



OneVue Holdings Limited (ASX: OVH) and Diversa Limited (ASX: DVA)
14 June 2016

OneVue and Diversa announce merger

- **\$177m merger of OneVue and Diversa**
- **Scale increases significantly**
- **Combined FY16 revenues expected to exceed \$40m**
- **Opportunity for further diversification of revenues and clients**
- **Anticipated \$4m of annualised pre-tax cost synergies by end of FY18**

OneVue Holdings Limited (OneVue (ASX:OVH)) and Diversa Limited (Diversa (ASX: DVA)) today announced that they have entered into a Scheme Implementation Deed (SID), under which it is proposed that OneVue will acquire all of Diversa's ordinary shares under a Scheme of Arrangement (Scheme).

The proposed Scheme will bring together two businesses with a shared vision of capitalising on the growth in the superannuation services market by offering comprehensive and quality superannuation, trustee and fund administration services.

The Boards of both Diversa (in the absence of a superior proposal) and OneVue have each unanimously agreed to support the transaction.

The proposed Scheme is anticipated to be implemented by late September 2016, subject to fulfilment of certain conditions, including obtaining the approval of Diversa shareholders and obtaining Federal Court orders approving the Scheme.

Strategic Rationale

The Boards of Diversa and OneVue see substantial strategic benefits in combining the organisations, including:

- a strongly aligned vision for targeting growth in superannuation services;
- creation of a comprehensive set of superannuation, trustee, and fund administration products and services;
- enhanced retail and wholesale distribution capabilities;
- substantial efficiency gains and cost savings; and
- improved growth opportunities.

OneVue anticipates that the combination of the two businesses will be earnings-per-share (EPS) accretive in the first year (excluding any one off transaction and integration costs) due to the significant level of expected synergies.

Transaction Summary

Under the terms of the proposed Scheme, each Diversa shareholder can elect to receive either:

- 1.2375 OneVue shares for each Diversa share; or
- 1.073 OneVue shares for each Diversa share plus cash of \$0.10 per Diversa share.

Based upon the closing price of Diversa and OneVue shares of \$0.685 and \$0.665 respectively as at 10 June 2016, the all share proposal delivers a value per Diversa share of \$0.823, which represents:

- a premium of 42.1% to Diversa's 90-day volume weighted average price (VWAP) of \$0.579 per share to 10 June 2016;
- a premium of 25.3% to Diversa's 30-day VWAP of \$0.657 per share to 10 June 2016;
- a premium of 20.1% to the closing price of \$0.685 on 10 June 2016; and
- a valuation for Diversa's fully diluted share capital of approximately \$49m.

The Scheme is subject to the approval by Diversa shareholders at a Scheme meeting anticipated to be held in September 2016. Should the proposed Scheme be approved, Diversa and OneVue shareholders will own approximately 28% and 72% respectively of the Merged Entity. The Merged Entity will have:

- an estimated combined market capitalisation of approximately \$177m based on the closing price of OneVue shares on 10 June 2016 (assuming all Diversa shareholders choose all share consideration);
- combined Funds Under Trusteeship, Management and Administration (FUTMA) of approximately \$10.8bn and in excess of 75 clients within the combined trustee, superannuation administration and investment management businesses; and
- Funds under administration (FUA) of over \$400bn within OneVue's Funds Services and \$3.2bn of retail FUA on Platform.

The cash requirements of the Scheme will be fully funded from cash raised in OneVue's heavily oversubscribed December 2015/January 2016 capital raisings.

OneVue Chair, Gail Pemberton said "The combination of OneVue and Diversa has compelling strategic merit and is a highly complementary transaction which will provide benefits to shareholders, employees and customers, including significantly enhanced scale and talent."

OneVue Managing Director, Connie Mckeage said "OneVue is Australia's largest provider of outsourced unit registry services and Diversa is Australia's leading independent retail superannuation trustee – combining the two organisations creates a significant financial services footprint. The combined business will also deliver additional scale to OneVue's fast-growing superannuation administration business."

Diversa's Chair, Ron Dewhurst said "The Diversa Board has recognised the strong strategic rationale for combining the two companies and Diversa shareholders will receive an attractive premium and the opportunity to further participate in an accelerated growth strategy in the superannuation sector."

