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**9 August 2018**

**Mattioli Woods plc**

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

**Acquisition of Broughtons Financial Planning Limited**

Mattioli Woods plc (AIM: MTW.L), the specialist wealth management and employee benefits business, is pleased to announce the acquisition of the entire issued share capital of Broughtons Financial Planning Limited ("Broughtons") from its shareholder ("the Seller") for a total consideration of up to £4.0 million.

Broughtons was founded in 2001 and provides wealth management advice and administration for 250 individual clients with over £120 million of assets under advice. Based in Oldbury in the West Midlands, the business specialises in the provision of financial planning advice. Broughtons' experienced management team will be retained by Mattioli Woods following the acquisition, which is expected to be earnings enhancing in the first full year of ownership.

In the year ended 31 July 2017, Broughtons generated a profit before taxation of £0.62 million on revenues of £0.99 million. At 31 July 2017 Broughtons' net assets were £0.56 million.

The total consideration comprises:

- An initial consideration of £2.7 million (subject to adjustment for the value of net assets acquired), comprising £2.1 million in cash plus 77,171 new ordinary shares of 1 pence each in Mattioli Woods ("the Consideration Shares"), which are valued at £0.60 million based on the closing price of a Mattioli Woods share on 8 August 2018; and
- Deferred consideration of up to £1.3 million payable in cash in the two years following completion, subject to certain financial targets being met based on growth in earnings before interest, tax, depreciation and amortisation generated during that period.

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 15 August 2018.

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 26,276,770. Mattioli Woods does not hold any Ordinary Shares in Treasury.

The above figure of 26,276,770 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 Seller has entered into a lock-in deed 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:

"Broughtons has a similar culture to Mattioli Woods and holds high values with the client being at the core of all it does. The combined business gives us all opportunities to grow and develop the client offering and we welcome Gary and his team. Long term stability and sustainability is key to growing a modern financial services group and we will all continue to strive to achieve this".

Gary Bond, Broughtons' Managing Director, added:

"From our initial discussions with Mattioli Woods it was clear that we shared the same values and business culture. We are all excited by the opportunity this gives us as we work to create a great financial services business and to be part of a large group which has clients at its core".

- Ends -

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