant of unilateral relief are that:

- the income in question is substantial, it would not otherwise come to the Island and it will be used to generate taxable profits in the future, or
- it helps overcome a bar to the restructuring / expansion of a commercial enterprise, aimed at making more efficient use of resources, to the benefit of the Island’s economy

For the year of assessment 2016 and onwards, Jersey resident taxpayers and their agents must satisfy themselves that any relief claimed under this concession is calculated in accordance with the principles of Articles 111 and 112 of the Income Tax (Jersey) Law 1961.

Concessions must be claimed in writing to the Comptroller of Income Tax and he is not duty bound to accept the claim.”

With effect from the Year of Assessment 2017, it is intended that Concession M2 will be abolished and incorporated into Jersey income tax law. However, the law will only apply if the Jersey shareholder is a utility company or a company subject to the Jersey 10% company income tax rate.

Recognising that the number of pan Channel Islands businesses is increasing, there is in principle support from the Guernsey tax authority to make necessary changes to the double taxation agreement between the islands to grant relief on a reciprocal basis. There is however, currently no clarity on the position of a Jersey resident shareholder with an interest in a Guernsey company that has a Jersey subsidiary liable to Jersey income tax on its profits.

In view of the existing uncertainties Jersey resident shareholders should either seek professional advice or obtain formal clearance from the Jersey Comptroller of Income Tax.

14.11 UK Shareholders

14.11.1 The Group

The Board intends to conduct the affairs of the Group so that the Group does not become resident in the UK for UK corporation tax purposes and does not become subject to UK tax on its profits or gains other than those in relation to any trade carried on through a permanent establishment in the UK. On that basis, the Group is not expected to be subject

to UK corporation tax or income tax, other than in respect of certain types of UK source income such as UK trading profits and interest arising in the UK (which may be received subject to deduction of income tax at source).

14.12 Distributions

The Company is not required to withhold UK tax at source when paying a dividend.

14.12.1 UK resident individual Shareholders

With effect from 6 April 2016, UK resident individuals are entitled to a £5,000 annual tax free dividend allowance. Dividends received in excess of this threshold will be subject to UK income tax, for the tax year 2016/17, at 7.5 per cent. (basic rate taxpayers), 32.5 per cent. (higher rate taxpayers) and 38.1 per cent. (additional rate taxpayers).

14.12.2 Shareholders within the charge to UK corporation tax

Shareholders within the charge to UK corporation tax are generally expected to be exempt from UK corporation tax on dividends received. However, there are various exceptions to this exemption, depending on the size of the shareholder and whether certain anti-avoidance provisions apply. Therefore, Shareholders within the charge to UK corporation tax should confirm their tax position with their own professional tax adviser.

14.13 Taxation of disposals

A disposal of Ordinary Shares by a Shareholder who is resident in the UK for tax purposes may, depending on the Shareholder's circumstances, and subject to any available exemption or relief, give rise to a chargeable gain (or allowable loss) for the purposes of the UK taxation of chargeable gains.

UK resident individuals may be subject to UK capital gains tax on any chargeable gains realised but are, for each tax year, entitled to an exemption from UK capital gains tax for a specified amount of gains realised in that tax year. No indexation allowance will be available to individual Shareholders.

Shareholders within the charge to UK corporation tax may be subject to UK corporation tax on any chargeable gains made on disposal or deemed disposal of the Ordinary Shares. The indexation allowance may reduce the amount of any chargeable gain arising on a disposal or deemed disposal of Ordinary Shares (but cannot give rise to or increase the amount of an allowable loss).

14.14 UK Anti-Avoidance

The attention of individuals resident in the UK for taxation purposes is drawn to Chapter 2, Part 13 of the Income Tax Act 2007, which may render them liable to income tax in respect of the undistributed income of the Company.

The attention of persons resident in the UK for taxation purposes is also drawn to the provisions of section 13 Taxation of Chargeable Gains Act 1992 under which, in certain circumstances, a portion of chargeable gains made by a non-UK resident company can be

attributed to UK resident participators to whom more than one quarter of any gain made by the company would be attributable. This applies if the non-UK resident company is a close company for the purposes of UK taxation.

Any person who is in any doubt as to his or her tax position, or who is subject to taxation in any jurisdiction other than that of Guernsey, should consult his or her professional advisers immediately

15. Material contracts and related party transactions

15.1 Material Contracts

The following are the only contracts (not being contracts entered into in the ordinary course of business) which have been entered into by any member of the Company within the two years immediately preceding the date of publication of this document and which are, or may be, material to the Company or have been entered into by any member of the Company at any time and contain a provision under which any member of the Company has any obligation or entitlement which is material to the Company at the date of this document:

- (1) the Placing Agreement, as described more fully in paragraph 13.1 above;
- (2) the Share Exchange Agreements, as described more fully in paragraph 2.3.c above;
- (3) the shareholders agreement between the Company, Ravenscroft and others dated 22 December 2016;
- (4) the Lock In Agreement, as described more fully in paragraph 13.2 above;
- (5) The FSOIL Lock-In Agreement between the Company and FSOIL dated 6 April 2017, as described more fully in paragraph 13.3 above.

15.2 Inspection of documents

The following material contracts and documents may be inspected between the hours of 9am to 5pm for 14 days from Admission, at Sarnia House, Le Truchot, St Peter Port, Guernsey GY1 IGR

- Memorandum and Articles of Incorporation of the Company;
- Copies of all material contracts referred to above;
- Audited accounts.

15.3 Commissions, discounts, brokerages or other special terms

Other than funding provided by the Company to the Praxis Holdings Limited Employee Benefit Trust disclosed in paragraph 3 of Part VI no commissions, discounts, brokerages or other special terms have been given in connection with the issue of shares in the Group in the two years preceding the date of this document.

A full schedule of all Shares issued since 1 November 2014 is included in paragraph 2.2 of Part VI

16 Working capital

Having made due and careful enquiry, the Directors are of the opinion that the Group and the Company will have sufficient working capital available for their present requirements, that is, for at least the 12 months following the date of Admission.

17 Litigation and Arbitration

As disclosed in note 27 of the Financial Statements of the Company in Appendix A, Confiance Limited has been involved in litigation arising before its acquisition by the Group. The matter was settled in June 2016. The Company has protection under the terms of the purchase contract and as a result the Directors do not believe the claim had a significant effect on the Company's financial position.

Neither the Company nor any of its Subsidiaries is or has been involved in any legal or arbitration proceedings which may have, or have had during the 12 months preceding the date of this document, a significant effect on the Company's financial position or profitability. Whilst in accordance with the provisions of the Company's PI Insurance Policy, notifications of circumstances which might lead to a claim have been made to the underwriters, there are no such proceedings pending against the Company or any member of the Group which might have a significant effect on the Company's financial position or profitability, of which the Company is aware.

18 General

18.1 The total costs and expenses relating to Admission are £167,000 to be payable by the Company.

18.2 The following service providers to the Company have given and have not withdrawn their written consent to the issue of this document with the inclusion herein of their names in the form and context in which they are included:

18.2.1 Ravenscroft Limited;

18.2.2 Appleby (Guernsey) LLP;

18.2.3 BDO Limited; and

18.2.4 Saffrey Champness.

18.3 There are no arrangements in place under which future dividends are to be waived or agreed to be waived.

18.4 The Placing Price is payable in full, in cash on acceptance.

- 18.5 Other than the current application for Admission, the Ordinary Shares have not been admitted to dealings on any recognised investment exchange nor has any application for such admission been made or refused nor are there intended to be any other arrangements for dealings in the Ordinary Shares.
- 18.6 Save as disclosed in this document, the Directors are not aware of any exceptional factors which have influenced the Company's activities.
- 18.7 The Directors are not aware of any patents or other intellectual property rights, licences or particular contracts which are or may be of fundamental importance to the Company's business.
- 18.8 Save as disclosed in the paragraph entitled "Current Trading and Prospects" in Part I of this document, there has been no significant change in the trading or financial position of the Company since 30 April 2016, being the date to which the financial information contained in Appendix A and Part I of this document was prepared.
- 18.9 Monies received from applicants pursuant to the Placing will be held by Ravenscroft until such time as the Placing Agreement becomes unconditional in all respects. If the Placing Agreement does not become unconditional in all respects by **30 April 2017** or such later date as Ravenscroft and the Company may agree), application monies will be returned to applicants at their own risk without interest prior to delivery of the Shares.
- 18.10 Where information in this document has been sourced from a third party, it has been accurately reproduced and, as far as the Company is aware and is able to ascertain from the information published by the third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Dated: **6 April 2017**

DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise:

