

INTERIM RESULTS

For the six months to 30 Nov 2021

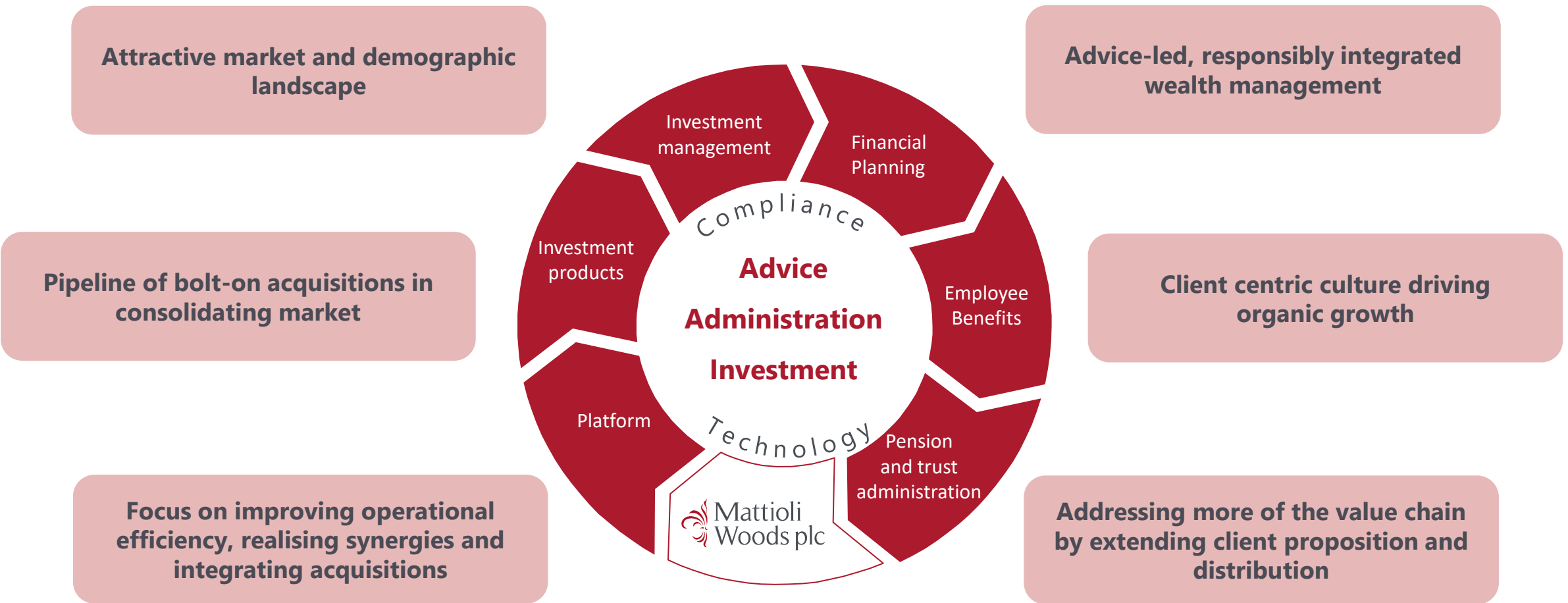
Ian Mattioli MBE, Chief Executive Officer
Ravi Tara, Chief Financial Officer
Michael Wright, Group Managing Director
Simon Gibson, Chief Investment Officer

February 2022

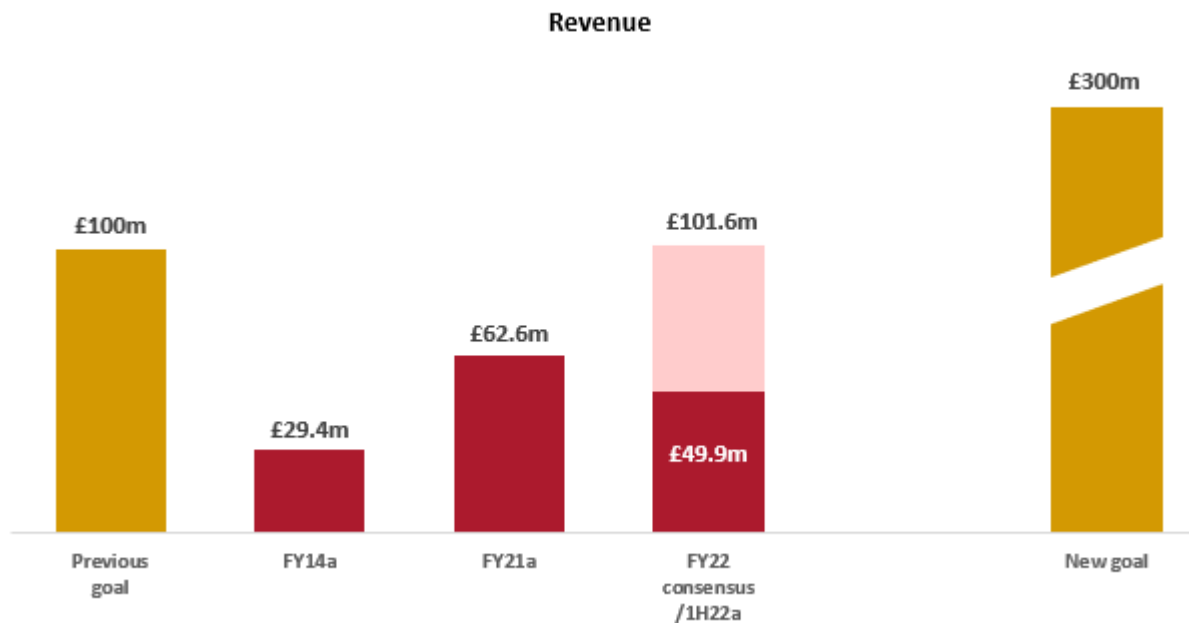


- Our business and goals
- Group highlights
- Financial results
- Advice
- Administration
- Investment and asset management
- Investment case

Creating and **preserving** wealth,
our **trusted advice** gives clients
the understanding to achieve
their objectives



INTERIM RESULTS | Ambitious goals



Attractive markets

Demand for advice

- Impact of pandemic
- Rising interest rates
- Inflationary pressures
- Ageing population
- Changes in legislation

New client wins

Broadening distribution

- Expand advisory team
- Expand client relationships
- Enhance investment proposition
- Be easier to do business with
- Develop digital channel

Improving margin

Changing revenue mix

- Operational gearing
- Economies of scale
- Streamlined processes
- Operational efficiency
- Utilisation of technology

Adding acquisitions

Creating value

- Fragmented markets
- Strategic and cultural fits
- Deliverable synergies
- Economies of scale
- Pipeline of opportunities

New medium-term goals: £30bn client assets, £300m revenue, £100m EBITDA

INTERIM RESULTS | Group highlights

Revenue

£49.9m ▲ +69.1%

1H21: £29.5m

Organic revenue growth

+11.1% ▲

1H21: (9.6%)

Recurring revenue¹

87.7% ▼ (6.6%)

1H21: 94.3%

Adjusted EBITDA²

£15.8m ▲ +76.9%

1H21 restated: £8.9m

Adjusted EBITDA margin

31.6% ▲ +1.4%

1H21 restated: 30.2%

Share of Amati profit

£0.86m ▲ +95.1%

1H21: £0.44m

Adjusted PBT³

£14.1m ▲ +95.9%

1H21 restated: £7.2m

Adjusted EPS⁴

23.8p ▲ +13.3%

1H21 restated: 21.0p

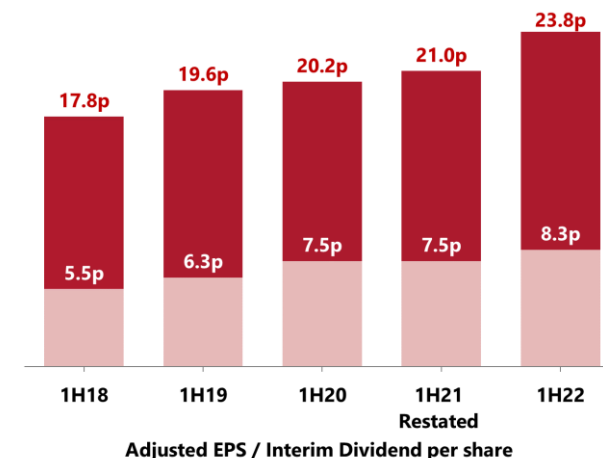
Interim dividend

8.3p ▲ +10.7%

1H21: 7.5p

Delivering profitable growth

- Return to strong organic growth
- Completion of strategic acquisitions
- Balance of fee-based and ad valorem revenues
- Improved margin
- Further growth in profit from associate



