

28 March 2019

Mattioli Woods plc

("Mattioli Woods", "the Company" or "the Group")

Acquisition of SSAS Solutions (UK) Limited

Mattioli Woods plc (AIM: MTW.L), the specialist wealth management and employee benefits business, is pleased to announce the acquisition of 100% of the issued share capital of SSAS Solutions (UK) Limited ("SSAS Solutions") from its shareholders ("the Sellers") for a total consideration of up to £4.01 million.

SSAS Solutions was established in 2009 and provides a bespoke, specialist pension advisory service for the operation of small self-administered pension schemes ("SSAS"). Based in Belfast and employing 12 staff, the business provides personal service and expert technical advice to owner-managed businesses throughout the UK, acting as SSAS practitioner to 350 schemes with approximately £380 million of assets under administration.

SSAS Solutions' experienced management team will be retained by Mattioli Woods following the acquisition. In the year ended 31 March 2018, SSAS Solutions generated a profit before taxation of £0.61 million on revenues of £1.01 million. At 31 March 2018 SSAS Solutions' gross assets were £0.93 million and net assets were £0.74 million. The acquisition is expected to be earnings enhancing in the first full year of ownership.

The total consideration comprises:

- An initial consideration of £2.51 million (subject to adjustment for the value of net assets acquired), comprising £1.25 million in cash plus 162,654 new ordinary shares of 1 pence each in Mattioli Woods ("the Consideration Shares"), with a value of £1.26 million based on the closing price of a Mattioli Woods share on 27 March 2019; and
- Deferred consideration of up to £1.5 million payable in cash on the first and second anniversaries of completion, subject to certain financial targets being met based on growth in earnings before interest, tax, depreciation and amortisation generated during the two years following completion.

Payment of the initial cash consideration, deal costs and estimated net asset adjustment resulted in a cash outflow at completion of £2.2 million.

Application has been made to AIM for the admission of the Consideration Shares to trading ("Admission"). Admission of the Consideration Shares, which will rank *pari passu* in all respects with Mattioli Woods' existing shares in issue, is expected to become effective on 3 April 2019.

Following the issue of the Consideration Shares, the total number of ordinary shares of 1p each ("the Ordinary Shares") in the Company with voting rights will be 26,703,488. Mattioli Woods does not hold any Ordinary Shares in Treasury.

The above figure of 26,703,488 Ordinary Shares may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the share capital of the Company under the Financial Conduct Authority's Disclosure and Transparency Rules.

The Sellers have entered into a lock-in agreement with Mattioli Woods and its nominated adviser and broker, Canaccord Genuity Limited, restricting sales of the Consideration Shares during the two years following completion.

Commenting on the acquisition, Ian Mattioli, Chief Executive Officer of Mattioli Woods, said:

"This acquisition is an important step forward for Mattioli Woods, as we continue to expand our operations. SSAS Solutions is a great fit culturally and strategically, serving a similar client base to our existing business. The transaction gives us an exciting new distribution channel for Mattioli Woods' services, with the opportunity to enhance the existing client offering to include Self-invested Personal Pensions ("SIPPs"). I believe extending our geographic footprint strengthens our position, making the Group the only SSAS and SIPP operator based in Northern Ireland.

"We are delighted to welcome Allison, Michael and their team into the Group. Long term stability and sustainability is key to growing a modern financial services group and we will continue to strive to achieve this".

Allison Chambers and Michael Galway, SSAS Solutions' Directors, added:

"We are delighted to be part of the Mattioli Woods group and see this as the next exciting phase for SSAS Solutions in our role of providing entrepreneurial pension solutions for our clients. Being part of the Mattioli Woods group provides us with additional resource and support to enable the business to grow whilst still maintaining our strong client values, which mirror those of Mattioli Woods".

- Ends -

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