“Admission”	the admission of the Ordinary Shares to trading on the Channel Islands Securities Exchange Authority Official List effective in accordance with the CISEA Rules;
“Articles”	the articles of incorporation of the Company as amended, supplemented and replaced from time to time;
“Board” or “Directors”	the directors of the Company from time to time, appointed on the Company’s board of directors in accordance with the Articles and Companies Law;
“CISEA”	The Channel Islands Stock Exchange Authority Limited;
“City Code”	The UK City Code on Takeovers and Mergers, as amended, supplemented or replaced from time to time;
“Companies Law”	the Companies (Guernsey) Law 2008 (as amended from time to time);
“Departure Date”	the first date on which the Selling Shareholder: (a) ceases to be interested in any Ordinary Shares; (b) ceases to be employed by any member of the PraxisIFM Group however caused; or (c) is placed on Garden Leave;
“Dispose of” or “Disposal”	means in respect of Ordinary Shares, directly or indirectly mortgaging, pledging, charging, assigning, selling, transferring or otherwise disposing, including agreeing (conditionally or unconditionally) to do the same of any interest therein;
“EBITDA”	Earnings Before Interest, Tax, Depreciation and Amortisation;
“Exchange”	the investment exchange operated by the CISEA;
“FSOIL”	The Financial Services Opportunity Investment Fund Limited;
“Garden Leave”	any period during which the Selling Shareholder has been placed on garden leave by PraxisIFM Group pursuant to the terms of their contract of employment;

“GFSC” or “Commission”	the Guernsey Financial Services Commission;
“Group”	PraxisIFM Group Limited together with its Subsidiaries;
“IFM Group” or “IFM”	shall mean IFM Group Limited, a limited liability company incorporated under Jersey law with company number 78939 and having its registered office at Charter Place, 23-27 Seaton Place, St. Helier, Jersey JE1 1JY St Helier, Jersey and its Subsidiaries;
“Initial Restricted Period”	the 12 month period following Admission;
“Listing Rules”	the listing rules made or published by the Exchange from time to time available on the CISEA’s website www.tisegroup.com ;
“MFSA”	the Malta Financial Services Authority;
“NAV”	Net Asset Value;
“Lock-In Shares”	Ordinary Shares in which a Selling and Non-Selling Shareholder is interested in immediately following Admission;
“Official List”	the Official List of the Exchange;
“Ordinary Shares”	ordinary shares of £0.01 each in the share capital of the Company;
“Placing”	the conditional placing of the Placing Shares by Ravenscroft , at the Placing Price pursuant to the Placing Agreement;
“Placing Agreement”	the conditional agreement dated 6 April 2017 between Ravenscroft, the Company and the Selling Shareholders, further details of which are set out in paragraph 13 of Part VI of the document;
“Placing Price”	£1.00 per Placing Share;
“Placing Shares”	the Sale Shares;
“Ravenscroft”	Ravenscroft Limited, a company registered In Guernsey with Company number 42906 and whose registered office is at PO Box 222, Level 5 The Market Buildings, St. Peter Port, Guernsey, Channel Islands, GY1 4JG;
“PraxisIFM Group Limited”	A company under incorporated under the laws of Guernsey on 15 December 1995 and with registration number 30367 and also the “Company” for the purposes of this document;
“Praxis Group” or “Praxis”	shall mean the business formerly conducted by the Company

or “PraxisIFM”	and its Subsidiaries under the Praxis brand;
“Regulatory Authority”	means any authority wherever located (whether a government department, independent body established by legislation, a government, self regulating organisation, court, tribunal, commission, board, committee or otherwise) vested with responsibility (with or without another or others) for the regulation of any regulated activity carried on by the Company or any member of its group including, without limitation, the Jersey Financial Services Commission, the Guernsey Financial Services Commission, the UK Financial Conduct Authority, the Commission de Surveillance de Secteur Financier and the Dubai Financial Services Authority;
“Sale Shares”	the 21,691,500 Ordinary Shares to be sold by the Selling Shareholders pursuant to the Placing;
“Second Restricted Period”	a period of 12 months after the end of the Initial Restricted Period;
“Selling Shareholder”	The selling shareholders;
“Non-Selling Shareholder”	Any Shareholder that is not as Selling Shareholder;
“Shareholder”	A holder of Shares in the Company;
“Shares”	the Ordinary Shares; and
“Specialist Fund Market”	the market operated of that name operated by the London Stock Exchange;
“Subsidiary”	as defined in the Companies Law.

APPENDIX A

AUDITED ANNUAL ACCOUNTS FOR THE YEAR ENDED 30 APRIL 2016

Registered number: 30367

PRAXISIFM GROUP LIMITED
(FORMERLY PRAXIS HOLDINGS LIMITED)
DIRECTORS REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 APRIL 2016

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

COMPANY INFORMATION

Directors

T I Cumming
R H Fearis
C Gambrell
A T A Paul
S J Thornton
R M Kearsley
J L Medina
B H Morris

Secretary A R Ingrouille

Registered Office

Sarnia House
Le Truchot
St Peter Port
Guernsey
GY1 4NA

Independent Auditors

BDO Limited
Place du Pre
Rue du Pre
St Peter Port
Guernsey

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

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PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

DIRECTORS' REPORT

For the year ended 30 April 2016

The directors present their report and the audited consolidated financial statements for the year ended 30 April 2016.

Incorporation

The Company was incorporated in Guernsey on 15 December 1995.

Statement of Directors Responsibilities

The directors are responsible for preparing the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under the law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards including FRS 102, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements have been properly prepared in accordance with the Companies (Guernsey) Law, 2008.

The directors confirm that

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware
- each director has taken all the steps he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information; and
- the financial statements give a true and fair view and have been prepared in accordance with United Kingdom Accounting Standards and the Companies (Guernsey) Law, 2008 .

Principal Activities

The Group provides fiduciary, taxation, fund administration, pension administration and cash management services.

Results and Dividends

During the year gross dividends of £2,532,974 (2015: £1,667,977) were paid to the Company's shareholders.

Merger and Name Change

On 1st May 2015 PraxisIFM Group Limited (formerly Praxis Holdings Limited) (the "Company") received regulatory approval regarding the acquisition of IFM Group Limited. IFM Group Limited is a company registered in Jersey with the registration number 78939.

On 12th May 2015 Praxis Holdings Limited changed its name to PraxisIFM Group Limited.

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

DIRECTORS' REPORT

For the period ended 30 April 2016

Directors

The directors of the Company, who held office during the year, and continue to hold office are;

Mr T I Cumming

Mr R H Fearis

Mr C Gambrell

Dr S J Thornton

Mr A T A Paul (appointed 7th October 2015)

Mr R M Kearsey

Mr J L Medina

Mr B H Morris

Company Secretary

The Secretary who held office throughout the year was Mr A R Ingrouille.

Independent Auditors

BDO Limited were appointed independent auditors during the year in place of Saffrey Champness. BDO Limited have signified their willingness to continue in office. A resolution to re-appoint them will be proposed at the Annual General Meeting.

This report was approved by the board on 30 November 2016 and is signed on its behalf by:

Tim Cumming

Simon Thornton

Director

Director

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PRAXISIFM GROUP LIMITED

We have audited the financial statements of PraxisIFM Group Limited for the year ended 30 April 2016 which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Cash Flows and the related notes 1 to 27. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Section 262 of the Companies (Guernsey) Law, 2008. Our audit work is undertaken so that we might state to the parent company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the directors and auditor

As explained more fully in the Directors' Responsibilities Statement within the Directors' Report, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 April 2016 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been properly prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies (Guernsey) Law, 2008 requires us to report to you if, in our opinion:

- proper accounting records have not been kept by the parent company; or
- the financial statements are not in agreement with the accounting records; or
- we have failed to obtain all the information and explanations, which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

BDO Limited

BDO Limited
Chartered Accountants
Place du Pré
Rue du Pré
St Peter Port
Guernsey

30 November 2016

Date:

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

CONSOLIDATED INCOME STATEMENT
for the year ended 30 April 2016

	Note	Year ended 30 April 2016			Year end 30 April 2015		
		Continuing Operations	Discontinued Operations	Total	Continuing Operations	Discontinued Operations	Total
		£	£	£	£	£	£
Turnover	5	27,680,915	-	27,680,915	15,813,461	8,292	15,821,753
Direct costs	6	(12,914,703)	-	(12,914,703)	(7,967,992)	-	(7,967,992)
Gross Profit		14,766,212	-	14,766,212	7,845,469	8,292	7,853,761
Administrative salaries		(2,297,672)	-	(2,297,672)	(1,131,829)	(3,960)	(1,135,789)
Office expenses		(1,521,530)	-	(1,521,530)	(1,151,647)	(1,083)	(1,152,730)
Technical and training		(175,167)	-	(175,167)	(89,242)	-	(89,242)
Marketing		(692,769)	-	(692,769)	(535,324)	-	(535,324)
Computer expenses		(1,091,874)	-	(1,091,874)	(675,843)	-	(675,843)
Insurance		(485,659)	-	(485,659)	(333,341)	-	(333,341)
Travel and entertaining		(559,872)	-	(559,872)	(68,894)	-	(68,894)
Accommodation costs		(1,328,552)	-	(1,328,552)	(910,295)	-	(910,295)
Amortisation of goodwill		(753,145)	-	(753,145)	(59,931)	-	(59,931)
Finance and bad debts		(766,578)	-	(766,578)	(153,316)	-	(153,316)
Loss on disposal of operations		-	-	-	(27,291)	-	(27,291)
Other operating income		168,136	-	168,136	19,922	(11,150)	8,772
Operating profit		5,261,530	-	5,261,530	2,728,438	(7,901)	2,720,537
Interest receivable and similar income	7	78,402	-	78,402	6,734	-	6,734
Interest payable and similar charges	8	(237,187)	-	(237,187)	(15,394)	(44)	(15,438)
Profit on ordinary activities before taxation		5,102,745	-	5,102,745	2,719,778	(7,945)	2,711,833
Tax on profit on ordinary activities	9	(631,149)	-	(631,149)	(336,542)	-	(336,542)
Profit for the financial year		4,471,596	-	4,471,596	2,383,236	(7,945)	2,375,291
Profit for the financial year attributable to:							
Owners of the parent		3,758,268	-	3,758,268	1,879,287	(6,265)	1,873,022
Non-controlling interests		713,328	-	713,328	503,949	(1,680)	502,269

The notes on pages 11 to 35 form part of these financial statements.

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the year ended 30 April 2016

	Year ended 30 April 2016 £	Year ended 30 April 2015 £
Profit for the financial year	4,471,596	2,375,291
Other comprehensive income	(23,574)	-
Total comprehensive income for the financial year	<u>4,448,022</u>	<u>2,375,291</u>
Total comprehensive income for the financial year attributable to:		
Owners of the parent	3,738,454	1,873,022
Non-controlling interests	709,568	502,269
Earnings per share ("EPS") per ordinary share (expressed in pence per ordinary share)		
Basic and diluted earnings	11 595.9	440.5

The notes on pages 11 to 35 form part of these financial statements.

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 April 2016

	Note	30 April 2016		30 April 2015	
		£	£	£	£
Fixed assets					
Intangible assets	12		17,956,101		8,879,385
Tangible assets	13		2,237,343		1,831,031
Investments	14		258,797		238,799
			<u>20,452,241</u>		<u>10,949,215</u>
Current assets					
Accrued Income		1,499,502		739,083	
Debtors and prepayments	16	8,851,422		5,827,678	
Loan to Praxis EBT	16	388,860		16,461	
Cash at bank		6,333,245		5,384,084	
		<u>17,073,029</u>		<u>11,967,306</u>	
Creditors: amounts falling due within one year	17	<u>13,563,417</u>		<u>5,444,290</u>	
Net current assets			<u>3,509,612</u>		<u>6,523,016</u>
Total assets less current liabilities			23,961,853		17,472,231
Creditors: amounts falling due after more than one year	18		(4,035,764)		(1,222,535)
Net assets			<u>19,926,089</u>		<u>16,249,696</u>
Capital and reserves					
Called up share capital	20		656,450		621,029
Share premium	21		14,430,655		12,432,248
Capital reserve	21		209,948		(49,603)
Profit and loss account	21		2,875,327		1,669,847
Equity attributable to owners of the parent company			<u>18,172,380</u>		<u>14,673,521</u>
Non-controlling interests			<u>1,753,709</u>		<u>1,576,175</u>
			<u>19,926,089</u>		<u>16,249,696</u>

The financial statements were approved by the Board of Directors and authorised for issue on 30 November 2016 and are signed on its behalf by:

Tim Cumming

Simon Thornton

Director

Director

The notes on pages 11 to 35 form part of these financial statements.

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 30 April 2016

	Called-up share capital	Share premium account	Capital reserve	Profit and loss account	Amount attributable to owners of parent	Non- controlling interests	Total
Note	£	£	£	£	£	£	£
At 1 May 2014	331,830	2,071,141	(60,714)	1,464,802	3,807,059	1,486,376	5,293,435
Issue of shares at premium	289,199	10,361,107	-	-	10,650,306	-	10,650,306
Profit/movement for the year	-	-	11,111	1,873,022	1,884,133	502,269	2,386,402
Dividends paid	-	-	-	(1,667,977)	(1,667,977)	(412,470)	(2,080,447)
At 30 April 2015	621,029	12,432,248	(49,603)	1,669,847	14,673,521	1,576,175	16,249,696
Issue of shares at premium	35,421	1,998,407	-	-	2,033,828	-	2,033,828
Profit/movement for the year	-	-	259,551	3,758,268	4,017,819	713,328	4,731,147
Other comprehensive income	-	-	-	(19,814)	(19,814)	(3,760)	(23,574)
Dividends paid	-	-	-	(2,532,974)	(2,532,974)	(532,034)	(3,065,008)
At 30 April 2016	656,450	14,430,655	209,948	2,875,327	18,172,380	1,753,709	19,926,089

The notes on pages 11 to 35 form part of these financial statements.

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 30 April 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Profit of operating activities before taxation		5,102,745	2,711,833
Adjustments for:			
Amortisation of intangible assets	12	777,906	76,046
Depreciation of tangible assets	13	398,245	348,865
Interest expense	8	237,187	15,438
Interest income	7	(78,402)	(6,734)
Return on investment and servicing of finance		71,248	34,556
Unrealised foreign currency exchange loss/(gain)		(38,864)	(48,370)
(Increase)/decrease in accrued income		(760,419)	166,862
(Increase) in debtors	16	(723,879)	(615,123)
Increase in provisions	17	4,538	-
Increase in creditors	17	1,981,481	1,329,575
Cash from operating activities		<u>6,971,786</u>	<u>4,012,948</u>
Income taxes paid		(828,103)	(376,763)
Net cash from operating activities		6,143,683	3,636,185
Cash flows from investing activities			
Purchases of tangible assets	13	(676,998)	(150,179)
Purchases of intangible assets	12	(25,054)	(93,597)
Financial investments made		(133,620)	(50,754)
Purchase of subsidiary undertakings	23	(2,526,435)	(495,566)
Cash acquired with subsidiary undertakings	23	1,096,309	2,793,159
Other investment income		113,885	-
Interest received	7	78,402	6,734
Net cash (used in)/generated from investing activities		(2,073,511)	2,009,797
Cash flows from financing activities			
Bank loan movements		510,000	-
Issue of shares		76,313	40,284
Covenant payments		(112,580)	(25,980)
Participation payments		-	(180,027)
EBT loan movement		(132,716)	242,216
Net capital flows from finance leases		290,184	104
Loan and short term borrowing movement		(509,336)	255,182
Disposal of associated company		-	(27,292)
Finance lease rental payment interest		(51,514)	(9,302)
Interest paid	8	(237,187)	(15,438)
Dividends paid	10	(3,065,008)	(2,080,447)
Net cash used in financing activities		(3,231,844)	(1,800,700)
Net decrease in cash and cash equivalents		838,328	3,845,282
Cash and cash equivalents at beginning of the year		5,067,925	1,222,643
Cash and cash equivalents at end of year		<u>5,906,253</u>	<u>5,067,925</u>

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 30 April 2016 (continued)

Cash and cash equivalents comprise:

Cash at bank and in hand	6,333,245	5,384,084
Bank overdrafts	<u>(426,992)</u>	<u>(316,159)</u>
	<u>5,906,253</u>	<u>5,067,925</u>

The notes on pages 11 to 35 form part of these financial statements.

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 April 2016

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**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2016**

1 Statutory information

PraxisIFM Group Limited is a company domiciled in Guernsey, Channel Islands, registration number 30367. The registered office is Sarnia House, Le Truchot, St Peter Port, Guernsey. The nature of the company's operations and its principal activity are set out in the directors report.

2 Transition to FRS 102

As stated in note 3 these are the Group's first financial statements prepared in accordance with FRS 102. The accounting policies set out in note 3 have been applied in preparing the financial statements for the year ended 30 April 2016, the comparative information presented in these financial statements for the year ended 30 April 2015 and in the preparation of an opening FRS 102 balance sheet as at 1 May 2014 (the Group's date of transition).