1. Notes 1 to 4 refer to interim results press release dated 8 February 2022

INTERIM RESULTS | Group highlights

Total client assets¹

£15.1bn  +24.8%

31 May 2021: £12.1bn

DPM revenue²

£13.8m  +34.7%

1H21: £10.3m

New business

+63%



increase in new client wins

Revenue from acquisitions³

£19.4m



1H21: £2.0m

Maven trading ahead

Revenue +22%
EBITDA +7%



vs Budget

Ludlow trading ahead

Revenue +6%
EBITDA +1%



vs Budget

Enhanced product offering

New funds
Private equity investments
Maven and Amati VCTs



Investment in our
people and IT –
building sustainable,
long-term careers of
value



Strong financial position

£44.3m cash



1H21: £18.2m

Building momentum

- Increased new client wins
- Robust pipeline of new enquiries
- Focus on enhancing client proposition
- Acquisitions completed in prior year trading and integrating well
- Current trading in line with management's expectations

INTERIM RESULTS | Acquisition performance and integration

MAVEN



Performing ahead of budget

- Recurring monitoring, fund management and administration fees
- High performance fees on VCT and investor partner deals
- Strong deal flow
- Two VCT fund raises launched

- Strong new client wins, particularly with HNW clients
- Higher and sustained inflows from existing clients
- Portfolios performing in line with expectations

Integration

- Completed first co-investment with qualifying Mattioli Woods clients
- Further co-investment opportunities in pipeline
- Financial reporting integration complete
- Planned combination of Private Investor Club and Maven Investor Partners
- Combination of risk and compliance function well progressed and operating effectively

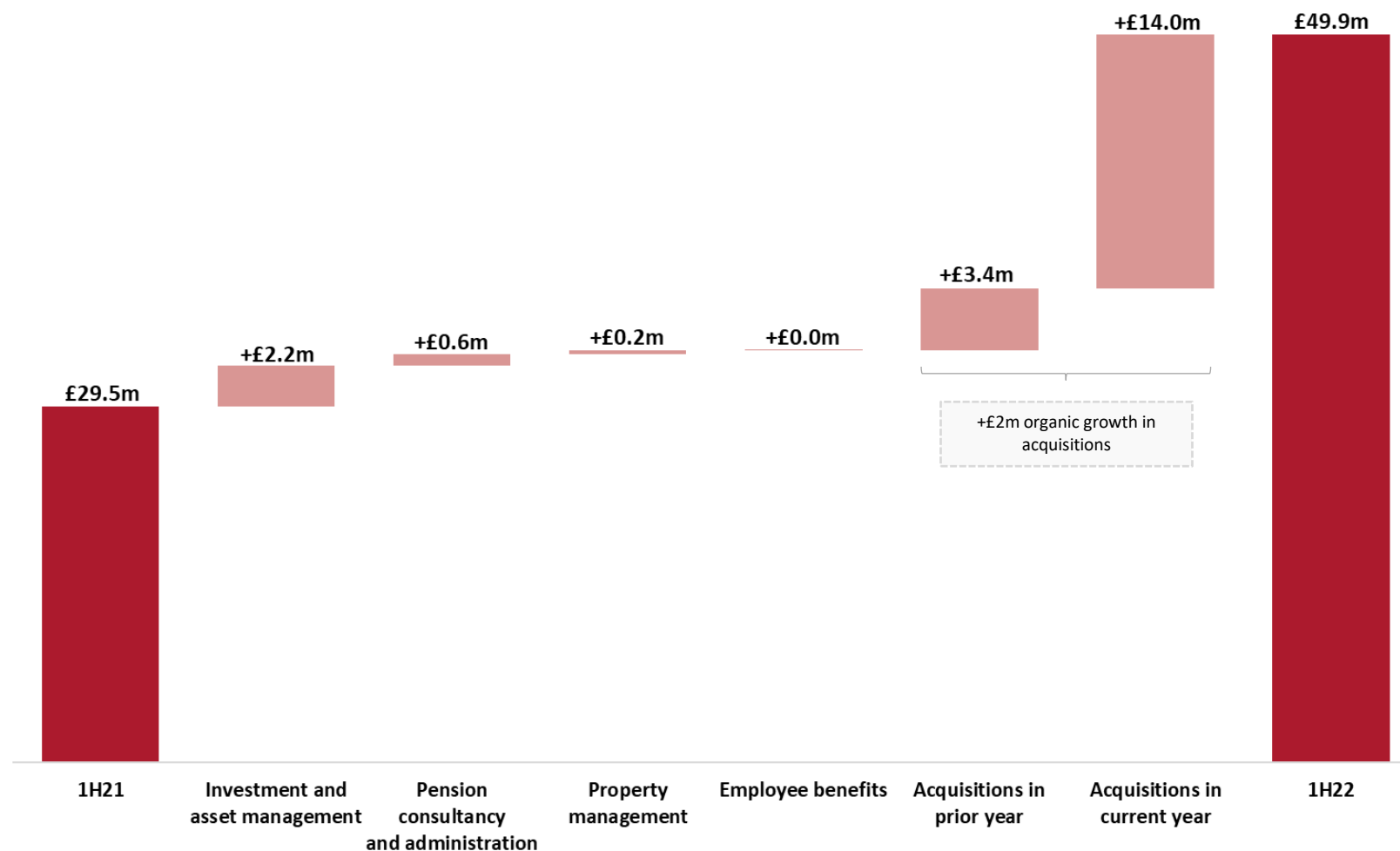
- Confirmed strong cultural alignment and common approach to looking after clients
- Integrating client proposition between both advisory teams
- Early adoption of the Group's DPM investment proposition
- Integration of M&A process, with strong pipeline of retiring IFA opportunities
- Financial reporting integration complete
- Combination of risk and compliance well progressed and operating effectively

Synergies

- Focus on delivery of revenue synergies
- Cost synergies largely delivered
- Glasgow office merge complete; London in progress

- Focus on delivery of revenue and cost synergies

INTERIM RESULTS | Segmental revenue

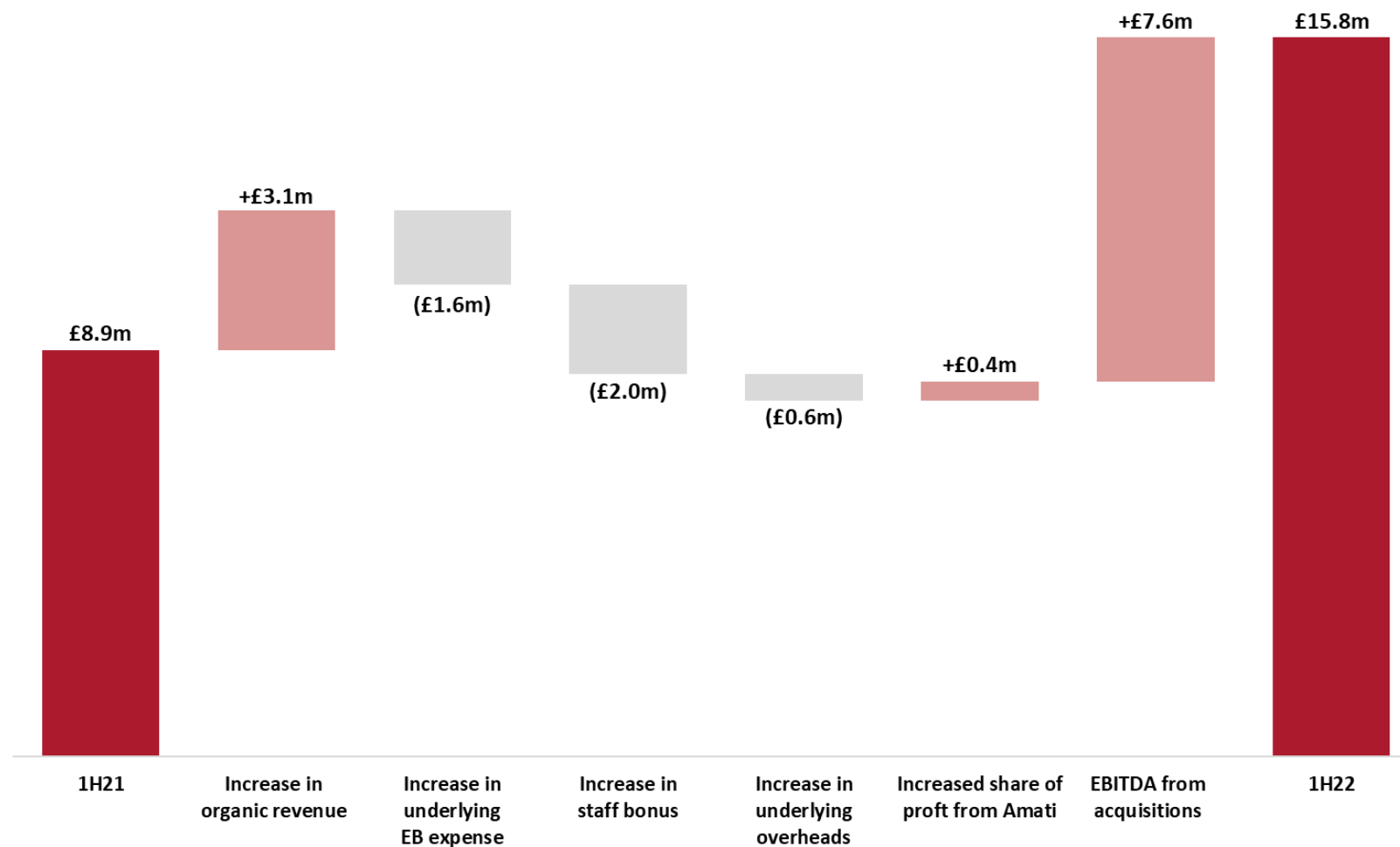


Diversified revenue model...