"The two organisations have a strong and successful working relationship forged over the last few years of working together across trustee and superannuation administration services. Culture and leadership were important factors in recommending this business partnership," said Diversa's Managing Director, Vincent Parrott.

Anticipated Synergies

It is anticipated that the Merged Entity will realise annualised pre-tax cost synergies in the order of \$4m by the end of FY18 (excluding one-off transaction and integration costs).

These cost synergies are expected to be achieved as a result of efficiencies and cost savings in combining the trustee services, superannuation administration and investment management businesses and in head office and other centralised costs.

In addition to the anticipated cost synergies, material revenue uplift is anticipated through the expanded service offerings and distribution capabilities of the combined businesses.

Board and Management Structure

Diversa's Chair Mr Ron Dewhurst will be invited to join the OneVue Board as a non-executive director and Vincent Parrott, Diversa's Managing Director, will become an integral member of OneVue's Management Team, reporting directly to OneVue's Managing Director Connie Mckeage.

Scheme Conditions

The key conditions to the Scheme are contained in the SID lodged separately with the ASX today. They include but are not limited to:

- no material adverse change occurring in relation to either the Diversa or OneVue business;
- no "prescribed events" occurring in relation to either Diversa or OneVue, such as share capital restructure or an insolvency event;
- no material acquisitions, disposals or changes in the conduct of the business of Diversa, other than under certain circumstances;
- no information identifying a material adverse effect being identified in relation to either Diversa or OneVue before 5pm on 17 June 2016;
- the ATO issuing a ruling confirming the availability of scrip for scrip rollover relief;
- the issue of an Independent Expert's Report which concludes that the Scheme is in the best interests of the Diversa shareholders;
- Federal Court approval of the Scheme;
- the approval of the Scheme by the requisite majority of Diversa shareholders; and
- approval by Diversa shareholders to bring forward the expiry date of existing options over Diversa shares if all such options have not been acquired by OneVue.

Unanimous Recommendation by Diversa Directors

The Directors of Diversa unanimously recommend to Diversa shareholders that the Scheme is in the best interests of Diversa and its shareholders and that shareholders should vote in favour of the resolutions to be proposed at the Scheme meeting in the absence of a superior proposal.

The Directors of Diversa will maintain this recommendation provided that it is consistent with the proper performance of their fiduciary duties, an Independent Expert concludes that the Scheme is in the best interests of Diversa shareholders and no superior proposal is received.

Each Board member of Diversa intends, in the absence of a superior proposal, to vote any Diversa shares held by or on their behalf at the time of the Scheme meeting in favour of the Scheme.

Shareholder Information

Further information on any development relating to the proposed Scheme will be lodged with the ASX and made available via the OneVue and Diversa websites. Diversa shareholders will receive further details of the Scheme meeting in due course. It is anticipated that the Scheme Booklet will be distributed to Diversa shareholders in August 2016. The Board of Diversa anticipates the Scheme meeting will be held in September 2016.

Further information for shareholders will be available by calling:

Diversa shareholders: +61 7 3212 9250

OneVue shareholders: 1300 219 787

Advisers

Diversa has retained Pottinger and McCullough Robertson and OneVue has retained Andover Corporate Finance and Ashurst as financial advisers and legal advisers respectively.

ENDS

For further information please contact:

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About OneVue Holdings Limited (ASX: OVH)

OneVue Holdings Limited is an Australian listed company on the All Ordinaries Index. OneVue delivers investors true choice and control by creating digital gateways between investors and their financial community. OneVue was winner in 2014 for Best Online SMSF and winner in 2013 for SMSF Providers Premium Service. In 2015 OneVue was a finalist for SuperRatings Rising Star.

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About Diversa Limited (ASX: DVA)

Diversa Ltd (ASX: DVA) is an ASX-listed superannuation and investment company. Diversa provides superannuation trustee, administration, promotion and investment services to wholesale clients such as superannuation fund trustees and superannuation fund promoters, including financial advisers and corporates; and also uses those services to provide superannuation and insurance products directly to its retail clients.

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