3 Accounting policies

The following accounting policies have been used consistently in dealing with items considered material to the Group's affairs. These accounting policies have been consistently applied to all years presented unless otherwise stated.

Basis of preparation of financial statements

These financial statements have been prepared in accordance with FRS 102 the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ("FRS 102") and applicable law. The financial statements have been prepared on the historical cost basis except for the modification to fair value for certain financial instruments as specified in the accounting policies below.

This is the first year in which the financial statements have been prepared under FRS 102. Refer to note 26 for an explanation of the impact of first time adoption of FRS 102.

Consistent with the requirements of Guernsey Company Law, the parent Company has elected not to prepare a Company only income statement and statement of financial position.

Going concern

Based on current trading and three year projections, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Therefore, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Basis of consolidation

The Group consolidated financial statements consolidate the financial statements of the Company its subsidiary and associated undertakings drawn up to 30 April each year. Following the acquisition of the IFM Group Limited ('IFM') effective 1 January 2015, the results of IFM for the period from 1 January 2015 to 30 April 2015 were consolidated in the prior year. The results of the subsidiaries and other interests acquired or sold are consolidated for the period from or to the date on which control passed.

In accordance with the transitional exemption made available in FRS 102, the Group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102, being 1 May 2014.

A subsidiary, United Ventures Limited, has a different reporting year end than PraxisIFM Group Limited, being 31 January 2016. United Ventures Limited is material in the context of the Group results, however the financial year end is within 3 months of the Group financial year end, and no significant transactions have taken place which require adjusting for.

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2016**

3 Accounting policies (continued)

Turnover

Fee income is recognised as contractual work is performed in relation to those fees, with invoiced amounts being adjusted accordingly for any elements of accrued or deferred income.

Certain fees are raised on a one-off basis to cover the lifetime of the relevant entity. Where this occurs the Group assesses the expected level of material time involvement in future years and makes an appropriate provision to defer the recognition of part of that fee.

Accrued income

Accrued income is recognised to the extent that the Group has obtained a right to consideration through the performance of administration related services. A provision is made for non-recoverable costs.

Expenses

Expenses are recognised when they are incurred, meaning when the goods are received or the services are provided, with invoiced amounts being adjusted accordingly for any elements of accrued or prepaid expense.

Interest income and expense

Interest income and expense is recognised on an accruals basis.

Consolidation, investment in subsidiaries and related companies

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Group. Control is achieved where the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in total comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate using accounting policies consistent with those of the parent. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Fiduciary assets

The Group, through its subsidiaries, acts as trustee and in other fiduciary capacities that result in the holding or placing of assets on behalf of individuals, trusts, retirement benefit plans and other institutions. These assets/liabilities and income and expenses arising thereon are excluded from the financial statements, as they are not assets, liabilities, income or expenses of the Company or of the Group.

Tangible assets

Tangible fixed assets are stated at historical cost less accumulated depreciation and any provision for impairment.

Depreciation

Depreciation is provided on all tangible fixed assets at rates calculated to write down the cost, less estimated residual value of each asset class on the following bases:

Furniture, fixtures and fittings	5 years straight line
Computer equipment	5 years straight line
Leasehold property and improvements	5 years straight line

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2016**

3 Accounting policies (continued)

Impairment of assets

At each reporting date fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the income statement.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the income statement.

Other interests

Investments in unlisted company shares have been classified as fixed asset investments as the Group intends to hold them on a continuing basis. The shares are carried at their estimated value which is equal to the cost originally paid less any impairment identified.

Intangible assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Amortisation

Amortisation is provided on all intangible assets at rates calculated to write down the cost, less estimated residual value of each asset class on the following bases:

Business software	10 years straight line
Goodwill	20 years straight line

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired is capitalised and written off on a straight line basis over the useful life. Goodwill is reviewed annually for indications of impairment and if there are any, an impairment review is carried out and, if necessary, a provision is made.

Accrued income

Unbilled income is valued using average recovery rates appertaining during the year.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment, where the repayment date is in the future. Loans that are repayable on demand are initially recognised at carrying value, and subsequently measured at carrying value.

Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument(s) contractual obligations, rather than their legal form.

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2016**

3 Accounting policies (continued)

Allowances for bad and doubtful debt

Allowances are made for bad and doubtful debts. Estimates of recoverability are based on ageing of the debts and historical experience.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the group. All other leases are classified as operating leases.

Assets held under finance leases are recognised initially at the fair value of the leased asset (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Pension costs

The Group operates defined contribution pension schemes. Contributions to the group's defined contribution pension schemes are charged to profit and loss in the year in which they become payable.

Taxation

Current tax, including Guernsey Income Tax and foreign tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantially enacted by the financial year end.

Foreign exchange

Functional currency and presentation currency

The functional currency of the Company is Sterling (£). For the purpose of the consolidated financial statements of the Group, the results and financial position are presented in Sterling (£).

Transactions and balances

In preparing the financial statements of the individual entities, transactions in currencies other than the functional currency of the individual entities (foreign currencies) are recognised at the spot rate at the dates of the transactions, or at an average rate where this rate approximates the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are reclassified to profit or loss.

Translation of group companies

The results of foreign operations are translated at the average rates of exchange during the year and their statements of financial position at the rates ruling at the financial year end. Exchange differences arising on consolidation are recognised in the capital reserves.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2016

3 Accounting policies (continued)

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

4 Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

Determine whether leases entered into by the group either as a lessor or a lessee are operating leases or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

Determine whether there are indicators of impairment of the group's tangible and intangible assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

Other key sources of estimation uncertainty

Tangible fixed assets (see note 13)

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the assets and projected disposal values.

Intangible assets (see note 12)

Intangible assets are amortised on a straight line basis over their useful life. Intangible assets are also reviewed on an annual basis for any impairment.

Allowance for bad and doubtful debts

The trade debtors balance in the Group's Statement of Financial Position comprises a large number of relatively small balances. An allowance is made for the estimated irrecoverable amounts from debtors and this is determined by reference to past default experience.

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

NOTES TO THE FINANCIAL STATEMENTS

for the year ended 30 April 2016

5 Segmental reporting

All divisions engage in trust and/or corporate administration. Declared revenue is generated by external clients.

The Group has 4 reportable segments: Fiduciary, Pensions, Funds and Other. Businesses acquired in the year have their combined revenue stated separately. Note 23 details the business acquisitions in the year ended 30 April 2016. The business acquisition in the period ended 30 April 2015 comparative represents the acquisition of IFM Group Limited. No client generates more than 10% of revenue.

The chief operating decision maker has been identified as the Board of Directors of PraxisIFM Group Limited. Each segment is defined as a set of business activities generating a revenue stream determined by divisional responsibility and the management information reviewed by the Board of Directors. The Board evaluates segmental performance on the basis of gross profit, after the deduction of direct staff costs and direct client costs.

For the year ended 30 April 2016:

	Fiduciary	Pensions	Funds	Other	Acquisitions	Total
Revenue	14,069,750	2,005,372	6,289,392	2,038,644	3,277,757	27,680,915
Direct costs	(6,033,530)	(1,007,079)	(3,519,021)	(1,297,887)	(1,057,186)	(12,914,703)
Gross profit	8,036,220	998,293	2,770,371	740,757	2,220,571	14,766,212
Gross margin	57%	50%	44%	36%	68%	53%
Other operating income						168,136
Operating expenses						(9,672,818)
Operating profit						5,261,530

Acquisitions in the year ended 30 April 2016 included Confiance Limited, Ampersand Management (Geneva) SA, Ampersand Management (Mauritius) Limited, Cavendish Administration Limited and Trireme Pension Services (Guernsey) Limited.

For the period ended 30 April 2015:

	Fiduciary	Pensions	Funds	Other	Acq	Total
Revenue	6,781,481	272,022	4,987,843	412,578	3,367,829	15,821,753
Direct costs	(3,115,392)	(119,404)	(2,747,471)	(181,287)	(1,804,438)	(7,967,992)
Gross profit	3,666,089	152,618	2,240,372	231,291	1,563,391	7,853,761
	54%	56%	45%	56%	46%	50%
Other operating income						8,772
Operating expenses						(5,141,996)
Operating profit						2,720,537

Acquisitions in the year ended 30 April 2015 included IFM Group Limited.