- Strong organic and acquired growth
- High recurring revenues 87.7%¹ (1H21: 94.3%)
- Resilient fee-based revenues
- Organic growth in H1 +11.1%
- £267m (1H21: £90m) net inflows into AuM

1. Annual pension consultancy and administration fees; ongoing adviser charges; level and renewal commissions; banking income; property, discretionary portfolio and other annual management charges adjusted for Private Investor Club initial fees.

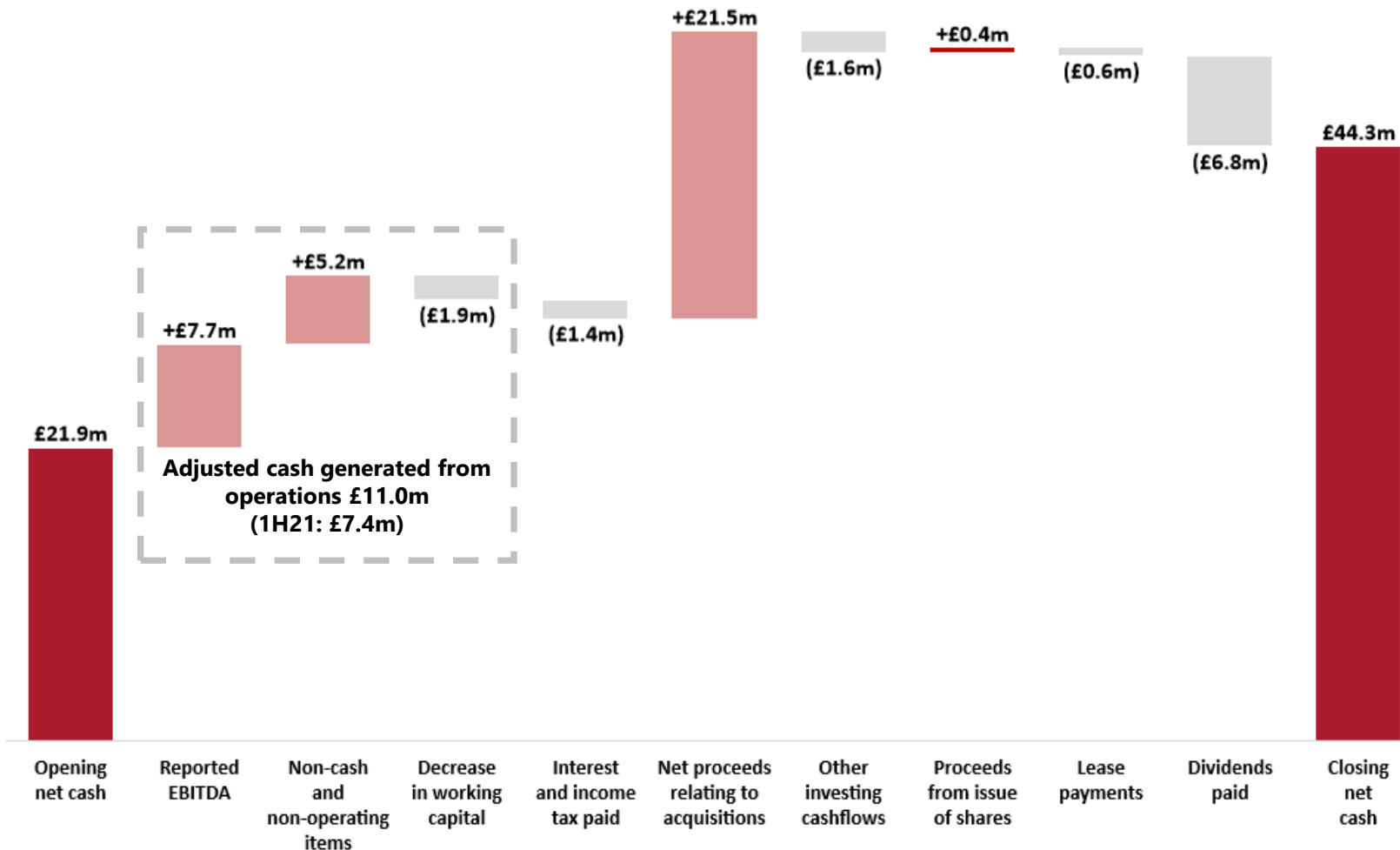
INTERIM RESULTS | Adjusted EBITDA bridge



...translates to high quality earnings...

- Adjusted EBITDA margin 31.6% (1H21 restated: 30.2%):
 - Staff costs 54.2% of revenue (1H21: 51.4%)
 - Discretionary staff bonuses accrued £2.8m (1H21: £0.8m)
 - Increased professional costs, IT and marketing fees
- +£0.5m contribution from acquisitions vs expectation

INTERIM RESULTS | Cash flow



...and high level of cash generation

- 69.6% of EBITDA converted to cash (1H21 restated: 83.1%)
 - Impacted by acquisition-related costs and payment of staff bonuses for FY21 in the period
- Net adjusted working capital outflow:
 - £1.7m increase in receivables
 - £0.4m decrease in payables
 - £0.2m increase in provisions
- Operating cashflows include £3.5m contingent remuneration paid and £3.0m acquisition costs paid
- Adjusted EPS¹ 23.8p (1H21 restated: 21.0p)
- Interim dividend of 8.3p (1H21: 7.5p) +10.7%
 - Progressive policy
 - 14% CAGR over last six years
 - Well-covered by adjusted earnings: 2.9x adjusted EPS (1H21: 2.7x)

1. Basic EPS 3.5p down (69.3%) (1H21 restated: 11.4p). Adjusted profit after tax is calculated as adjusted profit before tax less income tax at the standard rate of 19.0% (1H21: 19.0%).

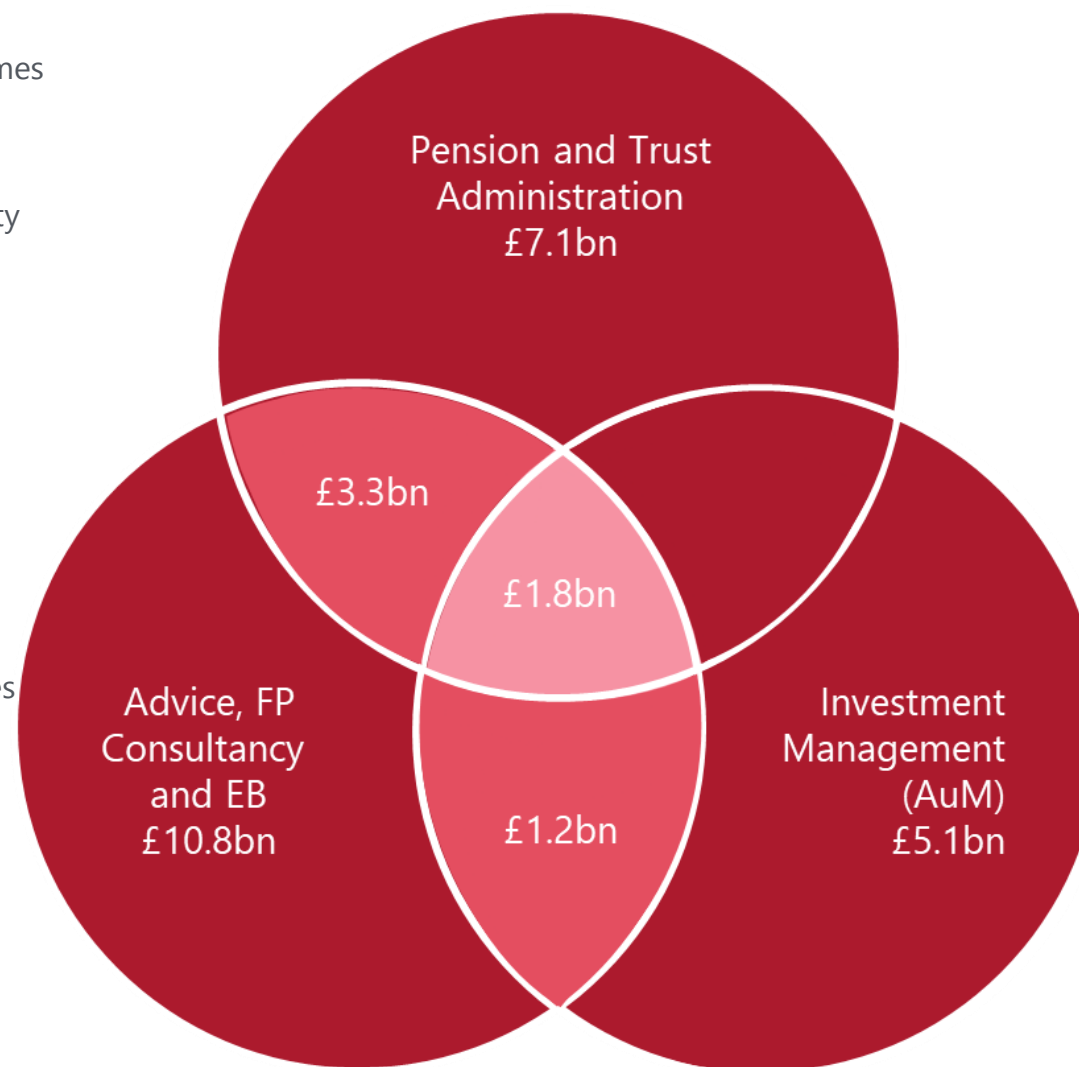
INTERIM RESULTS | Responsibly integrated model

