



# Goldman Sachs European Financials Conference

with Paul Feeney, Chief Executive Officer  
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Quilter

# Quilter: a leading, UK-centric full-service wealth manager

- ✓ Leading UK and cross-border wealth manager with £100bn+ of customer assets
- ✓ Advice-led investment solutions for customers in the UK and selected international markets
- ✓ LSE and JSE listed, ~£2.5bn market cap<sup>1</sup>
- ✓ A proven track-record, with scale in a growing market and momentum for future profit growth
- ✓ Solid Q1 2020 performance with a resilient and robust business model for turbulent times

Key Performance Indicators from continuing operations excluding QLA		1Q20	2019	2018	Δ 2019 vs 2018
<b>Adjusted profit:</b>					
Adjusted profit before tax	£m		182	176	+3%
<b>Other financial KPIs:</b>					
IFRS (loss)/profit after tax	£m		(28)	66	-
Operating margin	%		26	26	-
Adjusted diluted EPS	p		8.6	8.9	(3%)
<b>AuMA and flows:</b>					
NCCF	£bn	0.5	0.3	4.7	(94%)
Integrated net flows	£bn	0.8	2.6	4.7	(45%)
AuMA	£bn	95.3	110.4	97.7	+13%

1. As at May 2020.

# Operational and financial resilience in a Covid-19 environment

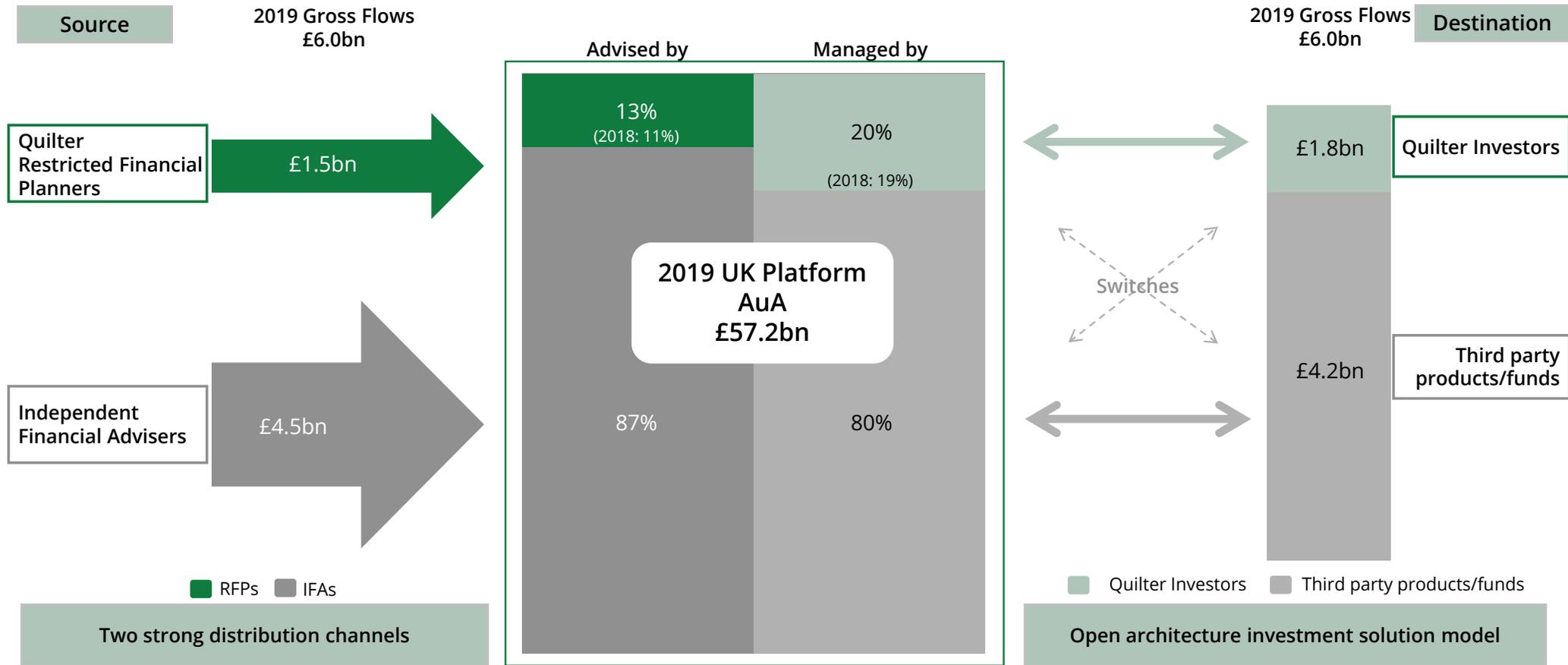
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- Protecting employees, advisers and customers; c. 98% of Quilter staff now working remotely including 200+ contact centre-based colleagues
  - Operationally resilient, remaining focused on completing principal projects including Optimisation, investment in digitalisation and automation of the advice process
- P&L
  - Majority of income recurring; lower AuMA will reduce revenue run-rates
  - Expect to reduce expenses by c.£30m in current year
- Cash and capital
  - £815m holding company cash at end-December; c.£750m at end-March after c.£28m spent on initial share buyback tranche
  - c.210% pro forma Group Solvency II ratio at end-March<sup>1</sup>
- Share buyback programme
  - £375m surplus net proceeds from Quilter Life Assurance to be returned to shareholders
  - Rolling share buyback<sup>2</sup> programme commenced 11 March 2020, conducted concurrently on LSE and JSE – c.43m shares repurchased at expense of £50m, to date
  - Board's decision to authorise second tranche will be based on market and business conditions prevailing at the time

