

LEI: 549300XVXU6S7PLCL855

For immediate release

18 October 2023

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

Liontrust Asset Management Plc ("**Liontrust**", the "**Company**", or the "**Group**"), the specialist independent fund management group, today issues its trading update for the three months ended 30 September 2023 (the "**Period**").

Highlights

- Net outflows of £1.6 billion in the Period.
- Assets under management and advice ("**AuMA**") were £27.7 billion as at 30 September 2023, a decrease of 6.3% over the Period.
- AuMA as at 12 October 2023 were £27.5 billion.

Commenting, John Ions, Chief Executive, said:

"Successful asset management companies are built on the quality of their people. I am proud to be Chief Executive of Liontrust with our excellent investment teams and talent across the Group, who will see the business through tougher times like now and drive it forward over the long term.

"After more than a decade of significant growth for Liontrust, the past year or so has been more challenging. Like many other asset managers, Liontrust continues to face the headwind of current investor sentiment.

"Liontrust has been impacted by our bias towards equities, the quality growth style, mid and small caps and the broad negative sentiment towards the UK. The UK All Companies sector has been the worst net selling retail sector in the UK for six of the past seven quarters, according to the Investment Association (IA).

"Investor sentiment continues to be negatively affected by rising interest rates and the increased yield available on cash. But holding cash over the long term is not a strategy for delivering real growth for savers. In time, cash will leave savings accounts and money market funds to return to investment markets. We are striving for Liontrust to be in the best position possible to attract investors' savings and to benefit when sentiment changes.

"We have full confidence in the investment teams and processes at Liontrust which have delivered for investors over the long term. Since launch or fund manager inception, 42% of the UK-domiciled retail funds (excluding Multi-Asset) are in the first quartile of their respective Investment IA sectors and 66% are in the first or second quartile.

"What the last year has shown, however, is the importance of Liontrust achieving our strategic objectives of broadening the fund range by asset classes and investment styles and expanding geographical distribution to enable us to perform through the cycles of demand. We have seen recently growing demand from markets outside the UK such as South America, for example.

“The proposed acquisition of GAM would have accelerated our strategic objectives; without GAM, they do not change and our belief in them has only strengthened. The knowledge and insight gained through the GAM process is also helping us shape our future operating model for the long-term growth of the Liontrust business. This will lead to restructuring and efficiencies in some areas of the business. Our flexible remuneration model for fund managers and other staff remains unchanged in light of the headwinds we are facing; in particular, the revenue share model for fund managers ensures they are fully aligned with the business and investors.

“As one leading analyst has said, the absence of a step forward is not the same as a step backward.

“Liontrust’s strategy has never only been solely focused on M&A activity. Liontrust has successfully grown AuMA over the long term through attracting inflows for current investment teams and this will remain a key focus going forward. This organic growth has been demonstrated most recently with the AuMA of the European Dynamic Fund increasing from around £350 million a year ago to £950 million. Following interest from clients, we intend to launch, subject to regulatory approvals, an Ireland-domiciled version of the European Dynamic Fund to be marketed in continental Europe.

“Central to achieving AuMA growth is strong client engagement. Liontrust’s investment teams will be presenting to hundreds of clients and potential clients in the UK and internationally at events throughout the autumn, including our annual virtual Sustainable Investment conference and an adviser roadshow around the UK.

“The hard work and dedication of everyone at the Company through this period will benefit Liontrust over the months and years ahead. Combining a great level of service and investor experience with excellent investment teams and processes, a pre-eminent brand, strong financial position and the ability to attract further talent continues to give me great confidence about the outlook for Liontrust.”

Assets under management and advice

On 30 September 2023, our AuMA stood at £27,650 million and were broken down by type and investment process as follows:

<u>Process</u>	<u>Total</u>	<u>Institutional Accounts & Funds</u>	<u>Investment Trusts</u>	<u>UK Retail Funds & MPS</u>	<u>Alternative Funds</u>	<u>International Funds & Accounts</u>
	<u>(£m)</u>	<u>(£m)</u>	<u>(£m)</u>	<u>(£m)</u>	<u>(£m)</u>	<u>(£m)</u>
Sustainable Investment	9,985	269	-	9,221	-	495
Economic Advantage	7,181	440	-	6,553	-	188
Multi-Asset	4,466	-	-	4,310	156	-
Global Innovation	642	-	-	642	-	-
Cashflow Solution	1,620	542	-	936	136	6
Global Fundamental	3,518	681	1,122	1,675	-	40
Global Fixed Income	238	-	-	56	-	182
Total	27,650	1,932	1,122	23,393	292	911

AuMA as at 12 October 2023 were £27,480 million.