Administration

- £5.0bn in advised SIPP and SSAS schemes
- £2.1bn in c.4,000 administration-only schemes
- Full product offering, including property
- Proposed introduction of default investment options for non-workplace pension

Advice

- £5.0bn in c.7,000 SIPP and SSAS schemes
- £4.3bn Personal and other wealth management assets
- £1.5bn in corporate pension schemes
- Building capacity
- Developing new digital communication tools



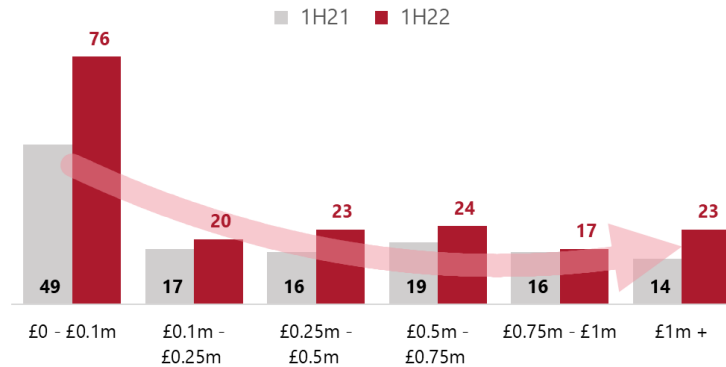
Total client assets £15.1bn

- Expanding target demographic
- Enhance product offering
- Multiple routes to market
- Addressing value chain

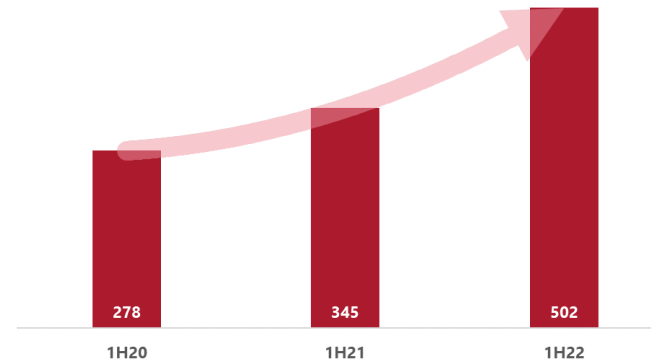
Investment

- £2.5bn in our in-house DPM proposition
- £0.5bn advisory client investment in our funds
- £2.1bn external and non-advised investment in our funds
- Opportunity to extend distribution beyond our advised clients to institutional and retail investors

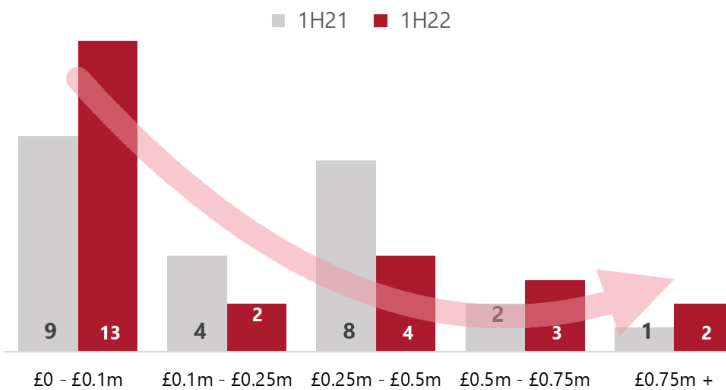
All Wealth Management Consultants Annualised Portfolio Revenue Profiles



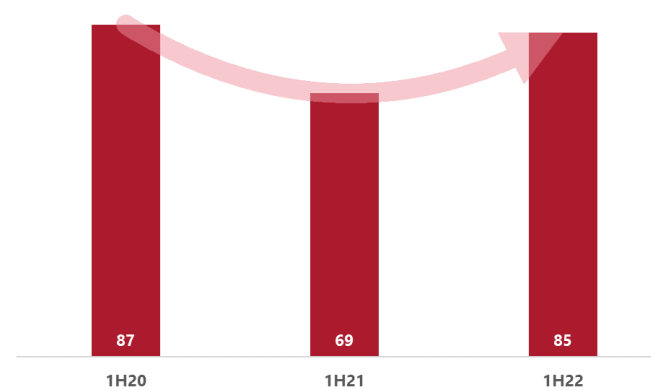
Wealth Management New Client Wins



All Employee Benefits Consultants Annualised Portfolio Revenue Profiles



Employee Benefits New Client Wins



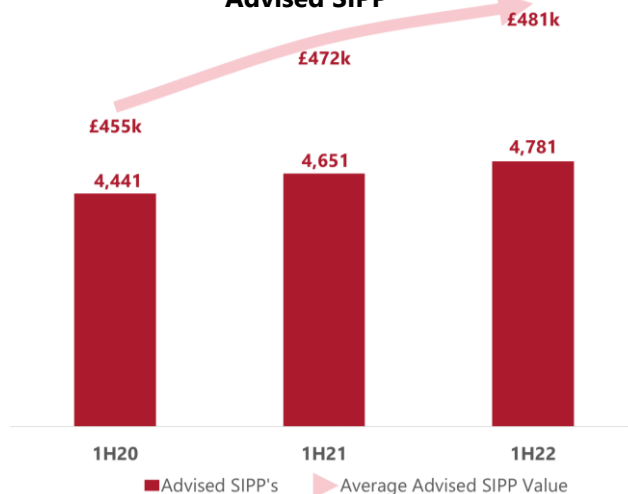
Capacity | Culture | Momentum

- 183 (1H21: 131) fee-generating consultants¹:
 - Young team, multi-generational cascading of wealth
 - Revised remuneration and incentive structures
- Enhanced capacity for new business:
 - 502 wins (1H21: 345)²
 - 589 enquiries (1H21: 580)
 - Recent acquisitions
 - Proven and developing training programme
- Employee Benefits business repositioned to secure future growth

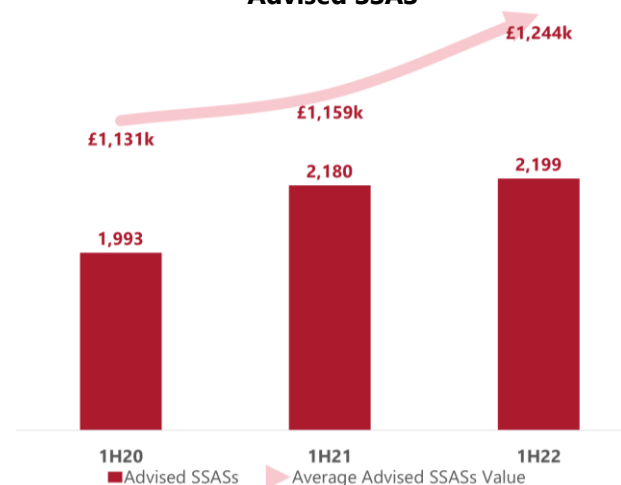
1. Includes associate, consultants, paraplanners, business development managers and acquisitions
 2. Total wealth management client wins, excluding personal protection

