

QUILTER PLC

Incorporated under the Companies Act 1985 with registered number 06404270 and re-registered as a public limited company under the Companies Act 2006)

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Quilter plc (the "Company")

3 November 2021

Quilter plc Third Quarter 2021 Trading Statement

Quilter plc reports a strong quarter with substantially improved year-on-year net flows

Business Update

Quilter will be hosting a Capital Markets Day for investors later today which will introduce a reorganisation of the Group into two client focussed segments: High Net Worth ("HNW") and Affluent. Furthermore, assets and flows will be disclosed from the two primary distribution channels of the business: the Quilter channel and the IFA channel. As a result, the Group now discloses flows by these segments and distribution channels. Third quarter flows have been presented in this format on a continuing business basis, excluding the contribution from Quilter International. The sale of Quilter International is still anticipated to complete prior to year-end. Third quarter disclosure on a historic basis is included as an appendix to this release. A full breakdown of quarterly flows on the new reported basis since 1 January 2020 is provided as an appendix to the separate Capital Markets Day announcement, also published today.

Continuing business highlights:

- Assets under Management and Administration ("AuMA") of £108.5 billion at the end of September 2021, with:
 - Year-to-date net inflows of £3.0 billion (2020: £1.1 billion).
 - Third quarter net inflows of £1.0 billion (2020: £0.1 billion).
- Strong flows onto the Quilter Investment Platform. Year-to-date gross flows of £6.7 billion, up 58% (2020: £4.3 billion) and higher net flows of £2.7 billion, up 142% (2020: £1.1 billion), supported by increased IFA usage of the new Quilter platform with year-to-date net flows up nearly five-fold to £1.4 billion in the IFA channel.
- Stable levels of Defined Benefit to Defined Contribution transfers in the third quarter of £0.2 billion.

Total business highlights:

- AuMA of £129.1 billion at the end of September 2021, with net year-to-date flows of £3.0 billion and third quarter flows of £1.2 billion.

Quilter plc: Three months ended 30 September 2021

Quilter plc (£bn), unaudited, continuing business	Q3 2021	Q3 2020
AuMA	108.5	91.7
<i>Of which are administered by the Quilter Investment Platform</i>	71.0	58.9
<i>Of which are managed by Quilter Investors</i>	25.2	21.3
<i>Of which are in Quilter Cheviot</i>	27.6	23.6
Gross flow	3.3	2.2
Net flow	1.0	0.1
Defined Benefit to Defined Contribution transfers	0.2	0.2

Quilter plc: Nine months ended 30 September 2021

Quilter plc (£bn), unaudited, continuing business	Q3 2021	Q3 2020
AuMA	108.5	91.7
Gross flow	9.9	7.4

Net flow	3.0	1.1
Defined Benefit to Defined Contribution transfers	0.5	0.7

Paul Feeney, CEO of Quilter plc, commented:

"I am delighted with the significant improvement in our third quarter net flows which were up ten-fold to £1.0 billion from £0.1 billion in 2020. Excellent growth in flows from our advisers has been coupled with a very substantial increase in flows from the IFA channel who have taken extremely well to our new platform. Gross flows from the IFA channel onto our UK Platform were 66% year-on-year to £4.8 billion, with net flows up nearly five-fold to £1.4 billion on the comparable period. We look forward to presenting our plans and ambitious targets to drive growth and efficiency across our business at our Capital Markets Day, later this morning."

	AuMA as at 30 June 2021	Gross flows (£m)	Net flows (£m)	AuMA as at 30 September 2021	Of which Quilter solutions AuM as at 30 September 2021
Q3 gross flows, net flows & AuMA (£bn)					
AFFLUENT SEGMENT					
Quilter channel	10.8	654	469	11.3	7.4
IFA channel	57.2	1,551	421	58.3	7.4
Non-core business	1.4	20	(9)	1.4	0.2
Sub-total (Quilter Platform)	69.4	2,225	881	71.0	15.0
Via other platforms					
Quilter channel	4.7	185	1	4.7	5.0
IFA channel	2.5	87	(112)	2.5	2.5
Non-core businesses	2.8	48	(81)	2.7	2.7
Sub-total	10.0	320	(192)	9.9	10.2
Total Affluent Segment	79.4	2,545	689	80.9	25.2
HIGH NET WORTH SEGMENT					
Quilter channel	2.3	98	73	2.4	2.4
IFA channel incl. Direct	24.7	608	256	25.2	25.2
Total High Net Worth Segment	27.0	706	329	27.6	27.6
Continuing operations	106.4	3,251	1,018	108.5	52.8
AuMA breakdown:					
Affluent administered (Quilter Platform)	69.4	2,225	881	71.0	15.0
Affluent managed (Quilter Investors)	24.8	1,268	98	25.2	25.2
HNW managed and administered (Quilter Cheviot)	27.0	706	329	27.6	27.6
Quilter channel	17.8	937	543	18.4	14.8
IFA channel	84.4	2,246	565	86.0	35.1
Non-core business	4.2	68	(90)	4.1	2.9

