

19 January 2023

AJ Bell plc
Q1 trading update

AJ Bell plc (“AJ Bell” or the “Company”), one of the UK's largest investment platforms, today issues a trading update in respect of the three months ended 31 December 2022.

Performance overview

Platform business

- Customer numbers increased by 8,713 in the quarter to close at 434,365, up 13% in the last year and 2% in the quarter
 - Total advised customers of 148,636, up 13% in the last year and 2% in the quarter
 - Total D2C customers of 285,729, up 14% in the last year and 2% in the quarter
- AUA closed at £66.3 billion, down 3% over the last year but up 3% in the quarter
- Robust gross and net inflows achieved during the quarter against a continued challenging backdrop, with both the advised and D2C channels contributing to the growth in AUA
 - Gross inflows in the quarter of £1.9 billion (2021: £2.7 billion)
 - Net inflows in the quarter of £0.8 billion (2021: £1.4 billion)
- Favourable market movements contributed 2% to AUA growth in the quarter as global equity markets recovered some of the losses recorded in previous quarters

AJ Bell Investments

- Assets under management (“AUM”) increased to £3.4 billion, up 62% over the last year and up 21% in the quarter
- Record net inflows in the quarter of £443 million, up 143% versus the comparative period last year (2021: £182 million underlying net inflows)
- Strong investment performance, with all of AJ Bell’s multi-asset growth funds delivering top quartile returns versus their Investment Association sector average over the last 3 years

Michael Summersgill, Chief Executive Officer at AJ Bell, commented:

“I am pleased to announce a solid start to the financial year, with our platform continuing to attract new customers and assets across both the advised and direct-to-consumer markets. Whilst high inflation has inevitably squeezed household finances, we delivered £0.8 billion of net inflows to the platform during the quarter. This performance demonstrates the value of our dual-channel business model which enables us to capture customer and asset growth from across the whole platform market.

“Our fast-growing investment business performed very strongly in the quarter. Customers and advisers alike are attracted to our range of low-cost investment solutions which have delivered excellent returns for customers in difficult market conditions. This drove record net inflows of £443 million in the quarter, more than double the level achieved in the comparative quarter last year. Total assets under management passed through the £3 billion milestone in the quarter, closing 62% higher than a year ago at £3.4 billion.

“We have a long track record of delivering organic growth and market share gains in both the advised and direct-to-consumer markets. Over 50,000 new customers have been attracted to our platform over the past year and we are continuing to invest in the development of our customer proposition to make investing as easy as possible, whilst delivering great value for money.

“In our 2022 annual results in December, we set out plans to invest more in our brand to support our long-term growth strategy and we are delighted to have agreed a five-year partnership to sponsor the Great Run series, including the flagship Great North Run. We will also be launching a new multi-channel brand advertising campaign before the end of January.

“The tax year end is traditionally our busiest time of year and we are looking forward to helping customers and advisers make the most of the annual ISA and pension allowances before the 5 April deadline. We remain positive about the growth prospects for the investment platform market and are very well positioned to continue growing our market share.”

Three months ended 31 December 2022	Advised Platform	D2C Platform	Total Platform	Non- platform	Total
Opening customers	145,371	280,281	425,652	14,937	440,589
Closing customers	148,636	285,729	434,365	14,909	449,274

AUA and AUM (£billion)

Opening AUA	44.8	19.3	64.1	5.1	69.2
Inflows ⁽¹⁾	1.2	0.7	1.9	-	1.9
Outflows ⁽²⁾	(0.7)	(0.4)	(1.1)	(0.1)	(1.2)
Net inflows/(outflows)	0.5	0.3	0.8	(0.1)	0.7
Market and other movements ⁽³⁾	0.7	0.7	1.4	0.2	1.6
Closing AUA	46.0	20.3	66.3	5.2	71.5
Closing AUM	1.9	1.1	3.0⁽⁴⁾	0.4⁽⁵⁾	3.4

Three months ended 31 December 2021	Advised Platform	D2C Platform	Total Platform	Non- platform	Total
Opening customers	126,920	241,045	367,965	14,789	382,754
Closing customers	131,610	251,664	383,274	14,792	398,066

AUA and AUM (£billion)

Opening AUA	45.8	19.5	65.3	7.5	72.8
Inflows ⁽¹⁾	1.6	1.1	2.7	0.1	2.8
Outflows ⁽²⁾	(1.0)	(0.3)	(1.3)	(0.2)	(1.5)
Net inflows/(outflows)	0.6	0.8	1.4	(0.1)	1.3
Market and other movements ⁽³⁾	1.1	0.3	1.4	0.1	1.5
Closing AUA	47.5	20.6	68.1	7.5	75.6
Closing AUM	1.2	0.9	2.1⁽⁴⁾	-	2.1