INTERIM RESULTS | Pension and trust administration

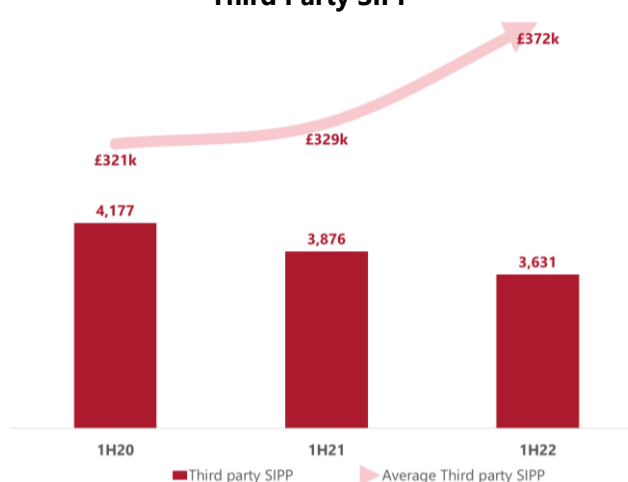
Advised SIPP



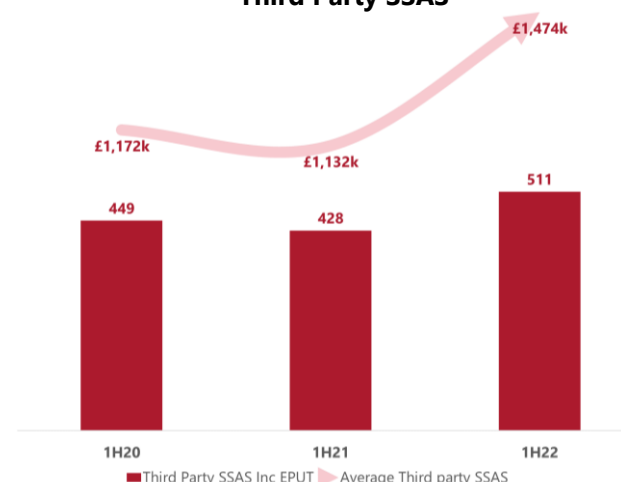
Advised SSAS



Third Party SIPP



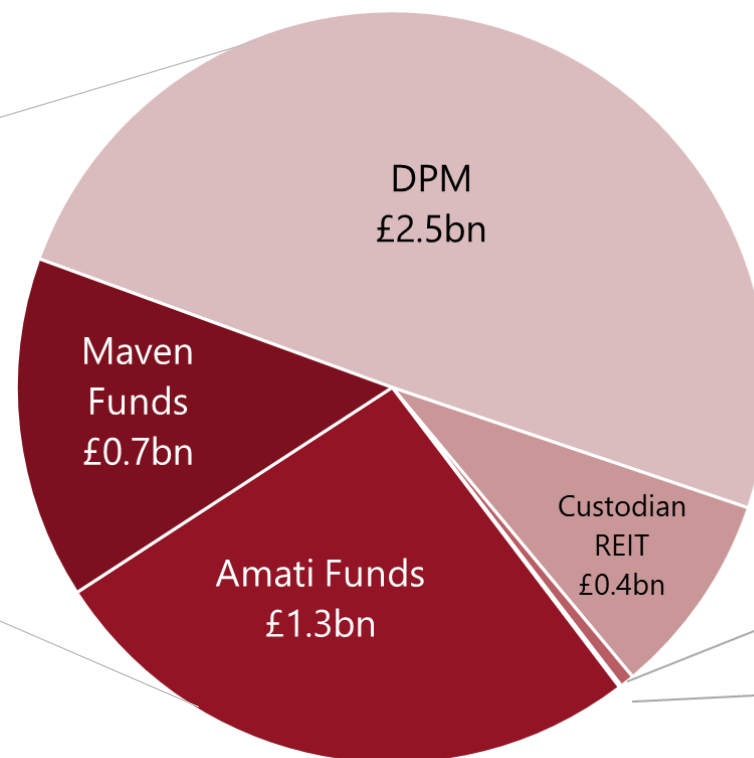
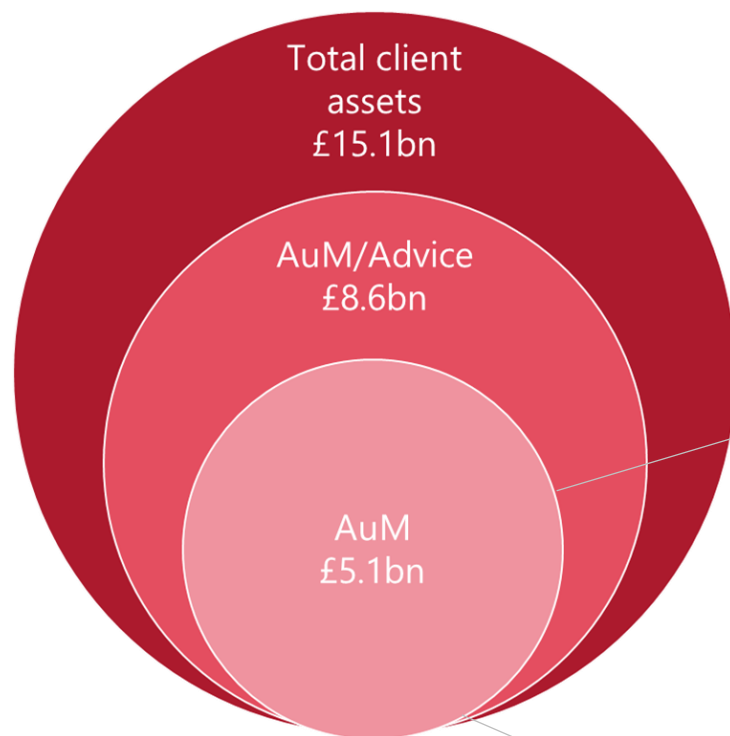
Third Party SSAS



Recurring, fee-based revenues

- Long-term, multi-generational client relationships
- Differentiated pension proposition
- Strong client retention
- Streamlining processes to increase caseloads and improve client service
- Opportunity to expand intermediated proposition and cross-sell investment services to introducers and direct clients

INTERIM RESULTS | Broader investment proposition



Innovative solutions

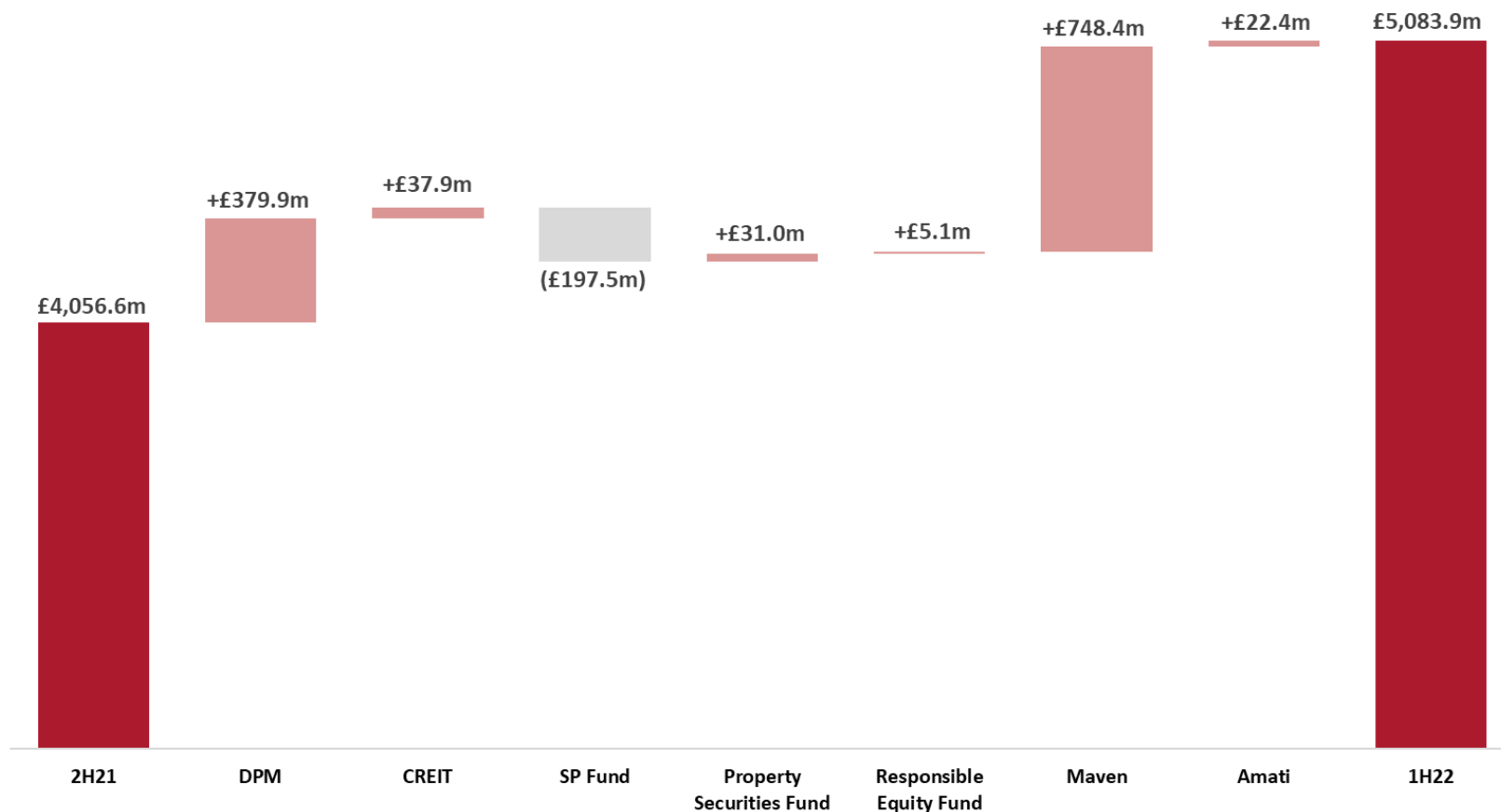
- Enhanced capability to develop new products
- Own and intermediated distribution
- Over £417m inflows to DPM
- Addition of the Mattioli Woods Property Securities and Responsible Equity Funds in Q3
- Positive performance from Custodian REIT and our discretionary portfolios¹

Property Securities Fund
£31.0m

Responsible Equity Fund
£5.1m

1. £80.7m (1H21: £117.4m) Market performance across MW investments (REIT and Mattioli Woods discretionary fund management)
2. All figures shown in £bn, except MW Responsible Equity Fund (REF) and Property Securities Fund (PSF) both shown in £m.