	AuMA as at 30 December 2020	Gross flows (£m)	Net flows (£m)	AuMA as at 30 September 2021	Of which Quilter solutions AuM as at 30 September 2021
YTD Q3 gross flows, net flows & AuMA (£bn)					
AFFLUENT SEGMENT					
Quilter channel	9.6	1,915	1,337	11.3	7.4
IFA channel	52.8	4,760	1,371	58.3	7.4
Non-core business	1.4	63	(28)	1.4	0.2
Sub-total (Quilter Platform)	63.8	6,738	2,680	71.0	15.0
Via other platforms					
Quilter channel	4.7	752	181	4.7	5.0
IFA channel	2.4	226	(345)	2.5	2.5
Non-core businesses	2.8	144	(276)	2.7	2.7
Sub-total	9.9	1,122	(440)	9.9	10.2
Total Affluent Segment	73.7	7,860	2,240	80.9	25.2
HIGH NET WORTH SEGMENT					
Quilter channel	2.1	366	290	2.4	2.4
IFA channel incl. Direct	23.2	1,696	487	25.2	25.2
Total High Net Worth Segment	25.3	2,062	777	27.6	27.6
Continuing operations	99.0	9,922	3,017	108.5	52.8
AuMA breakdown:					
Affluent administered (Quilter Platform)	63.8	6,738	2,680	71.0	15.0
Affluent managed (Quilter Investors)	23.2	4,151	529	25.2	25.2
HNW managed and administered (Quilter Cheviot)	25.3	2,062	777	27.6	27.6
Quilter channel	16.4	3,033	1,808	18.4	14.8
IFA channel	78.4	6,682	1,513	86.0	35.1
Non-core business	4.2	207	(304)	4.1	2.9

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About Quilter plc

Quilter plc is a leading wealth management business in the UK and internationally, helping to create prosperity for the generations of today and tomorrow. Quilter plc oversees £108.5 billion in customer investments (as at 30 September 2021).

It has an adviser and customer offering spanning: financial advice, investment platforms, multi-asset investment solutions, and discretionary fund management.

The business is being reorganised into two segments: **Affluent** and **High Net Worth**.

Affluent encompasses the financial planning businesses, Quilter Financial Planning, the Quilter Investment Platform and Quilter Investors, the Multi-asset investment solutions business.

High Net Worth includes the discretionary fund management business, Quilter Cheviot, together with Quilter Private Client Advisers.

Disclaimer

This announcement may contain certain forward-looking statements with respect to certain Quilter plc's plans and its current goals and expectations relating to its future financial condition, performance and results.

By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond Quilter plc's control including amongst other things, international and global economic and business conditions, market related risks such as fluctuations in interest rates and exchange rates, the policies and actions of regulatory authorities, the impact of competition, inflation, deflation, the timing and impact of other uncertainties of future acquisitions or combinations within relevant industries, as well as the impact of tax and other legislation and other regulations in the jurisdictions in which Quilter plc and its affiliates operate. As a result, Quilter plc's actual future financial condition, performance and results may differ materially from the plans, goals and expectations set forth in Quilter plc's forward-looking statements.

Quilter plc undertakes no obligation to update the forward-looking statements contained in this announcement or any other forward-looking statements it may make. Nothing in this announcement should be construed as a profit forecast.