Flows

The net outflows over the Period were £1,583 million (2022: £1,646 million). A reconciliation of fund flows and AuMA over the Period is as follows:

	<u>Total</u> <u>(£m)</u>	<u>Institutional</u> <u>Accounts &</u> <u>Funds</u> <u>(£m)</u>	<u>Investment</u> <u>Trusts</u> <u>(£m)</u>	<u>UK Retail</u> <u>Funds &</u> <u>MPS</u> <u>(£m)</u>	<u>Alternative</u> <u>Funds</u> <u>(£m)</u>	<u>International</u> <u>Funds &</u> <u>Accounts</u> <u>(£m)</u>
Opening AuMA - 1 July 2023	29,507	2,240	1,098	24,723	518	928
Net flows	(1,583)	(346)	(24)	(968)	(227)	(18)
Market and Investment performance	(274)	38	48	(362)	1	1
Closing AuMA - 30 September 2023	27,650	1,932	1,122	23,393	292	911

The net outflows over the six-month period to 30 September 2023 were £3,213 million (2022: £2,187 million). A reconciliation of fund flows and AuMA over the six-month period to 30 September 2023 is as follows:

	<u>Total</u> <u>(£m)</u>	<u>Institutional</u> <u>Accounts &</u> <u>Funds</u> <u>(£m)</u>	<u>Investment</u> <u>Trusts</u> <u>(£m)</u>	<u>UK Retail</u> <u>Funds &</u> <u>MPS</u> <u>(£m)</u>	<u>Alternative</u> <u>Funds</u> <u>(£m)</u>	<u>International</u> <u>Funds &</u> <u>Accounts</u> <u>(£m)</u>
Opening AuMA - 1 April 2023	31,430	2,394	1,139	25,721	1,084	1,092
Net flows	(3,213)	(524)	(33)	(1,760)	(748)	(148)
Market and Investment performance	(567)	62	16	(568)	(44)	(33)
Closing AuMA - 30 September 2023	27,650	1,932	1,122	23,393	292	911

UK Retail Fund Performance (Quartile ranking)

	Quartile ranking – Since Launch/Manager Appointed	Quartile ranking - 5 year	Quartile ranking - 3 year	Quartile ranking - 1 year	Launch Date/ Manager Appointed
Economic Advantage funds					
Liontrust UK Growth Fund	1	1	2	3	25/03/2009
Liontrust Special Situations Fund	1	2	3	4	10/11/2005
Liontrust UK Smaller Companies Fund	1	1	3	4	08/01/1998
Liontrust UK Micro Cap Fund	1	1	1	2	09/03/2016
Sustainable Future funds					

Liontrust SF Monthly Income Bond Fund	1	2	2	1	12/07/2010
Liontrust SF Managed Growth Fund	2	1	4	3	19/02/2001
Liontrust SF Corporate Bond Fund	1	3	3	1	20/08/2012
Liontrust SF Cautious Managed Fund	2	3	4	4	23/07/2014
Liontrust SF Defensive Managed Fund	1	3	4	4	23/07/2014
Liontrust SF European Growth Fund	3	4	4	4	19/02/2001
Liontrust SF Global Growth Fund	3	2	4	4	19/02/2001
Liontrust SF Managed Fund	2	1	4	3	19/02/2001
Liontrust UK Ethical Fund	3	4	4	4	01/12/2000
Liontrust SF UK Growth Fund	3	4	4	4	19/02/2001
Global Innovation funds					
Liontrust Global Dividend Fund	2	1	3	2	20/12/2012
Liontrust Global Innovation Fund	1	4	4	3	31/12/2001
Liontrust Global Technology Fund	3	2	2	2	15/12/2015
Global Fundamental Global Equity funds					
Liontrust Balanced Fund	1	1	3	2	31/12/1998
Liontrust China Fund	4	3	3	2	31/12/2004
Liontrust Emerging Market Fund	3	4	3	4	30/09/2008
Liontrust Global Smaller Companies Fund	1	3	4	3	01/07/2016
Liontrust Global Alpha Fund	1	1	4	2	31/12/2001
Liontrust India Fund	4	3	1	2	29/12/2006
Liontrust Japan Equity Fund	2	1	1	3	22/06/2015
Liontrust Latin America Fund	3	4	4	4	03/12/2007
Cashflow Solution funds					
Liontrust European Dynamic Fund	1	1	1	1	15/11/2006

Global Fixed Income funds

Liontrust Strategic Bond Fund	3	3	3	3	08/05/2018
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Global Fundamental funds

Liontrust UK Equity Fund	1	3	2	1	27/03/2003
Liontrust UK Focus Fund	1	3	3	1	29/09/2003
Liontrust Income Fund	1	1	3	2	31/12/2002
Liontrust UK Equity Income Fund	2	4	3	1	19/12/2011
Liontrust US Opportunities Fund	2	3	4	4	31/12/2002
Edinburgh Investment Trust Plc	1	-	1	1	27/03/2020
Liontrust Global Equity Fund	2	1	2	2	30/06/2014
Liontrust Global Focus Fund	2	2	2	2	30/06/2014
Liontrust GF US Equity Fund	3	1	2	1	26/06/2014
Liontrust GF UK Equity Fund	3	3	2	1	03/03/2014
Liontrust GF International Equity Fund	4	-	4	4	17/12/2019

Source: Financial Express to 30 September 2023 as at 4 October 2023, 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, OEICs, Irish authorised OEICs (primary share class) or UK listed investment trusts. 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. The onshore and offshore Tortoise funds are not included as they are not in IA sectors. Edinburgh Investment Trust Plc uses the IT UK Equity Income sector.

Notice of Half Year Results Announcement

Liontrust confirms that it will be announcing its half year results for the six months ended 30 September 2023 on Thursday, 16 November 2023.

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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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