INTERIM RESULTS | Assets under management



Expanding investment opportunities

- 25.3% increase in AuM
- 267m (1H21: £90m) net inflows into AuM
- Extending distribution to existing and new clients
- Expansion of distribution solutions to other wealth managers and broader institutions
- Significant contribution from recent acquisitions
- Pipeline of new funds

- Enhanced proposition

- Multi Asset Funds more than doubled in value since launch in July 2017 to £1.9bn (1H21: £1.4bn)
- Morningstar five star rating achieved for MW Adventurous Fund
- Embedded direct equity experience
- Maven adds private equity experience



Chris White
Investment Director

- Developing talent and new investment options for clients

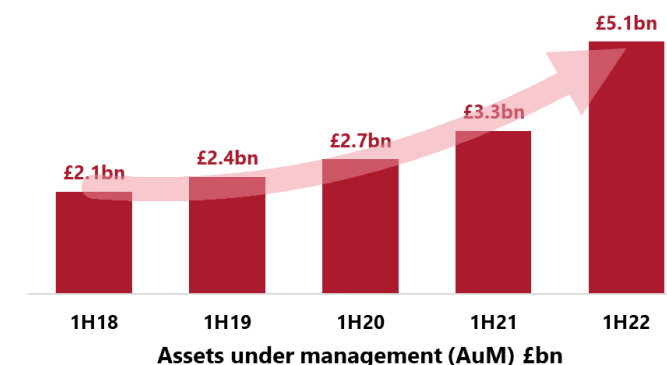
- Mentoring and training to deliver our next Fund Managers
- Property Securities Fund and Responsible Equity Fund launched in period
- Four active-passive funds to mirror MAFs planned for Spring 2022 launch
- Maven and MW integrating and planning new PE offerings



Lauren Wilson
New Fund Manager

- Amati

- Celebrating 5th anniversary of partnership
- AuM grown from £120m to £1.3bn
- Plans for further growth, including new fund in 2022
- Launched Strategic Metals Fund in March 2021
- Recruitment of new fund managers to support further growth, including new fund in 2022



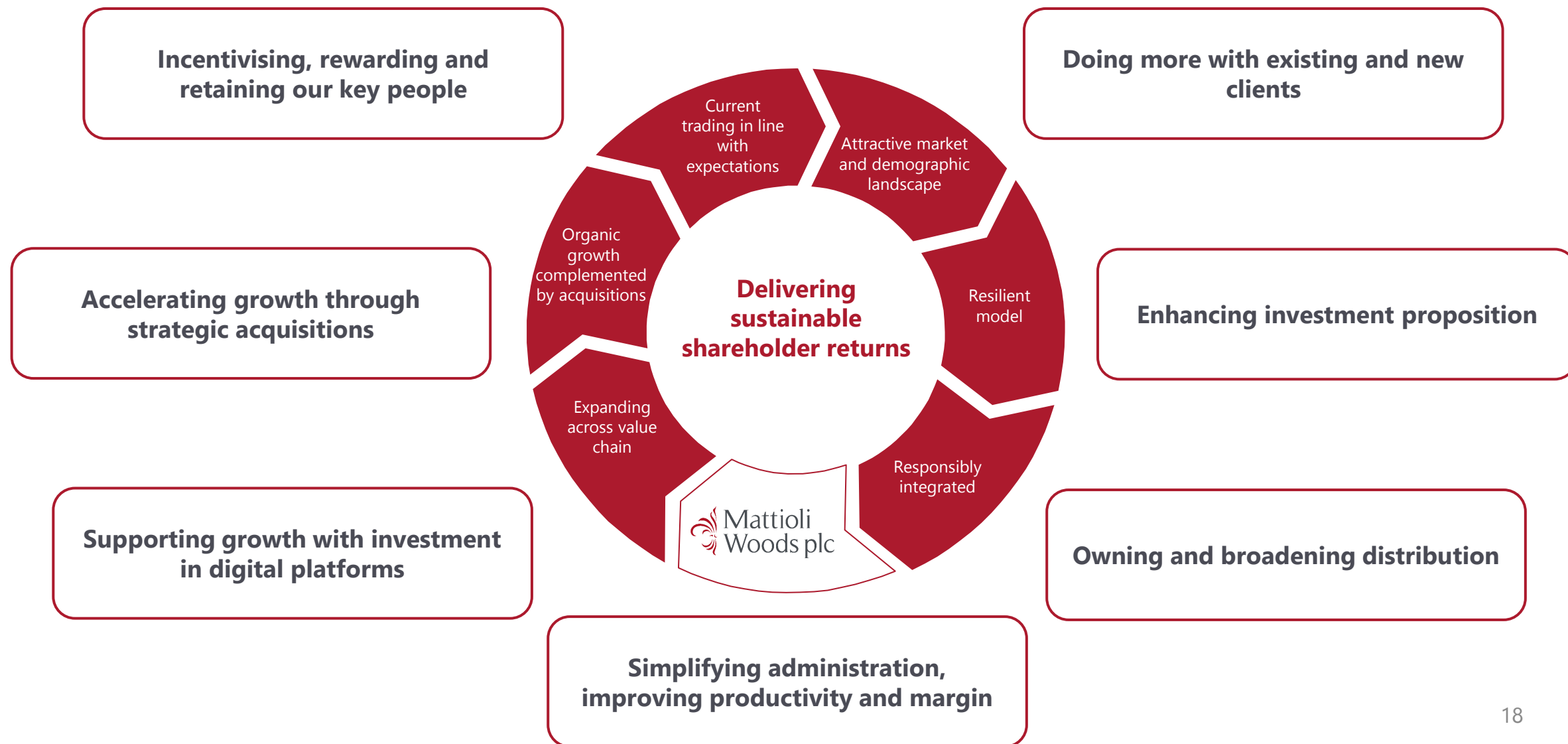
- Corporate responsibility:
 - Improving carbon efficiency across the Group
 - 10% of Amati profit donated to charity, much of it in our local communities
 - Primary charity ARUK with over £145k raised in the last year
 - Total tax contribution of £14.2m (1H21: £8.9m)
- A client proposition which continues to thrive:
 - Continued focus on value for money
 - Long-established ethical portfolios performing well
 - Internal ESGi ratings implemented and providing insight
- Positive culture:
 - Enduring focus on client experience and outcomes
 - Respect for all staff and other stakeholders

Supporting our clients and the communities we work in

- Actions in the pandemic have enhanced our proposition
- Client peace of mind is highly valued
- A diverse and inclusive business