(1) Transfers-in, subscriptions, contributions and tax relief

(2) Transfers-out, cash withdrawals, benefits and tax payments

(3) Total investment returns and revaluations, net of charges and taxes

(4) Platform AUA which is held in AJ Bell's Funds or Managed Portfolio Service

(5) Assets which are held in AJ Bell's Funds or Managed Portfolio Service via third-party platforms

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Historical customer numbers, AUA and AUM by quarter

Advised Platform	Qtr to 31 December 2021	Qtr to 31 March 2022	Qtr to 30 June 2022	Qtr to 30 September 2022	Qtr to 31 December 2022
Customers	131,610	137,201	141,856	145,371	148,636
AUA and AUM (£billion)					
Opening AUA	45.8	47.5	46.5	44.3	44.8
Inflows ⁽¹⁾	1.6	1.6	1.5	1.5	1.2
Outflows ⁽²⁾	(1.0)	(0.7)	(0.6)	(0.6)	(0.7)
Net inflows	0.6	0.9	0.9	0.9	0.5
Market and other movements ⁽³⁾	1.1	(1.9)	(3.1)	(0.4)	0.7
Closing AUA	47.5	46.5	44.3	44.8	46.0
Closing AUM ⁽⁴⁾	1.2	1.4	1.4	1.7	1.9
D2C Platform					
	Qtr to 31 December 2021	Qtr to 31 March 2022	Qtr to 30 June 2022	Qtr to 30 September 2022	Qtr to 31 December 2022
Customers	251,664	266,182	275,647	280,281	285,729
AUA and AUM (£billion)					
Opening AUA	19.5	20.6	20.4	19.2	19.3
Inflows ⁽¹⁾	1.1	1.1	1.1	0.6	0.7
Outflows ⁽²⁾	(0.3)	(0.4)	(0.4)	(0.3)	(0.4)
Net inflows	0.8	0.7	0.7	0.3	0.3
Market and other movements ⁽³⁾	0.3	(0.9)	(1.9)	(0.2)	0.7
Closing AUA	20.6	20.4	19.2	19.3	20.3
Closing AUM ⁽⁴⁾	0.9	0.9	1.0	1.0	1.1
Non-platform					
	Qtr to 31 December 2021	Qtr to 31 March 2022	Qtr to 30 June 2022	Qtr to 30 September 2022	Qtr to 31 December 2022
Customers	14,792	14,926	14,947	14,937	14,909
AUA and AUM (£billion)					
Opening AUA	7.5	7.5	7.2	5.2	5.1
Inflows ⁽¹⁾	0.1	-	0.1	-	-
Outflows ⁽²⁾	(0.2)	(0.1)	(1.8)	(0.1)	(0.1)
Net outflows	(0.1)	(0.1)	(1.7)	(0.1)	(0.1)
Market and other movements ⁽³⁾	0.1	(0.2)	(0.3)	-	0.2
Closing AUA	7.5	7.2	5.2	5.1	5.2
Closing AUM ⁽⁵⁾	-	-	0.1	0.1	0.4
Total closing AUA	75.6	74.1	68.7	69.2	71.5
Total closing AUM	2.1	2.3	2.5	2.8	3.4

(1) Transfers-in, subscriptions, contributions and tax relief

(2) Transfers-out, cash withdrawals, benefits and tax payments

(3) Total investment returns and revaluations, net of charges and taxes

(4) Platform AUA which is held in AJ Bell's Funds or Managed Portfolio Service

(5) Assets which are held in AJ Bell's Funds or Managed Portfolio Service via third-party platforms

About AJ Bell:

Established in 1995, AJ Bell is one of the largest investment platforms in the UK, operating at scale in both the advised and direct-to-consumer markets.

Our purpose is to help people invest by providing them with easy access to Pensions, ISAs and General investment accounts, great customer service and competitive charges.

Our two core platform propositions are AJ Bell in the D2C market and AJ Bell Investcentre in the advised market; which both provide access to a broad investment range including shares and other instruments traded on the major stock exchanges around the world, as well as all mainstream collective investments available in the UK and our own range of AJ Bell funds.

In the D2C market we also offer Dodl by AJ Bell, a low-cost investment app with a simplified investment range that makes it easier for customers to choose investments and buy and sell them without paying any commission.

For D2C cash savers we offer a Cash savings hub which provides access to a range of competitive savings accounts to help people manage their long-term cash deposits. AJ Bell is headquartered in Manchester, UK, with offices in London and Bristol.

Forward-looking statements

This announcement contains forward-looking statements that involve substantial risks and uncertainties, and actual results and developments may differ materially from those expressed or implied by these statements. These forward-looking statements are statements regarding AJ Bell's intentions, beliefs or current expectations concerning, among other things, its results of operations, financial condition, prospects, growth, strategies, and the industry in which it operates. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. These forward-looking statements speak only as of the date of this announcement and AJ Bell does not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this announcement.