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2016

5 Segmental reporting (continued)

Geographical information

The Group's revenue from external customers by geographical location of the contracting Group entity is detailed below;

	2016 £	2015 £
Channel Islands	24,447,158	13,845,249
Rest of Europe	3,233,757	1,976,504
	<u>27,680,915</u>	<u>15,821,753</u>

6 Direct costs

	2016 £	2015 £
Staff salaries	12,238,724	7,500,333
Staff pension contributions	443,961	275,973
Staff health cover	302,859	191,686
Disbursements recovered	(70,841)	-
	<u>12,914,703</u>	<u>7,967,992</u>

7 Interest receivable and similar charges

	2016 £	2015 £
Bank interest	<u>78,402</u>	<u>6,734</u>

8 Interest payable and similar charges

	2016 £	2015 £
Bank loans	<u>237,187</u>	<u>15,438</u>

9 Tax on profit on ordinary activities

The tax charge for the year represents local tax on overseas subsidiaries, Jersey and Guernsey tax on fiduciary services and tax due on fund administration services carried out in Guernsey.

The tax charge is based on the profit for the year and represents:

	2016 £	2015 £
Guernsey taxation	365,305	220,601
Taxation - overseas subsidiaries	265,844	115,941
Tax on results of ordinary activities	<u>631,149</u>	<u>336,542</u>

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2016**

9 Tax on profit on ordinary activities (continued)

The tax assessed for the year is higher than the standard rate of corporation tax in Guernsey at 10% on taxable activities (2015: 10%). The differences are explained as follows:

Profit on ordinary activities before tax	<u>5,102,745</u>	<u>2,711,833</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in Guernsey of 10% on taxable activities (2015: 10%)	510,274	271,183
Effects of:		
Guernsey 0% tax activities	(18,342)	(8,262)
Overseas tax differences	139,217	73,621
	<u>631,149</u>	<u>336,542</u>

10 Dividends

	2016 £	2015 £
Paid and declared during the year	<u>3,065,008</u>	<u>2,080,447</u>

11 Earnings per share

The Group presents basic and diluted earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. There is no potential for future dilution of shares at the balance sheet date.

	2016 £	2015 £
Profit for the period	3,758,268	1,873,022
Weighted average number of ordinary shares in issue	630,708	425,208
Basic and diluted earnings (pence)	595.9	440.5

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2016**

12 Intangible fixed assets

	Goodwill	Business	Total
	£	Software	£
		£	
<i>Cost</i>			
At 1 May 2015	9,240,641	345,824	9,586,465
Additions	-	25,054	25,054
Disposals	-	(10,711)	(10,711)
On acquisition of subsidiaries	11,282,105	-	11,282,105
At 30 April 2016	<u>20,522,746</u>	<u>360,167</u>	<u>20,882,913</u>
<i>Amortisation</i>			
At 1 May 2015	674,616	32,464	707,080
Amortisation for the year	753,145	24,761	777,906
Impairment of goodwill	1,452,537	-	1,452,537
Eliminated on disposal	-	(10,711)	(10,711)
At 30 April 2016	<u>2,880,298</u>	<u>46,514</u>	<u>2,926,812</u>
<i>Net book value</i>			
At 30 April 2016	<u>17,642,448</u>	<u>313,653</u>	<u>17,956,101</u>
At 30 April 2015	<u>8,566,025</u>	<u>313,360</u>	<u>8,879,385</u>

Assets included under "Business Software" to the value of £294,965 are in development and had not been brought into use at the year end. They are expected to have a useful economic life of 10 years. Therefore, they have not been amortised. They came into use in August 2016.

Goodwill arising on consolidation is being amortised over the directors' estimate of their useful life of 20 years. This estimate is based on a variety of factors such as the expected use of the acquired business, the expected useful life of the cash generating units to which the goodwill is attributed, any legal, regulatory or contractual provisions that can limit useful life and assumptions that market participants would consider in respect of similar businesses. An analysis of goodwill is provided in note 24.

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2016**

13 Tangible fixed assets

	Computer equipment £	Leasehold property and improvements £	Furniture, fixtures & fittings £	Total £
<i>Cost</i>				
At 1 May 2015	3,873,494	1,918,516	1,103,813	6,895,823
Additions	613,353	20,124	43,521	676,998
Acquired in business combination	500,114	10,815	162,077	673,006
Disposals/write offs	(2,110,573)	(30,157)	(788,388)	(2,929,118)
FX movement	-	(78,603)	-	(78,603)
At 30 April 2016	<u>2,876,388</u>	<u>1,840,695</u>	<u>521,023</u>	<u>5,238,106</u>
<i>Depreciation</i>				
At 1 May 2015	3,243,953	851,684	969,155	5,064,792
Depreciation for the year	228,603	138,963	30,679	398,245
Acquired in business combination	288,885	-	108,733	397,618
Eliminated on disposal/write off	(1,973,415)	(29,430)	(779,835)	(2,782,680)
FX movement	-	(77,212)	-	(77,212)
At 30 April 2016	<u>1,788,026</u>	<u>884,005</u>	<u>328,732</u>	<u>3,000,763</u>
<i>Net book value</i>				
At 30 April 2016	<u>1,088,362</u>	<u>956,690</u>	<u>192,291</u>	<u>2,237,343</u>
At 30 April 2015	<u>629,541</u>	<u>1,066,832</u>	<u>134,658</u>	<u>1,831,031</u>

Included in tangible assets are assets acquired under finance leases as follows:

	Cost £	Accumulated depreciation £	Depreciation charge for year £	Net book value
Computer equipment	138,155	-	(20,507)	117,648

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 April 2016

14 Investments

At 30 April 2016 the Group had interests in the following entities:

Other interests	Country of incorporation	Type of shares	Proportion held (%)	2016 Value £	2015 Value £
Fundamental Asset Management Limited	England	Ordinary	23.3	151,297	151,297
Channel Islands Securities Exchange	Guernsey	Ordinary	0.81	52,250	31,500
Sequoia Economic Infrastructure Fund SICAV	Guernsey UAE	Ordinary Ordinary	0.02 100	52,250 3,000	53,002 3,000
				258,797	238,799

The results of Fundamental Asset Management Limited have not been treated as an associate as the shares held do not carry any voting rights.

The shares held in SICAV do not carry any voting rights. There is no ability for the Group or Company to exercise control, and therefore the results of SICAV have not been consolidated.

The Group acquired 100% of a company, Agility Limited, as part of the acquisition of Trireme Pension Services (Guernsey) Limited, solely for the purpose of acquiring full control of a book of pensions business. The entity has had all assets, liabilities, income and expenses transferred to Trireme Pensions Guernsey Limited, and its purchase costs are treated as goodwill in the pension business. Therefore, the results of Agility Limited have not been consolidated. The directors intend to liquidate Agility Limited in the near future.

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 April 2016

15 Subsidiaries

Direct subsidiaries

At 30 April 2016, the Group had the following direct subsidiaries;

Subsidiaries	Type of shares	Proportion held (%)	Country of incorporation	Nature of business
IFM Group Limited	Ordinary	100	Jersey	Fiduciary
PraxisIFM Trust Limited Malta	Ordinary	100	Malta	Fiduciary
PraxisIFM Trust SA	Ordinary	90	Switzerland	Fiduciary
Praxis Holdings (Malta) Limited	Ordinary	100	Malta	Holding
PraxisIFM Trust Limited Guernsey	Ordinary	100	Guernsey	Fiduciary
PraxisIFM Treasury Services Limited	Ordinary	100	Guernsey	Treasury
Praxis Corporate Finance Limited	Ordinary	100	Guernsey	Advisory
Praxis Pensions and Benefits Limited	Ordinary	100	Guernsey	Pensions
Praxis Fund Holdings Limited	Ordinary	47	Guernsey	Holdings
Praxis Wealth Solutions Limited	Ordinary	100	Guernsey	Non-Trading
Praxis Luxembourg SA	Ordinary	90	Luxembourg	Funds
Nominee and dormant companies	Ordinary	100	Guernsey	Fiduciary
Fujairah (UAE)	Ordinary	100	UAE	Fiduciary
Trireme Pension Services (Guernsey) Limited	Ordinary	100	Guernsey	Pensions
Trireme Pension Services (Malta) Limited	Ordinary	100	Malta	Pensions
Confiance Limited	Ordinary	100	Guernsey	Fiduciary
United Ventures Group Limited	Ordinary	100	Jersey	Trade Facilitation
Ampersand Management (Mauritius) Limited	Ordinary	100	Mauritius	Fiduciary
Ampersand Management (Geneva) SA	Ordinary	100	Switzerland	Fiduciary

The shares held in Praxis Fund Holdings Limited represent the majority of voting shares through which economic control is achieved with a less than 50% shareholding.

