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**For immediate release**

**12 April 2022**

**Stock Exchange Announcement  
LIONTRUST ASSET MANAGEMENT PLC  
Trading Update**

Liontrust Asset Management Plc ("**Liontrust**", or the "**Company**"), the specialist independent fund management group, today issues its trading update for the period 1 January to 31 March 2022.

**Highlights**

- Net outflows of £0.4 billion in the three months ended 31 March 2022 and net inflows of £2.5 billion for the financial year ended 31 March 2022<sup>1</sup>.
- Assets under management and advice ("**AuMA**") were £33.5 billion as at 31 March 2022, an increase of 8.5% over the financial year.
- Majedie Asset Management Limited ("**Majedie**") acquisition completed on 1 April 2022 adding £5.2 billion<sup>2</sup> to AuMA, taking Liontrust's pro forma AuMA to £38.7 billion.
- The Majedie investment team has been renamed the Liontrust Global Fundamental team
- Liontrust had the second highest net retail sales in the UK in 2021, according to the Pridham Report
- AuMA as at 7 April 2022 were £38.5 billion.

<sup>1</sup> Includes outflows of £329 million related to the termination of the investment management agreement for the Verbatim Portfolio Growth Funds ("**Verbatim Funds**") on 21 March 2022.

<sup>2</sup> As at close of business on 31 March 2022.

**Commenting, John Ions, Chief Executive, said:**

"We have repeatedly talked about the importance of process over the past few years, both for our investment teams and for running Liontrust. This has never been more relevant given the nervousness over the horrific war in Ukraine and its potential direction. The sanctions imposed on and by Russia have exacerbated the impact of inflationary pressures and central banks tightening monetary policies on market volatility and uncertainty.

Over the long term – more than 20 years in the case of our Economic Advantage and Sustainable Investment teams - the consistent application of the rigorous Liontrust investment processes to our funds has delivered strong performance for investors. Staying true to processes helps to keep fund managers focused and retain clarity of thought during more challenging periods such as now.

Our teams' investment processes have been performing as we would expect given the market environment of the past few months, and the fund managers remain confident about the long-term prospects for the companies in their portfolios. During times of such market sell-offs, the fund managers are presented with opportunities to add to their stocks at cheaper valuations and buy into companies they have liked but that previously did not offer attractive entry points.

While we had net outflows of £0.4 billion in the three months to 31 March 2022, over the whole financial year, Liontrust generated net inflows of £2.5 billion and has delivered positive sales at the start of the new financial year. The largest negative impact on net flows in the last quarter was the loss of the £329 million investment management mandate for the Verbatim Funds.

The net outflows of the past quarter do not alter our belief in and focus on the long-term strategy of the business. Liontrust has continued to diversify and expand our investment capability and the business, and ensured we deliver for and engage with our investors.

This success is highlighted by comparing our sales to the rest of the asset management industry in the Pridham Report. Over the course of 2021, Liontrust had the second highest net retail sales in the UK and the fifth highest gross retail sales.

The breadth and quality of our investment capability is shown by the fact that seven of our funds have been shortlisted for Investment Week’s Fund Manager of the Year Awards in June while Liontrust has once again been nominated for Global Group of the Year. The seven fund nominations are spread across five of our investment teams.

The acquisition of Majedie Asset Management, which completed on 1 April 2022, has continued our diversification and expansion, both through distribution to institutional investors and investment capability, as well as adding £5.2 billion to our AuMA. Majedie also brings excellent client service, which is reflected in the strength of their relationships. The investment managers, who have been rebranded as the Liontrust Global Fundamental team, are highly regarded, which is demonstrated by the quality of their institutional mandates and the management of Edinburgh Investment Trust since March 2020.

The breadth of Liontrust’s existing distribution has been demonstrated by the fact that nearly 1,000 advisers have so far registered to attend our World Market Review Roadshow around the UK in the spring. The Liontrust Multi-Asset team will present their latest investment views and updates on their funds and portfolios on the Roadshow.

Liontrust is investing in digital marketing to enhance further the service we provide and the engagement we achieve with clients and investors, including through the launch of our new website at the end of March featuring distinct customer journeys and personalisation. Our website and wider digital marketing strategy are designed to give clients and investors the information and content they want and in the way they want to consume it while also enhancing their online experiences with Liontrust.

I have strong conviction in our investment teams, their processes and their ability to continue to deliver for investors over the long term. I also have great confidence in Liontrust and our business processes to maintain long-term growth and deliver for employees, shareholders and other stakeholders. The acquisition of Majedie and our continued investment in the business to enable us to engage meaningfully with investors reinforces this belief.”