Measuring up against UN SDGs





APPENDICES

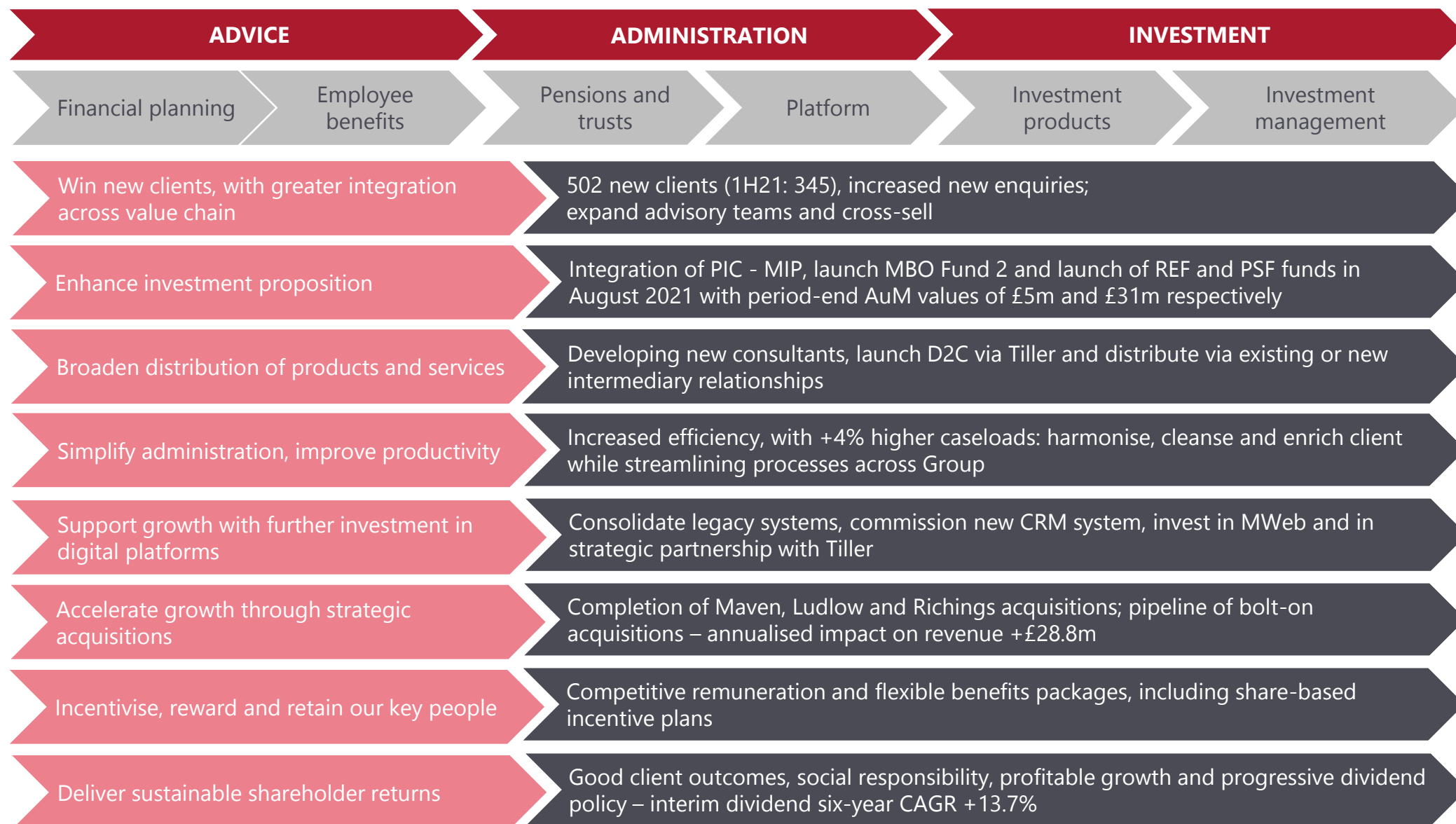
INTERIM RESULTS 2022



- Strategy and vision
- Investment
- Client assets
- Income statement and EPS
- Segment results
- Regulatory capital
- Acquisition criteria

Our world is one in which financial advice is **trusted, thoughtful** and **enriching**.

INTERIM RESULTS | Strategy and vision



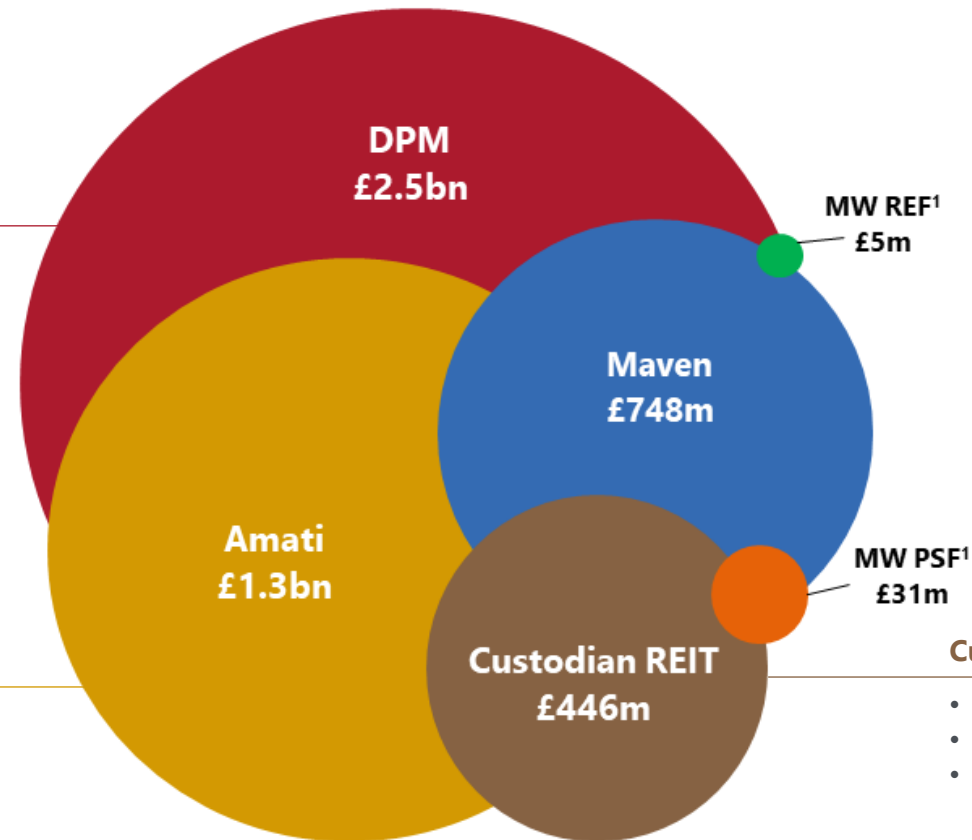
Assets under management

DPM

- Multi-Asset Funds comprising four risk-weighted portfolios: Cautious, Balanced, Growth and Adventurous
- Direct equity portfolios
- Long-standing ethical portfolios

Amati

- Amati AIM VCT
- UK Smaller Companies Fund
- Strategic Metals Fund
- IHT portfolio



Total Gross AuM: £5.1bn

Custodian REIT plc

- Mixed use, multi-discipline property portfolio
- Independent Board
- Investment for advised and external clients

1. Mattioli Woods Responsible Equity Fund ("REF") and Mattioli Woods Property Securities Fund ("PSF") launched in 3Q 2021.

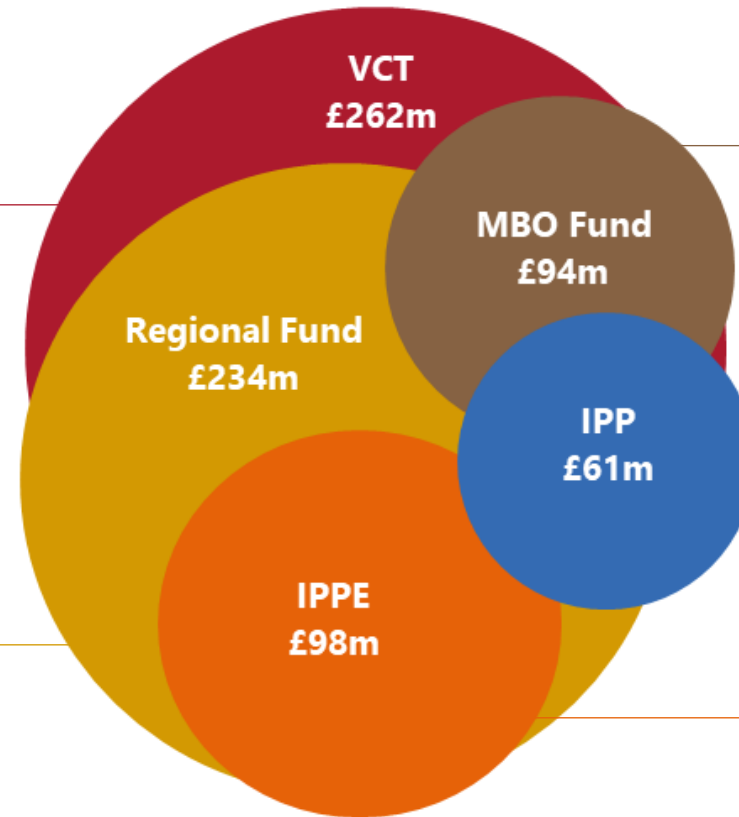
MAVEN

VCT

- Four evergreen VCTs
- Private and AIM-listed investments
- Two share offers currently open

Regional Fund

- Regional Funds providing equity and debt capital for SMEs in specific UK regions



MBO Fund

- Supporting buyouts in smaller UK and mid-market UK companies
- Diverse range of investors, including Scottish Enterprise

Investor Partners Property

- Equity capital for development of hotels, purpose built student accommodation (PBSA), offices, residential construction and strategic land transactions