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 April 2016

15 Subsidiaries (continued)

Indirect subsidiaries

IFM Group Limited wholly owns the following subsidiary companies:

- PraxisIFM Trust Limited - Jersey
- IFM Holdings (UK) Limited
- IFM Group (Pty) Limited
- UV Capital Limited
- MRI Services Limited
- Edwards & CO (Jersey) Limited
- Seldovia Holdings Limited
- PraxisIFM Trust (NZ) Limited
- United Ventures Developments Limited

PraxisIFM Trust Limited wholly owns the following subsidiary companies:

- IFM Corporate Directors Limited
- Moore Nominees Limited
- Pirunico Nominees Limited
- C S Directors Limited
- IFM Corporate Trustees Limited
- Pirunico Trustees (Jersey) Limited
- Sun Nominees Limited
- Church Street Secretaries Limited
- Church Street Trustees Limited
- United Ventures Limited

United Ventures Limited wholly owns the following subsidiary companies:

- Atlantic Global Management Limited
- UVL Corporate Directors Limited
- United Ventures (Pty) Limited
- Namaweb (Pty) Limited
- A2G Proprietary Limited

IFM Holdings (UK) Limited wholly owns the following subsidiary companies:

- PraxisIFM Trust & Corporate Services Limited
- IFM Trust SA
- IFM Wealth Management Limited

IFM Wealth Management Limited wholly owns the following subsidiary companies:

- IFM Corporate Directors Limited
- IFM Corporate Secretaries Limited
- Keeston Corporation
- Bexana Corporation

Praxis Holdings (Malta) Limited wholly owns the following subsidiary companies:

- PraxisIFM Trust (NZ) Ltd
- Praxis Group South Africa (Pty) Ltd

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 April 2016

15 Subsidiaries (continued)

PraxisIFM Trust Limited (Guernsey) wholly owns the following subsidiaries:

- Praxis Portfolio Trustees Limited
- Praxis Nominees Limited
- Praxis Directors One Limited
- Praxis Directors Two Limited
- Truchot Trustees Limited
- Praxis Trustees Limited
- Praxis Secretaries Limited

Praxis Fund Holdings Limited wholly owns the following subsidiaries:

- Praxis Fund Services (Malta) Limited
- International Fund Management Limited
- PraxisIFM Fund Services (UK) Limited
- Praxis Fund Services Limited
- IASL Directors 1 Limited
- IASL Directors 2 Limited
- IASL Nominees Limited
- Cavendish Administration Limited

Confiance Limited wholly owns the following subsidiaries:

- CN Alpha Limited
- CN Beta Limited
- CCD Alpha Limited
- CCD Beta Limited
- Consec Limited
- IPM Malta Limited

United Ventures Group Limited wholly owns the following subsidiaries:

- A2G Investment Holding Limited
- UVL International Trading Limited
- UVL Global Trading Limited
- A2G Managers Limited

16 Debtors

	2016 £	2015 £
Trade debtors	6,892,165	4,923,838
Prepayments and other debtors	1,959,257	903,840
	8,851,422	5,827,678

A provision of £163,556 (2015: £227,697) was recognised against trade debtors of the group.

Praxis EBT is an employee benefit trust for the benefit of group employees. The trustees of the EBT are Simon Thornton, Robert Fearis, Timothy Cumming and David Piesing.

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 April 2016

17 Creditors: amounts falling due within one year

	2016 £	2015 £
Deferred income	4,177,095	2,448,092
Trade creditors	1,003,441	144,507
Sundry creditors	1,975,217	1,723,377
Provision for Confiance remediation	633,113	-
Bank loans	620,000	-
Other loans	240,893	57,861
Finance leases	29,103	9,200
Overdraft	426,992	316,159
Deferred consideration	3,639,405	104,000
Taxation	818,158	641,094
	13,563,417	5,444,290

Note 1 (Deferred income)

Deferred income principally relates to annual fees raised in advance relating to the forthcoming period, for which payment has already been received.

Note 2 (Bank loans)

During 2013 Confiance Limited, a direct subsidiary of PraxisIFM Group Limited, entered into a loan facility with Royal Bank of Scotland International for £150,000. The loan is repayable in three annual installments of £50,000 commencing November 2014. Interest is charged at a rate of 3.75% per annum over LIBOR.

During 2015 Confiance Limited, a direct subsidiary of PraxisIFM Group Limited, entered into a revolving credit facility with Royal Bank of Scotland International of £1,200,000 to be reduced by £100,000 per quarter. The facility is repayable by 1 April 2018 and is charged at 3.75% over LIBOR on the drawn amount and a commitment fee of 1.5% per annum on the undrawn amount.

During 2015 the Company entered into a loan facility agreement with Royal Bank of Scotland International for £510,000. The loan is repayable over three years in quarterly installments and is charged interest at 3.75% over the Royal Bank of Scotland International base rate.

Note 3 (Other loans)

On 2 October 2012 the Company entered in to a loan agreement with Lombard Finance (CI) Limited for £105,200. The loan is repayable over 3 years and attracts interest of £8,531 over the life of the loan which is an implicit rate of 8.11%.

On 20 November 2013 Smart Growth agreed to lend up to a maximum of ZAR10,000,000 to Namaweb (Pty) Limited, a wholly owned subsidiary of United Ventures Limited. The loan bears compound interest at a minimum annual interest rate of 6% (with a maximum interest rate of 2.5% over the prime overdraft interest rate charged by Absa Bank) and is secured by a first bond against the Company property and is repayable on or before the 5th anniversary of the drawdown date.

On 13 May 2014 the Company entered into a loan agreement with Lombard Finance (CI) Limited for £44,045. The loan is repayable over 3 years and attracts interest of £4,373.56 over the life of the loan which is an implicit interest rate of 9.93%.

There is also an unlimited inter-company guarantee in place between PraxisIFM Group Limited (formerly Praxis Holdings Limited) and its subsidiary companies.

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 April 2016

17 Creditors: amounts falling due within one year (continued)

Note 7 (Overdraft)

R H Fearis, T I Cumming, D M Piesing and S J Thornton provided guarantees in respect PraxisIFM Group Limited's overdraft to a limit of £1,220,000.

Note 8 (Deferred consideration)

Deferred consideration relates to the acquisition of Confiance Limited, Trireme Pension Services (Guernsey) Limited, Cavendish Administration Limited and Ampersand Management (Geneva) SA and Ampersand Management (Mauritius) Limited. Note 23 provides details of the acquisitions.

18 Creditors: amounts falling due after more than one year

	2016 £	2015 £
Finance leases	88,395	13,007
Bank loans	655,000	-
Other loans	292,166	375,725
Deferred consideration	3,000,203	833,803
	4,035,764	1,222,535

Note 17 provides details of the loans and finance leases in issue.

19 Financial Instruments

The Group's financial instruments may be analysed as follows:

	2016 £	2015 £
Financial assets		
Financial assets measured at fair value	258,797	238,799
Financial liabilities		
Financial liabilities measured at amortised cost	6,639,608	937,803

Financial assets measured at fair value through profit and loss comprise investments in unlisted companies.

Financial liabilities measured at amortised cost include loan notes issued in consideration of acquisitions.

All bank loans held by the Group are commercial loans issued at market value and thus were not subject to fair value adjustments.

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 April 2016

20 Called up share capital

	2016 £	2015 £
Authorised, allotted and fully paid:		
594,760 ordinary A-shares of £1 each	594,760	562,339
61,690 ordinary B-shares of £1 each	61,690	58,690
	<u>656,450</u>	<u>621,029</u>

Both share categories have the same rights, except for B shares having no voting rights.

Reconciliation of share movements

Opening share capital		621,029
Issued in acquisition of Confiance Limited		8,572
Issued in acquisition of Trireme Pensions Services (Guernsey) Limited		809
Issued in acquisition of Ampersand SA & Mauritius		8,527
Issue of shares held in Praxis EBT		17,513
Closing share capital		<u>656,450</u>

21 Reserves

Called up share capital - represents the nominal value of shares that have been issued.

Share premium account - includes any premium received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Capital reserve - represents exchange differences arising on consolidation of subsidiary investments.

Profit and loss account - includes all current and prior period retained profits and losses.

22 Financial commitments

The Group's future minimum operating lease payments are as follows:

	2016 £	2015 £
Within one year	1,065,963	886,115
Between one and five years	2,747,133	3,199,820
After five years	18,941	75,673

All operating leases relate to office premises occupied by subsidiary entities. Of the £1,112,723 between two and five years, £985,526 is a commitment of the Company.

The Group's future minimum finance lease payments are as follows:

	2016 £	2015 £
Within one year	29,103	3,680
Between one and five years	88,395	5,520
After five years	-	-

Finance leases relate to IT equipment used by the Company. All of the £88,395 payable between one and five years is a commitment of the Company.

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 April 2016

23 Business combinations

Acquisition of Confiance Limited

On 8 December 2015 the Group acquired 100% of Confiance Limited for £7,262,685 of which £2,905,074 was payable upon completion with the deferred consideration payable over three years. The initial payment was by way of £300,000 in cash with the balance by way of 6% loan notes.

