

20 April 2023

AJ Bell plc
Q2 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 March 2023.

Performance overview

Platform business

- Customer numbers increased by 20,643 in the quarter to close at 455,008, up 13% in the last year and 5% in the quarter
 - Total advised customers of 153,400, up 12% in the last year and 3% in the quarter
 - Total D2C customers of 301,608, up 13% in the last year and 6% in the quarter
- AUA closed at £68.6 billion, up 3% over the last year and 3% in the quarter
- Strong momentum for AUA flows in the run up to the end of the tax year, with £1.2 billion of gross inflows and £0.6 billion of net inflows achieved across the platform in the month of March
 - Gross inflows in the quarter of £2.5 billion (2022: £2.7 billion)
 - Net inflows in the quarter of £1.2 billion (2022: £1.6 billion)
- Favourable market movements contributed 2% to AUA growth in the quarter

AJ Bell Investments

- Assets under management (“AUM”) increased to £3.9 billion, up 70% over the last year and up 15% in the quarter
- Record net inflows in the quarter of £0.5 billion, more than double the level achieved during the comparative period last year (2022: £0.2 billion)

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

“I am pleased to report another quarter of robust trading performance which once again demonstrates the strength of our dual-channel business model. We have continued to grow customer numbers and assets under administration across the platform, building on our latest market share gains in both the advised and D2C markets⁽¹⁾.

“We added over 20,000 customers during the quarter and now have over 150,000 advised customers and over 300,000 DIY investors on our platform. The strength of our platform propositions continues to attract and retain high quality customers, with average customer portfolio sizes of £309,000 and £70,000 in the advised and D2C markets respectively and a customer retention rate in excess of 95%.

“After a slightly subdued start to 2023, there was strong momentum in the run up to the tax year end, with £1.2 billion of gross inflows and £0.6 billion of net inflows in March alone as customers and advisers took advantage of annual pension and ISA allowances.

“Our investments business continues to go from strength to strength and delivered £0.5 billion of net inflows in the quarter. Our investment solutions offer advisers and retail investors great choice and clear communication and have delivered strong long-term performance compared to their peer group. Momentum remained strong heading into the new tax year with AUM passing £4 billion in early April.

“We enter the second half of our financial year in a strong position. Our diversified revenue streams and profitable business model support our recent step up in brand investment, whilst also enabling us to continually reinvest in pricing, service and functionality to benefit our customers. Recently announced changes in respect of pensions are further positive news for the platform market, which already benefits from significant long-term structural growth drivers. Our focus remains on continuing to capitalise on the long-term growth opportunity ahead of us in both the advised and D2C markets.”

⁽¹⁾ AJ Bell market share by AUA as at 30 September 2022 was 7.2% in the advised platform market and 6.7% in the D2C platform market (30 September 2021: 6.8% advised and 6.2% D2C). Source: Platform

Notice of interim results

AJ Bell expects to announce its full results for the six months ended 31 March 2023 on Thursday 25 May 2023.

Three months ended 31 March 2023	Advised Platform	D2C Platform	Total Platform	Non- platform	Total
Opening customers	148,636	285,729	434,365	14,909	449,274
Closing customers	153,400	301,608	455,008	14,921	469,929

AUA and AUM (£billion)

Opening AUA	46.0	20.3	66.3	5.2	71.5
Inflows ⁽¹⁾	1.4	1.1	2.5	0.1	2.6
Outflows ⁽²⁾	(0.8)	(0.5)	(1.3)	-	(1.3)
Net inflows	0.6	0.6	1.2	0.1	1.3
Market and other movements ⁽³⁾	0.7	0.4	1.1	(0.1)	1.0
Closing AUA	47.3	21.3	68.6	5.2	73.8
Closing AUM	2.1	1.2	3.3⁽⁴⁾	0.6⁽⁵⁾	3.9

Three months ended 31 March 2022	Advised Platform	D2C Platform	Total Platform	Non- platform	Total
Opening customers	131,610	251,664	383,274	14,792	398,066
Closing customers	137,201	266,182	403,383	14,926	418,309

AUA and AUM (£billion)

Opening AUA	47.5	20.6	68.1	7.5	75.6
Inflows ⁽¹⁾	1.6	1.1	2.7	-	2.7
Outflows ⁽²⁾	(0.7)	(0.4)	(1.1)	(0.1)	(1.2)
Net inflows/(outflows)	0.9	0.7	1.6	(0.1)	1.5
Market and other movements ⁽³⁾	(1.9)	(0.9)	(2.8)	(0.2)	(3.0)
Closing AUA	46.5	20.4	66.9	7.2	74.1
Closing AUM	1.4	0.9	2.3⁽⁴⁾	-	2.3

(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

Contacts:

AJ Bell

- Shaun Yates, Investor Relations Director +44 (0) 7522 235 898
- Charlie Musson, Brand and PR Director +44 (0) 7834 499 554

Historical customer numbers, AUA and AUM by quarter

Advised Platform	Qtr to 31 March 2022	Qtr to 30 June 2022	Qtr to 30 September 2022	Qtr to 31 December 2022	Qtr to 31 March 2023
Customers	137,201	141,856	145,371	148,636	153,400
AUA and AUM (£billion)					
Opening AUA	47.5	46.5	44.3	44.8	46.0
Inflows ⁽¹⁾	1.6	1.5	1.5	1.2	1.4
Outflows ⁽²⁾	(0.7)	(0.6)	(0.6)	(0.7)	(0.8)
Net inflows	0.9	0.9	0.9	0.5	0.6
Market and other movements ⁽³⁾	(1.9)	(3.1)	(0.4)	0.7	0.7
Closing AUA	46.5	44.3	44.8	46.0	47.3
Closing AUM ⁽⁴⁾	1.4	1.4	1.7	1.9	2.1
D2C Platform					
	Qtr to 31 March 2022	Qtr to 30 June 2022	Qtr to 30 September 2022	Qtr to 31 December 2022	Qtr to 31 March 2023
Customers	266,182	275,647	280,281	285,729	301,608
AUA and AUM (£billion)					
Opening AUA	20.6	20.4	19.2	19.3	20.3
Inflows ⁽¹⁾	1.1	1.1	0.6	0.7	1.1
Outflows ⁽²⁾	(0.4)	(0.4)	(0.3)	(0.4)	(0.5)
Net inflows	0.7	0.7	0.3	0.3	0.6
Market and other movements ⁽³⁾	(0.9)	(1.9)	(0.2)	0.7	0.4
Closing AUA	20.4	19.2	19.3	20.3	21.3
Closing AUM ⁽⁴⁾	0.9	1.0	1.0	1.1	1.2
Non-platform					
	Qtr to 31 March 2022	Qtr to 30 June 2022	Qtr to 30 September 2022	Qtr to 31 December 2022	Qtr to 31 March 2023
Customers	14,926	14,947	14,937	14,909	14,921
AUA and AUM (£billion)					
Opening AUA	7.5	7.2	5.2	5.1	5.2
Inflows ⁽¹⁾	-	0.1	-	-	0.1
Outflows ⁽²⁾	(0.1)	(1.8)	(0.1)	(0.1)	-
Net (outflows)/inflows	(0.1)	(1.7)	(0.1)	(0.1)	0.1
Market and other movements ⁽³⁾	(0.2)	(0.3)	-	0.2	(0.1)
Closing AUA	7.2	5.2	5.1	5.2	5.2
Closing AUM ⁽⁵⁾	-	0.1	0.1	0.4	0.6
Total closing AUA	74.1	68.7	69.2	71.5	73.8
Total closing AUM	2.3	2.5	2.8	3.4	3.9

(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.