Appendix – Third quarter flow disclosure on historic disclosure basis

Quilter plc data tables for the three months ended 30 September 2021 (£bn)

	AuMA as at 30 June 2021	Gross sales	Gross outflows	Net flows	Market and other movements	AuMA as at 30 September 2021
Q3 gross flows, net flows & AuMA (£bn)						
Quilter Investors	24.8	1.3	(1.2)	0.1	0.3	25.2
Quilter Cheviot	27.0	0.8	(0.4)	0.4	0.2	27.6
Advice & Wealth Management	51.8	2.1	(1.6)	0.5	0.5	52.8
Quilter Investment Platform	69.4	2.2	(1.3)	0.9	0.7	71.0
Wealth Platforms	69.4	2.2	(1.3)	0.9	0.7	71.0
Elimination of intra-group assets	(14.8)	(1.0)	0.6	(0.4)	(0.1)	(15.3)
Continuing operations	106.4	3.3	(2.3)	1.0	1.1	108.5

Quilter International	23.2	0.6	(0.4)	0.2	0.2	23.6
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Quilter plc	126.6	3.7	(2.5)	1.2	1.3	129.1
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	AuMA as at 30 June 2020	Gross sales	Gross outflows	Net flows	Market and other movements	AuMA as at 30 September 2020
Quilter Investors	20.8	1.1	(1.1)	-	0.5	21.3
Quilter Cheviot	23.3	0.5	(0.5)	-	0.3	23.6
Advice & Wealth Management	44.1	1.6	(1.6)	-	0.8	44.9
Quilter Investment Platform	57.5	1.2	(1.1)	0.1	1.3	58.9
Wealth Platforms	57.5	1.2	(1.1)	0.1	1.3	58.9
Elimination of intra-group assets	(11.9)	(0.6)	0.6	-	(0.2)	(12.1)
Continuing operations	89.7	2.2	(2.1)	0.1	1.9	91.7

Quilter International	20.4	0.3	(0.3)	-	0.2	20.6
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Quilter plc¹	107.4	2.7	(2.6)	0.1	2.0	109.5
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¹Quilter plc includes AuMA managed by Quilter International that is held on the Quilter Investment Platform, which are recognised in Quilter Investment Platform under continuing operations (H1 2020 : £1.3bn, Q3 2020 : £1.3bn, H1 2021 : £1.4bn, Q3 2021 : £1.4bn), and includes elimination relating to Quilter International (H1 2020 : £1.4bn, Q3 2020 : £1.5bn, H1 2021 : £1.6bn, Q3 2021 : £1.6bn).

Quilter plc data tables for the nine months ended 30 September 2021 (£bn)

Gross flows, net flows & AuMA (£bn)	AuMA as at 31 December 2020	Gross sales	Gross outflows	Net flows	Market and other movements	AuMA as at 30 September 2021
Quilter Investors	23.2	4.2	(3.7)	0.5	1.5	25.2
Quilter Cheviot	25.3	2.1	(1.3)	0.8	1.5	27.6
Advice & Wealth Management	48.5	6.3	(5.0)	1.3	3.0	52.8
Quilter Investment Platform	63.8	6.7	(4.0)	2.7	4.5	71.0
Wealth Platforms	63.8	6.7	(4.0)	2.7	4.5	71.0
Elimination of intra-group assets	(13.3)	(3.1)	2.1	(1.0)	(1.0)	(15.3)
Continuing operations	99.0	9.9	(6.9)	3.0	6.5	108.5

Quilter International	21.8	1.7	(1.1)	0.6	1.2	23.6
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Quilter plc	117.8	11.4	(7.7)	3.7	7.6	129.1
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	AuMA as at 31 December 2019	Gross sales	Gross outflows	Net flows	Market and other movements	AuMA as at 30 September 2020
Quilter Investors	21.6	3.7	(3.5)	0.2	(0.5)	21.3
Quilter Cheviot	24.2	1.7	(1.5)	0.2	(0.8)	23.6
Advice & Wealth Management	45.8	5.4	(5.0)	0.4	(1.3)	44.9
Quilter Investment Platform	58.6	4.3	(3.2)	1.1	(0.8)	58.9
Wealth Platforms	58.6	4.3	(3.2)	1.1	(0.8)	58.9
Elimination of intra-group assets	(11.9)	(2.3)	1.9	(0.4)	0.2	(12.1)
Continuing operations	92.5	7.4	(6.3)	1.1	(1.9)	91.7

Quilter International	20.5	1.1	(0.9)	0.2	(0.1)	20.6
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Quilter plc¹	110.4	8.1	(6.9)	1.2	(2.1)	109.5
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¹Quilter plc includes AuMA managed by Quilter International that is held on the Quilter Investment Platform, which are recognised in Quilter Investment Platform under continuing operations (FY 2019 : £1.4bn, Q3 2020 : £1.3bn, FY 2020 : £1.4bn, Q3 2021 : £1.4bn), and includes elimination relating to Quilter International (FY 2019 : £1.2bn, Q3 2020 : £1.5bn, FY 2020 : £1.6bn, Q3 2021 : £1.6bn).

JSE Sponsor:

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