### **Assets under management and advice**

On 31 March 2022, our AuMA stood at £33,548 million and were broken down by type and investment process as follows:

<u>Process</u>	<u>Total</u> <u>(£m)</u>	<u>Institutional<sup>3</sup></u> <u>(£m)</u>	<u>UK Retail</u> <u>(£m)</u>	<u>Multi-Asset</u> <u>(£m)</u>	<u>Offshore</u> <u>(£m)</u>
Sustainable Investment	13,227	136	12,187	-	904
Economic Advantage	9,035	455	8,201	-	379
Multi-Asset	6,660	-	-	6,660	-

Global Equity	2,868	167	2,701	-	-
Cashflow Solution	1,094	650	364	-	80
Global Fixed Income	664	-	300	-	364
<b>Total – 31 March 2022</b>	<b>33,548</b>	<b>1,408</b>	<b>23,753</b>	<b>6,660</b>	<b>1,727</b>
Global Fundamental	5,150	3,567	898	-	685
<b>Total inc. Global Fundamental</b>	<b>38,698</b>	<b>4,975</b>	<b>24,651</b>	<b>6,660</b>	<b>2,412</b>

<sup>3</sup> Investment Trust AuMA included in Institutional

AuMA as at 7 April 2022 were £38,461 million.

### Flows

The net outflows over the three months to 31 March 2022 were £432 million<sup>4</sup> (2021: net inflows £958 million). A reconciliation of fund flows and AuMA over the three months to 31 March 2022 is as follows:

	<u>Total</u> <u>(£m)</u>	<u>Institutional</u> <u>(£m)</u>	<u>UK Retail</u> <u>(£m)</u>	<u>Multi-Asset</u> <u>(£m)</u>	<u>Offshore</u> <u>(£m)</u>
<b>Opening AuMA - 1 January 2022</b>	<b>37,239</b>	<b>1,535</b>	<b>26,304</b>	<b>7,375</b>	<b>2,025</b>
Net flows	(432)	(17)	84	(398)	(101)
Market and Investment performance	(3,259)	(110)	(2,635)	(317)	(197)
<b>Closing AuMA - 31 March 2022</b>	<b>33,548</b>	<b>1,408</b>	<b>23,753</b>	<b>6,660</b>	<b>1,727</b>

The net inflows over the financial year to 31 March 2022 were £2,488 million<sup>4</sup> (2021: £3,498 million). A reconciliation of fund flows and AuMA over the financial year to 31 March 2022 is as follows:

	<u>Total</u> <u>(£m)</u>	<u>Institutional</u> <u>(£m)</u>	<u>UK Retail</u> <u>(£m)</u>	<u>Multi-Asset</u> <u>(£m)</u>	<u>Offshore</u> <u>(£m)</u>
<b>Opening AuMA - 1 April 2021</b>	<b>30,929</b>	<b>1,488</b>	<b>20,627</b>	<b>7,139</b>	<b>1,675</b>
Net flows	2,488	(105)	3,025	(541)	109
Market and Investment performance	131	25	101	62	(57)
<b>Closing AuMA - 31 March 2022</b>	<b>33,548</b>	<b>1,408</b>	<b>23,753</b>	<b>6,660</b>	<b>1,727</b>

<sup>4</sup> Includes outflows off £329 million related to the termination of the investment management agreement for the Verbatim Funds on 21 March 2022.

### UK Retail Fund Performance (Quartile ranking)

	<b>Quartile ranking – Since Launch/Manager Appointed</b>	<b>Quartile ranking - 5 year</b>	<b>Quartile ranking - 3 year</b>	<b>Quartile ranking - 1 year</b>	<b>Launch Date/ Manager Appointed</b>
<b>Economic Advantage funds</b>					
Liontrust UK Growth Fund	1	1	2	1	25/03/2009

Liontrust Special Situations Fund	1	1	1	3	10/11/2005
Liontrust UK Smaller Companies Fund	1	1	1	1	08/01/1998
Liontrust UK Micro Cap Fund	1	1	1	2	09/03/2016
<b>Sustainable Future funds</b>					
Liontrust Monthly Income Bond Fund	2	1	1	2	12/07/2010
Liontrust SF Managed Growth Fund	2	1	1	3	19/02/2001
Liontrust SF Corporate Bond Fund	1	2	2	4	20/08/2012
Liontrust SF Cautious Managed Fund	1	1	2	4	23/07/2014
Liontrust SF Defensive Managed Fund	1	1	1	4	23/07/2014
Liontrust SF European Growth Fund	2	2	1	4	19/02/2001
Liontrust SF Global Growth Fund	3	1	1	3	19/02/2001
Liontrust SF Managed Fund	1	1	1	4	19/02/2001
Liontrust UK Ethical Fund	2	1	1	4	01/12/2000
Liontrust SF UK Growth Fund	2	1	2	4	19/02/2001
<b>Global Equity funds<sup>5</sup></b>					
Liontrust Balanced Fund	1	1	1	1	31/12/1998
Liontrust China Fund	4	3	3	3	31/12/2004
Liontrust Emerging Market Fund	2	4	4	3	30/09/2008
Liontrust Global Smaller Companies Fund	1	1	3	4	01/07/2016
Liontrust Global Alpha Fund	1	1	1	1	31/12/2001
Liontrust Global Dividend Fund	2	1	1	4	20/12/2012
Liontrust Global Innovation Fund	1	1	2	4	31/12/2001
Liontrust Global Technology Fund	3	2	2	1	15/12/2015
Liontrust Income Fund	1	1	2	1	31/12/2002
Liontrust India Fund	4	4	2	1	29/12/2006
Liontrust Japan Equity Fund	2	3	1	3	22/06/2015
Liontrust Latin America Fund	1	2	3	3	03/12/2007