Investor Partners Private Equity

- Equity capital for smaller MBOs of later stage SMEs across the UK

Total AuM: £748m

INTERIM RESULTS | Client assets

Assets under management, administration and advice	SIPP and SSAS £m	Employee Benefits £m	Wealth Management & other assets £m	Investment Products £m	Total £m	Net AUM £m	Net AuA £m	Admin & Execution only £m	Total £m
At 1 June 2021	6,741.1	1,452.1	2,734.2	1,196.0	12,123.5	3,895.4	2,133.0	6,095.1	12,123.5
Acquisitions in the period	-	-	1,860.2	744.5	2,604.7	748.4	1,860.2	-	2,608.5
Net inflows/(outflows), including market movements	150.2	35.4	145.1	22.6	353.3	296.7	(304.1)	357.3	349.9
At 30 Nov 2021	6,891.3	1,487.5	4,739.4	1,963.2	15,081.4	4,940.0	3,689.0	6,452.4	15,081.4

Total client assets
of £15.1bn

- Gross AuM £5.1bn

Assets under management	DPM £m	Custodian REIT £m	Mattioli Woods SPF £m	Mattioli Woods PSF £m	Mattioli Woods REF £m	Amati ¹ £m	Maven £m	Gross AuM £m	Cross- holdings ² £m	Net AuM £m
At 1 June 2021	2,143.1	408.0	197.5	-	-	1,308.1	-	4,056.6	(161.2)	3,895.4
Acquisitions	-	-	-	-	-	-	747.9	747.9	-	747.9
Inflows	417.5	20.3	-	31.0	5.4	102.2	3.6	579.9	-	579.9
Outflows	(100.7)	-	(195.1)	(0.0)	(0.2)	(13.8)	(3.1)	(312.9)	17.3	(295.6)
Market movement	63.2	17.6	(2.3)	0.0	(0.1)	(66.0)	-	12.4	-	12.4
At 30 Nov 2021	2,523.0	445.9	-	31.0	5.1	1,330.5	748.4	5,083.9	(143.9)	4,940.0

1. Excludes £95.4m (31 May 2021: £94.8m) of Mattioli Woods' client investment included within SIPP and SSAS, employee benefits and personal wealth and other assets and excludes £16.4m (31 May 2021: £17.2m) of cross-holdings between the TB Amati Smaller Companies Fund and the Amati AIM VCT plc.
2. Comprises £15.1m (31 May 2021: £26.6) invested in Custodian REIT, £ nil (31 May 2021: £44.0m) in MW SPF, £31.2m (31 May 2021: £ nil) in MW Property Securities Fund and £72.0m (31 May 2021: £73.3m) in Amati funds, and £16.4m (31 May 2021: £17.2m) cross-holdings between TB Amati Smaller Companies Fund and Amati AIM VCT plc.

INTERIM RESULTS | Income statement

	1H22 £m	1H21 restated £m	%△
Investment and asset management	23.4	15.3	53.6%
Pension consultancy and administration	9.8	9.1	8.5%
Property management	3.0	2.5	21.9%
Employee benefits	2.7	2.7	0.2%
Private equity management	10.9	-	
Revenue	49.9	29.5	69.1%
Employee benefits expense	(27.1)	(15.2)	78.4%
Other administrative expenses	(9.9)	(5.3)	88.5%
Share based payments	(0.6)	(0.7)	(21.1%)
Deferred consideration as remuneration	(4.6)	(1.5)	200.2%
EBITDA	7.7	6.8	12.7%
Acquisition-related costs	2.6	0.1	2,093.1%
Share of profit from associates, net of tax	0.9	0.4	95.1%
Contingent consideration as remuneration	4.6	1.5	200.2%
Adjusted EBITDA	15.8	8.9	76.9%
Depreciation, amortisation and impairment	(4.9)	(3.0)	64.2%
Net finance costs	(0.4)	(0.1)	398.6%
Share of profit from associates, net of tax	0.9	0.4	95.1%
Profit before tax	3.3	4.2	(22.8%)
Income tax expense	(1.6)	(1.1)	46.3%
Profit for the period (PAT)¹	1.7	3.2	(46.2%)

Adjusted EBITDA growth

- High recurring revenues
- Significant growth in revenue and adj. EBITDA

1. Note certain figures in the table above may not add due to rounding.

INTERIM RESULTS | Earnings per share

	Profit 1H22 £m	EPS 1H22 Pps	Profit 1H21 restated £m	EPS 1H21 restated pps	△ in EPS
Statutory PBT	3.3	6.8	4.2	15.2	
Income tax expense	(1.6)	(3.2)	(1.1)	(3.8)	
Statutory PAT / Basic EPS	1.7	3.5	3.2	11.4	(69.0%)
Reported profit before tax	3.3	6.8	4.2	15.2	
Amortisation on acquired intangibles	3.3	6.8	1.3	4.6	
Acquisition-related costs	2.6	5.4	0.1	0.4	
Notional finance costs	0.4	0.8	0.0	0.2	
Contingent consideration as remuneration	4.6	9.6	1.5	5.6	
Adjusted PBT	14.1	29.3	7.2	26.0	
Income tax expense at standard rate	(2.7)	(5.6)	(1.4)	(4.9)	
Adjusted PAT / Adjusted EPS ¹	11.5	23.8	5.8	21.0	13.3%
Basic weighted average number of shares	48.2m		27.9m		
Effective tax rate	48.0%		25.3%		
Standard rate of tax	19.0%		19.0%		

Adjusted EPS up 12.9%

- Like-for-like comparison
- Current year impacted by increase in acquisition-related costs and contingent consideration treated as remuneration
- Increased number of shares following placing and recent acquisitions
- Effective corporation tax rate:
 - Increased to 48.0% (1H21: 25.3%)
 - Impacted by non-deductible acquisition-related costs and consideration recognised as remuneration
 - Impact of new corporation tax rate from 1 April 2023, with deferred tax assets and liabilities recognised at new 25% rate at current period end

1. Note certain figures in the table above may not add due to rounding.

INTERIM RESULTS | Segment results

Revenue synergies

Business referred between segments

	Investment and asset management £m	Pension consultancy and admin £m	Private Equity management £m	Property management £m	Employee benefits £m	Total segments £m	Corporate costs £m	Consolidated ¹ £m
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Six months ended 30 November 2021

Revenue	9.8	23.4	10.9	3.0	2.7	49.9	-	49.9
Segment profit before tax	2.8	7.1	1.9	0.8	0.4	13.1	(9.8)	3.3
Segment margin	29%	30%	17%	28%	15%	26%		7%

Six months ended 30 November 2020

Revenue	9.1	15.3	-	2.5	2.7	29.5	-	29.5
Segment profit before tax (restated)	2.3	4.6	-	0.5	0.3	7.6	(3.4)	4.2
Segment margin (restated)	25%	30%		22%	10%	26%		14%

1. Note certain figures in the table above may not add due to rounding.

- Strong capital position:
 - Capital resources are 140% of requirement
 - Strengthened by £112m placing in the period
 - Flexibility to pursue further acquisitions
- Capital resources:
 - Total equity less intangibles and other deductions
- Capital requirements:
 - Pillar 1 Post-IFPR: K-factor requirement, Fixed overhead requirement ("FOR")
 - Previously: Credit risk / Market risk / Operational risk (FOR) requirements
 - Pillar 2A: Stress-testing key risks over a one year horizon
- Investment Firm Prudential Regime ("IFPR"):
 - Impact embedded in capital and liquidity planning
 - £4.8m reduction in capital resources following withdrawal of certain reliefs resulting in deduction in full of deferred tax assets and investment in associate
 - K-Factor requirement significantly below FOR, no impact on total capital requirement
 - Significant headroom on liquidity requirement of £5.9m vs available cash £44.3m

Understanding our capital position

Strong balance sheet

	Post- IFPR £m	Nov 2021 £m	May 2021 £m
Regulatory capital			
Net assets at period end	230.5	230.5	86.1
Capital deductions	(188.2)	(183.4)	(64.3)
Capital resources	42.3	47.1	21.8
Pillar 1 minimum capital requirement	17.6	17.6	11.9
Surplus before Pillar 2A	24.7	29.5	9.9
Incremental Pillar 2A requirement	-	-	-
Regulatory capital requirement	17.6	17.6	11.9
Surplus	24.7	29.5	9.9
Surplus as % of requirement	140%	168%	83%

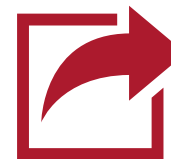
Strategic and cultural fit



Enhances client proposition



Enhances distribution



Ability to integrate



Access to technology/IP



Nature and quality of client base



Deliverable synergies



Sustainable margins



Deal structure that mitigates risks



Attractive market

- Key characteristics:
 - Ageing population
 - Highly fragmented
 - Numerous business models
 - Clear economies of scale
 - Centralised investment propositions
 - Increasing regulatory burden
 - Greater fee transparency and margin pressure
- Significant corporate activity:
 - Consolidation
 - New entrants
 - Private equity and financial investors
- Exciting pipeline of opportunities

Our world is one
in which financial
advice is **trusted**,
thoughtful and
enriching.

Questions?



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