

Pendal Group Limited
Level 14, The Chifley Tower
2 Chifley Square
Sydney NSW 2000
Australia
ABN 28 126 385 822



ASX Announcement

25 July 2019

Issue of Pendal Group Limited ordinary shares under the Fund Linked Equity program

Pendal Group Limited (Pendal Group) today announces the issue of 4,795,815 ordinary shares (Shares) under the terms of the Fund Linked Equity (FLE) program.

The Shares are being issued following an exercise of rights by fund managers who participate in the FLE program. The Shares are subject to vesting restrictions over the next five years and will have full dividend and voting rights during the vesting period.

Further details relating to the FLE program can be found in Pendal Group's 2018 Annual Report.

For further information on this announcement, please contact:

Cameron Williamson
Group Chief Financial Officer
Pendal Group Limited
Telephone: +61 2 9220 2126

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

Pendal Group Limited (PDL)

ABN

28 126 385 822

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	Fully paid ordinary shares
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	4,795,815
3	Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	<p>The ordinary shares issued to certain fund managers under PDL's Fund Linked Equity Scheme (FLE) rank equally with all other fully paid ordinary shares on issue but are subject to a restriction period of up to 5 years with 20% vesting (and released) per annum post issue and release in certain other circumstances.</p> <p>If a participant ceases to be an applicable fund manager under the FLE rules then PDL (or its nominee) may acquire any restricted PDL shares held by that fund manager for GPB1 subject to certain board discretions (including to pro-rate any vesting over the vesting period to the date of cessation in relation to death, permanent ill health, agreed retirement, redundancy and other circumstances determined by the board).</p>

4	<p>Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none"> the date from which they do the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<p>The new shares will rank equally in all respects with other fully paid PDL ordinary shares.</p>
5	Issue price or consideration	\$7.3106 per share (being the 30 day pre issue vwap)
6	<p>Purpose of the issue</p> <p>(If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>To satisfy PDL's conversion obligations under the FLE Scheme summarised in PDL's 2018 annual report. Under the FLE Scheme participating Fund Managers have the right to partly convert the revenue generated by the investment strategy into PDL equity over time. Further details are set out in page 35 and following of the PDL 2018 annual report.</p>
6a	<p>Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A?</p> <p>If Yes, complete sections 6b – 6h <i>in relation to the +securities the subject of this Appendix 3B</i>, and comply with section 6i</p>	<p>No</p>
6b	The date the security holder resolution under rule 7.1A was passed	
6c	Number of +securities issued without security holder approval under rule 7.1	
6d	Number of +securities issued with security holder approval under rule 7.1A	
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	

+ See chapter 19 for defined terms.

6f	Number of +securities issued under an exception in rule 7.2													
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.													
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements													
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements													
7	+Issue dates Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A. Cross reference: item 33 of Appendix 3B.	25 July 2019												
8	Number and +class of all +securities quoted on ASX (<i>including</i> the +securities in section 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>322,802,391</td><td>Ordinary shares</td></tr></table>	Number	+Class	322,802,391	Ordinary shares								
Number	+Class													
322,802,391	Ordinary shares													
9	Number and +class of all +securities not quoted on ASX (<i>including</i> the +securities in section 2 if applicable)	<table><tr><th>Number</th><th>+Class</th></tr><tr><td>33,964 474,415 441,342 737,351</td><td>2015 Performance Share Rights issued in 2015 2016 Performance Share Rights issued in 2016 2017 Performance Share Rights issued in 2017 2018 Performance Share Rights issued in 2018</td></tr><tr><td>4,029,902</td><td>JOHCM Long Term Retention Equity Nil Cost options issued 2012</td></tr><tr><td>8,254,286</td><td>JOHCM Long Term Retention Equity Nil Cost options expiring December 2019</td></tr><tr><td>1,620,908</td><td>JOHCM Long Term Retention Equity Nil Cost options expiring December 2022</td></tr><tr><td>Variable</td><td>Conversion rights under FLE scheme at wvap pricing at date of conversion.</td></tr></table>	Number	+Class	33,964 474,415 441,342 737,351	2015 Performance Share Rights issued in 2015 2016 Performance Share Rights issued in 2016 2017 Performance Share Rights issued in 2017 2018 Performance Share Rights issued in 2018	4,029,902	JOHCM Long Term Retention Equity Nil Cost options issued 2012	8,254,286	JOHCM Long Term Retention Equity Nil Cost options expiring December 2019	1,620,908	JOHCM Long Term Retention Equity Nil Cost options expiring December 2022	Variable	Conversion rights under FLE scheme at wvap pricing at date of conversion.
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Variable	Conversion rights under FLE scheme at wvap pricing at date of conversion.													

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No change.
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Part 2 - Pro rata issue

11	Is security holder approval required?	
12	Is the issue renounceable or non-renounceable?	
13	Ratio in which the +securities will be offered	
14	+Class of +securities to which the offer relates	
15	+Record date to determine entitlements	
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	
17	Policy for deciding entitlements in relation to fractions	
18	Names of countries in which the entity has security holders who will not be sent new offer documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	
19	Closing date for receipt of acceptances or renunciations	
20	Names of any underwriters	
21	Amount of any underwriting fee or commission	
22	Names of any brokers to the issue	
23	Fee or commission payable to the broker to the issue	
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	

+ See chapter 19 for defined terms.

25	If the issue is contingent on security holders' approval, the date of the meeting	
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	
28	Date rights trading will begin (if applicable)	
29	Date rights trading will end (if applicable)	
30	How do security holders sell their entitlements <i>in full</i> through a broker?	
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	
32	How do security holders dispose of their entitlements (except by sale through a broker)?	
33	⁺ Issue date	

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of +securities
(tick one)

(a) ☒ +Securities described in Part 1

(b) ☐ All other +securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of +securities for which
+quotation is sought

39 +Class of +securities for which quotation
is sought

+ See chapter 19 for defined terms.

40

Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41

Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

42

Number and +class of all +securities quoted on ASX (*including* the +securities in clause 38)

Number	+Class

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



Company Secretary

Date: 25 July 2019

Print name:

Joanne Hawkins

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
Insert number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	318,006,576
Add the following: <ul style="list-style-type: none"> Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval Number of partly paid +ordinary securities that became fully paid in that 12 month period Note: <ul style="list-style-type: none"> Include only ordinary securities here – other classes of equity securities cannot be added Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed It may be useful to set out issues of securities on different dates as separate line items 	0
Subtract the number of fully paid +ordinary securities cancelled during that 12 month period	
“A”	318,006,576

+ See chapter 19 for defined terms.

Step2: Calculate 15% of "A"	
"B"	47,700,986
Multiply "A" by 0.15	
Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
<p><i>Insert</i> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	0
"C"	0
Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
<p>"A" x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	47,700,986
<p>Subtract "C"</p> <p><i>Note: number must be same as shown in Step 3</i></p>	0
Total["A" x 0.15] – "C"	47,700,986
	<i>[Note: this is the remaining placement capacity under rule 7.1]</i>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	
Step 2: Calculate 10% of “A”	
“D”	
Multiply “A” by 0.10	
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
<i>Insert</i> number of *equity securities issued or agreed to be issued in that 12 month period under rule 7.1A <i>Notes:</i> <ul style="list-style-type: none"> • This applies to equity securities – not just ordinary securities • Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed • Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained • It may be useful to set out issues of securities on different dates as separate line items 	
“E”	
Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	
Total [“A” x 0.10] – “E”	<i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.