For the purposes of consolidation it was agreed that economic control was acquired from 1 October 2015 and that the results of Confiance Limited would be consolidated from this point.

Following the acquisition of Confiance Limited, a provision was recognised for the remediation costs associated with transferring the book of business to Group companies. The amount of the provision was £1,413,817, resulting in a total purchase consideration of £8,676,502.

In calculating the goodwill arising on acquisition, the fair value of net assets of Confiance Limited have been assessed and adjustments from book values made where necessary.

	Fair value £
Fixed assets	
Tangible	219,480
Intangible	25,594
Current assets	
Debtors	1,223,974
Cash at bank and in hand	<u>679,253</u>
Total assets	2,148,301
Creditors	
Due within one year	(1,315,151)
Fair value of net assets acquired	833,150
Goodwill	7,986,252
Total purchase consideration	<u>8,819,402</u>
Purchase consideration settled in cash	270,142
Cash and cash equivalents in subsidiary acquired, as above	679,253
Cash inflow on acquisition	409,111

The useful economic life of goodwill has been estimated to be 20 years.

The results of Confiance Limited in the 7 months since its effective acquisition are as follows:

Revenue	£2,361,109
Profit/(Loss)	£282,755

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 April 2016

23 Business combinations (continued)

Acquisition of Ampersand Management (Geneva) SA & Ampersand Management (Mauritius) Limited

On 31 March 2016 the Group acquired 100% of Ampersand Management (Geneva) SA and Ampersand Management (Mauritius) Limited for £1,392,278 of which £815,369 was paid upon completion with the rest being deferred consideration payable over two years.

In addition to the purchase consideration, legal costs of £25,089 were also recognised in relation to the purchase, resulting in a total purchase consideration of £1,417,367.

In calculating the goodwill arising on acquisition, the fair value of net assets of Ampersand Management (Geneva) SA and Ampersand Management (Mauritius) Limited have been assessed and adjustments from book values made where necessary.

	Fair value £
Fixed assets	
Tangible	41,077
Intangible	6,919
Current assets	
Debtors	284,237
Cash at bank and in hand	<u>39,259</u>
Total assets	371,492
Creditors	
Due within one year	(196,078)
Fair value of net assets acquired	175,414
Goodwill	1,241,953
Total purchase consideration	<u>1,417,367</u>
Purchase consideration settled in cash	349,997
Cash and cash equivalents in subsidiary acquired, as above	39,259
Cash outflow on acquisition	310,738

The useful economic life of goodwill has been estimated to be 20 years.

The results of Ampersand Management (Geneva) SA and Ampersand Management (Mauritius) Limited in the 1 month since acquisition are as follows:

Revenue	£377,824
Profit/(Loss)	-£104,148

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 April 2016

23 Business combinations (continued)

Acquisition of Trireme Pension Services (Guernsey) Limited (formerly Confiance Pension Services Limited)

On 21 October 2015 the Group acquired 100% of Trireme Pension Services (Guernsey) Limited (formerly Confiance Pension Services Limited) for a consideration of £770,126 of which £425,839 was paid upon completion with the rest being deferred consideration payable over two years.

In calculating the goodwill arising on acquisition, the fair value of net assets of Trireme Pension Services (Guernsey) Limited have been assessed and adjustments from book values made where necessary.

	Fair value £
Fixed assets	
Tangible	-
Intangible	200,000
Current assets	
Debtors	147,516
Cash at bank and in hand	<u>185,288</u>
Total assets	532,804
Creditors	
Due within one year	(583,110)
Fair value of net assets acquired	(50,306)
Goodwill	820,432
Total purchase consideration	<u>770,126</u>
Purchase consideration settled in cash	339,364
Cash and cash equivalents in subsidiary acquired, as above	185,288
Cash outflow on acquisition	154,076

The useful economic life of goodwill has been estimated to be 20 years.

The results of Trireme Pension Services (Guernsey) Limited in the 7 months since its effective acquisition are as follows:

Revenue	£733,457
Profit/(Loss)	-£28,441

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 April 2016

23 Business combinations (continued)

Acquisition of Cavendish Administration Limited

On 26 November 2015, Praxis Fund Services (UK) Limited, a subsidiary of the Company, acquired 100% of Cavendish Administration Limited for a consideration of £725,450 of which £351,750 was paid upon completion with the rest being deferred consideration payable over three years.

In calculating the goodwill arising on acquisition, the fair value of net assets of Cavendish Administration Limited have been assessed and adjustments from book values made where necessary.

	Fair value £
Fixed assets	
Tangible	4,542
Intangible	-
Current assets	
Debtors	155,390
Cash at bank and in hand	<u>192,510</u>
Total assets	352,442
Creditors	
Due within one year	(97,899)
Fair value of net assets acquired	254,543
Goodwill	470,907
Total purchase consideration	<u>725,450</u>
Purchase consideration settled in cash	351,750
Cash and cash equivalents in subsidiary acquired, as above	192,510
Cash outflow on acquisition	159,240

The useful economic life of goodwill has been estimated to be 20 years.

The results of Cavendish Administration Limited in the 5 months since its acquisition are as follows:

Revenue	£381,412
Profit/(Loss)	£45,089

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 April 2016

24 Reconciliation of goodwill

As at 1 May 2015	8,566,026
Purchased goodwill in period:	
Confiance Limited	7,986,252
Ampersand Management SA and Ampersand Management (Mauritius) Limited	1,241,953
Tirreme Pension Services (Guernsey) Limited	820,432
Cavendish Administration Limited	470,907
Agility Limited (see below)	450,000
Praxis Holdings Malta Limited	146,460
PraxisIFM Trust Malta Limited	12,587
Adjustment to IFM Group Limited goodwill	153,513
Impairment of goodwill	(1,452,537)
Amortisation	(753,145)
As at 30 April 2016	<u>17,642,448</u>

The remaining 50% shareholding in Agility Limited was purchased in the year in order to allow Tirreme Pension Services Limited to continue its operations. The purchase did not include any assets or liabilities, and thus there was no acquisition calculation included in note 23, as the full cost of the purchase is treated as goodwill.

25 Transactions with related parties

There is no immediate or ultimate controlling party of the Group. No individual shareholder holds sufficient voting rights in order to exercise control.

S J Thornton is a director of PraxisIFM Group Limited (formerly Praxis Holdings Limited) and also of Alternative Solution Limited. During the year the Group purchased goods and services from Alternative Solutions Limited to the value of £601,969 (2015: £210,239). All transactions were subject to a formal contractual agreement that has been fully authorised by the board of directors.

At the balance sheet date the Group had an outstanding balance owing to Alternative Solutions Limited of £192,975 (2015: £37,158).

	2016 £	2015 £
Key management personnel compensation	1,544,531	1,303,633
Dividends paid to shareholders who are also directors	1,337,428	1,208,044

Direct Employment Costs includes Directors salaries and related benefits including pension contributions. RH Fearis, TI Cumming, DM Piesing and SJ Thornton have provided guarantees in respect of certain of the Group's bank borrowings.

26 Transition to FRS 102

The Company has adopted FRS 102 for the year ended 30 April 2016. The comparative figures have not been restated as there was no material impact arising from the transition under former UK GAAP.

**NOTES TO THE FINANCIAL STATEMENTS
for the year ended 30 April 2016**

27 Post balance sheet events

On 8 December 2015 as part of a share purchase agreement with the company, Confiance Limited sold its client contracts to the Group for a consideration of £6,431,769. The consideration is increased by a maximum of up to 14% should the actual turnover from the clients acquired prove to be higher than the projected turnover in the years to 30 April 2018. Similarly the consideration is reduced should the company not be in a position to service any of the clients for regulatory or other reasons.

The consideration paid for the client contracts was paid by way of an initial amount of £2,074,158 in 6% loan notes from the Group with the balance paid as deferred consideration over 3 years.

The SPA included a provision that in the event that certain existing claims against Confiance Limited were settled but that insurance cover was declined, then the quantum of the claim and related costs would be offset against the consideration receivable on the basis that the Group confirmed it would settle claims on behalf of Confiance Limited.

In November 2013 Invescap Holdings Limited ("IHL") filed a counterclaim against Confiance Limited in the sum of £2,183,141 plus interest in relation to various alleged frauds against IHL by Mr Lee Douglass a former employee and director of IHL. It was alleged that Confiance Limited and others were responsible for allowing Mr Douglass to misappropriate the sums claimed.