Liontrust US Opportunities Fund	1	1	2	3	31/12/2002
<b>Cashflow Solution funds</b>					
Liontrust European Growth Fund	1	1	1	1	15/11/2006
<b>Global Fixed Income funds</b>					
Liontrust Strategic Bond Fund	3	-	3	4	08/05/2018

Source: Financial Express to 31 March 2022 as at 5 April 2022, bid-bid, total return, net of fees, based on primary share classes. Past performance is not a guide to future performance, investments can result in total loss of capital. The above funds are all UK authorised unit trusts or UK authorised ICVCs (primary share class).

<sup>5</sup> Liontrust Russia Fund is not included as it is currently suspended and in an IA sector that is not rankable (e.g. Specialist) so it would not be a fair comparison to make.

### Key UK & Irish Fund Performance for Global Fundamental team funds (Quartile ranking)

	Quartile ranking – Since Launch/Manager Appointed	Quartile ranking - 5 year	Quartile ranking - 3 year	Quartile ranking - 1 year	Launch Date/ Manager Appointed
<b>Global Fundamental team UK Funds<sup>6</sup></b>					
LF Liontrust UK Equity Fund	1	4	4	3	27/03/2003
LF Liontrust UK Focus Fund	1	4	4	4	29/09/2003
LF Liontrust UK Equity Income Fund	2	3	4	3	19/12/2011
LF Liontrust Global Equity Fund	2	2	2	4	30/06/2014
LF Liontrust Global Focus Fund	2	2	3	4	30/06/2014
<b>Global Fundamental team Irish Funds<sup>6</sup></b>					
Liontrust GF US Equity Fund	3	2	2	4	26/06/2014
Liontrust GF UK Equity Fund	4	4	4	3	03/03/2014
Liontrust GF International Equity Fund	2	-	-	4	17/12/2019

Source: Financial Express to 31 March 2022 as at 05 April 2022, bid-bid, total return, net of fees, based on primary share classes. Past performance is not a guide to future performance, investments can result in total loss of capital. The above funds are all UK authorised ICVCs or Irish OEICs (primary share class).

<sup>6</sup> The onshore and offshore Liontrust GF Tortoise funds are not included as they are not in IA sectors.

### Alternative Performance Measures

Liontrust reports Alternative Performance Measures (“APMs”), including Adjusted Profit Before Tax, Adjusted Operating Profit, Adjusted Operating Margin and Adjusted EPS, alongside our statutory measures, to assist the users of our accounts in assessing the underlying performance of our business operations. The APMs seek to exclude the effects of non-recurring, non-operating (financing/capital/non-cash) and exceptional items from the

statutory measures. However, a number of these costs, despite being non-cash are ongoing expenses and will be related to the normal operating basis of the business. The most significant of these is share incentivisation costs. The Directors have also reviewed depreciation expense and IFRS16 related property expenses and concluded that these expenses and share incentivisation costs should not be removed in the calculation of APMs with effect from the financial year ended 31 March 2022 and in future financial years.

The Directors expect that these amendments will be absorbed within the existing market forecasts for Administration Expenses thereby meaning minimal impact to the relevant forecast APMs for the financial year ended 31 March 2022 and in future financial years. The Directors believe this revised approach to accounting for APMs is appropriate as the Company continues to grow in scale, reflecting the approaches taken by similar and larger UK-listed asset management peers.

### **Full year results**

Liontrust expects that it will be announcing its full year results for the financial year ended 31 March 2022 on Wednesday, 22 June 2022.

### **For further information please contact:**

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### **Forward Looking Statements**

This announcement contains certain forward-looking statements with respect to the financial condition, results of operations and businesses and plans of Liontrust. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that have not yet occurred. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements and forecasts. As a result, the Liontrust's actual future financial condition, results of operations and business and plans may differ materially from the plans, goals and expectations expressed or implied by these forward-looking statements. Liontrust undertakes no obligation publicly to update or revise forward-looking statements, except as may be required by applicable law and regulation (including the Listing Rules of the Financial Conduct Authority). Nothing in this announcement should be construed as a profit forecast or be relied upon as a guide to future performance.

### **Other information**

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