

19 April 2021

ASX Announcement

Mainstream pursuing scheme of arrangement with SS&C in place of Vistra

Summary

- › Vistra has not matched the Superior Proposal from SS&C Technologies Holdings, Inc. for \$2.00 cash per share (**SS&C Proposal**). Vistra's matching deadline ended on Friday 16 April 2021.
- › Mainstream is now pursuing a scheme of arrangement with SS&C on the basis that:
 - › the Mainstream Board has resolved to unanimously recommend the SS&C Proposal (in the absence of a Superior Offer and subject to the Independent Expert concluding that the SS&C Proposal is in the best interests of the Mainstream shareholders); and
 - › Mainstream is taking steps to terminate the Vistra SID and pay Vistra the \$1.708 million break fee.
- › SS&C's Superior Proposal is a 'Qualifying Superior Proposal' which requires Vistra to support it.
- › Mainstream shareholders do not need to take any action at the current time.

Vistra has not matched SS&C Proposal by matching deadline

Mainstream Group Holdings Limited (ASX:MAI) (**Mainstream** or the **Company**) announces that the matching deadline for Vistra to provide a counter proposal, which is on equivalent or more favourable terms than the SS&C Proposal, ended at 5.00pm on Friday, 16 April 2021. Vistra did not provide a counter proposal to Mainstream by the matching deadline.

Accordingly, Mainstream is pleased to announce it is now pursuing the SS&C Proposal, as detailed further below.

Next steps in relation to SS&C Proposal and Vistra SID

The Mainstream Board has resolved to:

- › unanimously recommend the SS&C Proposal (in the absence of a Superior Offer and subject to the Independent Expert concluding that the SS&C Proposal is in the best interests of the Mainstream shareholders); and
- › terminate the Scheme Implementation Deed between Vistra Holdings (Australia) Pty Ltd and Vistra Group Holdings (BVI) Limited (together, **Vistra**) and Mainstream which was entered into on 9 March 2021 (**Vistra SID**) and pay Vistra the \$1.708 million break fee.

Mainstream is taking steps to give notice to terminate the Vistra SID and to pay the break fee to Vistra. Once those steps have been completed and notice given to SS&C, the Deed Condition (as that term is defined in the Scheme Implementation Deed between SS&C Technologies, Inc. and SS&C Solutions Pty Limited (together, **SS&C**) and Mainstream which was entered into on 11 April 2021 (**SS&C SID**)) will be satisfied, the SS&C SID will become fully operative in accordance with its terms, and Mainstream will pursue the scheme of arrangement with SS&C (**SS&C Scheme**) in accordance with the terms and conditions of the SS&C SID.

Under the Vistra SID, the SS&C Proposal constitutes a Qualifying Superior Proposal¹. Vistra is obliged (and has undertaken under the terms of the Vistra SID) to:

- › vote all Mainstream shares it holds or will hold in favour of the Qualifying Superior Proposal; and
- › not take or procure any action with the intention of preventing or delaying the Qualifying Superior Proposal, or otherwise reducing the likelihood that such Qualifying Superior Proposal is successfully completed.

If Vistra acquires any shares in Mainstream and subsequently disposes of those shares (other than to SS&C under the SS&C Scheme), Vistra must procure that the transferee complies with Vistra's obligations in relation to the Qualifying Superior Proposal.

Mainstream Board support for SS&C Scheme

The Mainstream directors are delighted with, and unanimously support, the SS&C Scheme (subject to there being no Superior Proposal and subject to the Independent Expert concluding that the SS&C Proposal is in the best interests of Mainstream shareholders), and each Mainstream director who owns or controls Mainstream shares intends to vote all Mainstream shares which they own or control in favour of the SS&C Scheme on the same basis.

The Board considers the SS&C Scheme to be a very positive outcome of a successful 'go shop' period, as it resulted in a significant 66.7% premium to Mainstream shareholders when compared to Vistra's scheme consideration of \$1.20 per share.

The Board also considers SS&C to be well positioned to acquire and, thereafter, control Mainstream and that Mainstream's services will complement SS&C's offering in Australia and offshore. Mainstream considers that its clients will benefit from the increased scope of technology and services that SS&C provides as well as from SS&C's track record of seamlessly executing similar transactions to the benefit of customers. SS&C intends for Mainstream's Chief Executive Officer, Martin Smith, to remain with the business after acquisition.

SS&C views Mainstream as an attractive acquisition opportunity as it would accelerate SS&C's growth ambitions, particularly in the Australian market, and is highly complementary given the majority of Mainstream's business is currently run on SS&C technology.

Overview of SS&C

SS&C is a global provider to the financial services and healthcare industries, including wealth management, registered funds, hedge and private equity fund administration, transfer agency and retirement and pension fund services – including Australian Superannuation Funds. Founded in 1986, SS&C is headquartered in Windsor, Connecticut. Some 18,000+ financial services and healthcare organisations, from the world's largest institutions to local firms, manage and account for their investments using SS&C's products and services.

SS&C has a strong track record of executing material acquisitions. Recent representative transactions include SS&C's acquisitions of Intralinks, Eze Software, DST and Advent.

Further details of the SS&C Scheme

Further details of the terms and conditions of the SS&C Scheme are set out in Mainstream's 12 April 2021 ASX Announcement. A copy of the SS&C SID is also attached to that ASX Announcement.

¹ Qualifying Superior Proposal means a Superior Proposal in respect of 100% of Mainstream shares for cash consideration that is greater than the Scheme Consideration offered by Vistra, and on terms no less favourable to Mainstream and Shareholders (taken as a whole) than the terms of the Scheme offered by Vistra and the Vistra SID, that is recommended by the majority of the Mainstream Directors, and in respect of which Mainstream enters into a binding implementation agreement during the 'go shop' period.

Timetable for SS&C Scheme

Subject to Court approval, Mainstream intends to send a Scheme Book (including further information in relation to the SS&C Scheme, directors' recommendations and the reasons for those recommendations and an Independent Expert's Report) to shareholders in mid-June 2021. Mainstream shareholders will then be asked to vote on the transaction at a Court convened shareholder meeting at a time to be scheduled.

The SS&C Scheme remains subject to a number of regulatory approvals in jurisdictions where Mainstream operates. As such, the certainty and timing for the completion of the SS&C Scheme cannot be determined with certainty. Mainstream will continue to keep the market informed in accordance with its continuous disclosure obligations.

Mainstream shareholders do not need to take any action at the current time.

Key dates for the indicative timetable for the Scheme are set out as follows:

Event	Expected date
First court hearing	Late May 2021
Despatch of Scheme Booklet to MAI shareholders	Mid-June 2021
Scheme meeting	Early July 2021
Second court hearing *	Mid-July 2021
Effective date *	Mid-July 2021
Record date *	Mid-July 2021
Implementation date *	Late July 2021

* Subject to the receipt of required regulatory approvals

Mainstream is being advised by Miles Advisory Partners as financial adviser and Maddocks as legal adviser.

SS&C is being advised by Citi as financial adviser and Gilbert + Tobin as legal adviser.

Authorisation

This ASX Announcement has been authorised by the Company's board of directors.

For more information

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About Mainstream Group Holdings

Mainstream Group Holdings Limited (ASX: MAI) provides fund administration services underpinned by investment in people, processes and technology.

As at December 2020, the Group provides administration services to 1,202 funds and more than 157,000 investors with funds under administration in excess of AUD \$224 billion.

Mainstream employs 305 people, with operations in Australia, Singapore, Hong Kong, the United States, the Isle of Man, Malta, Ireland and the Cayman Islands.

For more information, please visit: <https://www.mainstreamgroup.com>.