On 1 October 2015, Confiance Limited was notified by AmTrust Europe Limited, the insurer of the £4m over £1m Professional Indemnity Insurance excess layer, that it was seeking to deny cover in relation to the policy year 2012/2013 on the basis that the 2012 Proposal Form contained alleged untrue statements, material non-disclosure of facts and that material facts were suppressed and not disclosed. The counterclaim by IHL was notified and covered during Policy year 2012/2013. Confiance Limited has been advised and is acting as a prudent uninsured in relation to the counterclaim by IHL. The directors were advised and believed that the likely cost of the IHL counterclaim would be a maximum of £3,500,000. The Primary and all other excess Professional Indemnity Insurance layers continue to be in force.

On 1 June 2016, Confiance Limited together with the Group entered into a Settlement Agreement with IHL and Karim Issa Mawji ("KM") against whom Confiance Limited alleged inter alia contributory negligence, whereby Confiance Limited agreed to pay IHL the sum of £3,200,000 and to KM the sum of £120,000 in full and final settlement of the proceedings.

The Group agreed to provide Confiance Limited with sufficient funding to enable full settlement with IHL and KM. The Group has notified Confiance Limited that it has deemed the 2,074,158 outstanding Loan Notes cancelled as of 1 June 2016 and that it reserves its rights under the SPA in respect of the balance of the disputed insurance claim and pursuant to clause 3.2 of the Loan Note instrument no interest is due. Confiance Limited has taken legal advice and is actively pursuing the reinstatement of the indemnity from its professional indemnity insurers in respect of the settlement of the litigation. It was indemnified in respect of the defence costs by the primary layer insurers, but is currently in dispute with the first excess layer insurer concerning the balance of the insurance claim.

On 1 June 2016, Seldovia Holdings Limited, an indirect subsidiary of the Group, was struck off. For the year ended 30 April 2016, Seldovia Holdings Limited made a loss of £4,997 and had a net liabilities position of £15,590.

On 29 July 2016 the Group entered into a loan facility agreement with RBSI in the amount of £4,500,000. The purpose of this loan was to consolidate existing bank loans of £850,000 and £425,000, and to pay an insurance claim attached to Confiance Limited (purchased in the year) in the amount of £2,900,000. The deferred consideration payable for Confiance Limited is linked to the outcome of this insurance claim, and therefore will reduce the deferred consideration by the same amount, with no net impact on future cash flows.

PRAXISIFM GROUP LIMITED (formerly Praxis Holdings Limited)

NOTES TO THE FINANCIAL STATEMENTS for the year ended 30 April 2016

27 Post balance sheet events (continued)

On 4 August 2016 the Group purchased Balmor Management SA for the amount of CHF350,000. The purpose of the purchase was to expand the Geneva jurisdictions client base.

On 29 September 2016, PraxisIFM Trust Limited was incorporated as an ADGM Company in Abu Dhabi. The purpose of this subsidiary is to allow expansion of Group operations into the UAE, with provision of trustee and pension services being the main business lines.

On 31 October 2016, an agreement was signed for United Ventures Group Limited, a direct subsidiary of PraxisIFM Group Limited, to leave the Group. Before its exit from the Group, all trading company clients from United Ventures Limited, a subsidiary of IFM Group Limited, will be transferred across to United Ventures Group Limited. United Ventures Limited will retain the fiduciary clients, and these will be transferred to PraxisIFM Trust Limited (Jersey). For the year ended 30 April 2016, the trading company clients revenue was £1,117,740.

APPENDIX B

UNAUDITED INTERIM ACCOUNTS FOR THE PERIOD ENDED 31 OCTOBER 2016





Chief Executive's Report

Group Activity

The group continues to develop its core activities in the Fiduciary and Fund Administration Services, with trading ahead of the same period last year

The group has installed a new version of its systems during the last 12 months, with Jersey migrating across from their legacy system during the period. This has absorbed internal resource that we expect to see work its way out over the remainder of the year

Investments and projects

During the prior year, the group acquired 100% of the equity in Ampersand which has offices in Geneva and Mauritius. We are beginning to see this revenue stream come on line

The acquisition of the Guernsey based Confiance business during 2016 has resulted in a significant remediation exercise for the Group, utilising considerable resource that will be released back as the process comes to an end

We continue to see a flow of potential acquisition opportunities. Following the end of the period, we completed on two deals that are expected to deliver IRO £1.5m of annual revenues

Group Strategy

We focus on service delivery excellence to our clients via a 'compliance first' approach

We continue to grow via a combination of organic growth and value-accretive acquisitions that help to diversify our jurisdictional reach and service offerings

Jurisdictions

Guernsey
Jersey
Malta
Luxembourg
Geneva
South Africa
New Zealand
Mauritius
United Kingdom

Service Provision

Our expertise is precisely focussed on creating, preserving and growing wealth

Fiduciary private client services and trust administration
Fund administration
Pension services
Family office services
Corporate services
Treasury and foreign exchange
Asset financing
Real estate services

Shareholder update

Following the end of the period, the Group issued 80,000 shares to the Financial Services Opportunities Investment Fund Limited, a Guernsey listed entity managed by Ravenscroft Limited

The £6.5m raised will be used to fund acquisitions in line with the strategic approach

Financial Review

Highlights	H1 2017	H1 2016
Revenues		
Trust	11,557,273	8,594,523
Funds	3,857,813	2,853,862
Pensions	970,708	282,026
Other including treasury and asset financing	619,722	499,005
Consolidation adjustments	(324,604)	(296,042)
Total	16,680,912	11,933,374
Growth rate	40%	
 Gross Profit	 8,411,951	 5,869,731
Growth rate	43%	
Gross Profit Margins		
from continuing operations ¹	54%	48%
total	50%	51%
 EBITDA	 3,671,155	 2,407,904
Growth rate	52%	
EBITDA margins		
from continuing operations ¹	25%	19%
total	22%	20%
 Adjusted EBITDA	 4,500,203	 3,229,928
 Net Profit attributable to group shareholders	 2,515,087	 2,052,860
Earnings per share	3.82	3.24

¹operations owned at the start of the prior year

The Group has seen a 40% revenue growth drive EBITDA to £3.7m for the six months, representing an improvement of 52% against the same period last year

As previous acquisitions and newly established operations move beyond the first year's trading, we see an uplift in EBITDA delivery, resulting in an improvement of continuing operations EBITDA margins from 19% to 25% year-on-year



Financial Statements

Income Statement	H1 2017	H1 2016
Turnover	16,680,912	11,933,374
Direct costs	(8,268,961)	(6,063,643)
Gross profit	8,411,951	5,869,731
Administrative salaries	(1,069,346)	(840,363)
Office expenses	(1,182,989)	(755,432)
Technical and training	(86,594)	(89,266)
Marketing	(374,241)	(384,352)
Computer expenses	(823,115)	(398,948)
Insurance	(45,523)	(7,911)
Travel and entertaining	(195,694)	(48,396)
Accommodation costs	(837,130)	(586,530)
Amortisation of goodwill	(484,230)	(257,146)
Finance and bad debts	(375,212)	(187,015)
Other operating income	91,398	55,574
Operating profit	3,029,275	2,369,946
Interest receivable and similar income	6,242	6,539
Interest payable and similar charges	(57,695)	(19,857)
Profit on ordinary activities before tax	2,977,822	2,356,628
Tax on profit on ordinary activities	(323,050)	(5,103)
Profit for the financial period	2,654,772	2,351,525
Other comprehensive income	64,185	(1,500)
Total comprehensive income for the financial period	2,718,957	2,350,025
Total comprehensive income for the financial period attributable to:		
Owners of the parent	2,515,087	2,052,860
Non-controlling interests	203,870	297,165

Financial Statements

Position Statement	H1 2017	H1 2016
Fixed assets		
Intangible assets	17,658,726	16,329,098
Tangible assets	3,065,540	1,837,339
Investments	881,076	278,152
	21,605,342	18,444,589
Current assets		
Accrued income	1,698,650	1,185,945
Debtors and prepayments	9,229,265	7,197,452
Loan to Praxis EBT	242,041	79,696
Cash at bank	3,357,284	4,292,194
	14,527,240	12,755,287
Creditors: amounts falling due within one year	(8,574,785)	(10,906,342)
Net current assets	5,952,455	1,848,945
Total assets less current liabilities	27,557,797	20,293,534
Creditors: amounts falling due after more than one year	(6,056,059)	(2,451,633)
Net assets	21,501,738	17,841,901
Capital and reserves		
Called up share capital	658,106	634,554
Share premium	14,524,096	13,195,239
Capital reserve	898,819	(315,192)
Profit and loss account	3,709,219	2,821,608
Equity attributable to owners of the parent company	19,790,240	16,336,209
Non-controlling interests	1,711,498	1,505,692
	21,501,738	17,841,901