1. After completion of the share buyback's first tranche, the Odd-lot Offer and payment of the final 2019 dividend.  
2. Subject to staged regulatory and Board approval.



# The new UK Platform is the heart of Quilter



# Building a modern, advice-led wealth manager



## 2017 & prior

- Managed separation announced
- PTP launched
- Sold European life books
- Advice ambitions developed
- Acquired Intrinsic
- Private Client Advisers build-out initiated
- Acquired Quilter Cheviot

## 2018

- Managed separation completed
- Listed on LSE/JSE
- Single Strategy Asset Manager sold
- £221m special dividend paid
- Repaid £300m debt
- FCA investigation into Life Assurance closed
- Quilter Investors build-out commenced
- Quilter International refocused

## 2019

- Quilter Life Assurance sold
- New UK Platform in soft launch; Migration preparations carried out
- Lighthouse plc & Charles Derby Group acquired
- Quilter Investors build-out completed & proposition expanded
- Focus on Quilter Cheviot IM recruitment
- Optimisation Phase 1 commenced
- Rebranded Quilter Financial Planning

## 2020 & beyond

- Migrate remaining UK Platform
- Rebrand UK Platform & International
- Support adviser acquisitions to drive flow
- Leverage new UK Platform's capabilities
- Broaden Quilter Investors' proposition
- Complete Optimisation Phase 1
- Commence Optimisation Phase 2 planning
- Deliver further operational leverage
- Return QLA proceeds to shareholders

# Quilter investment case

A unique combination of capabilities, scale and market positions

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- 1 Full service wealth manager providing choice and delivering good customer outcomes
- 2 Leading positions across one of the world's largest wealth markets with strong structural growth drivers
- 3 Multi-channel proposition and investment performance driving integrated flows and long term customer and adviser relationships
- 4 Attractive top-line growth and the opportunity for operating leverage
- 5 Strong balance sheet with low gearing and improving cash generation to drive shareholder returns



Q&A

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# Contacts

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## Investor enquiries

John-Paul Crutchley	UK	+44 207 002 7016 <a href="mailto:john-paul.crutchley@quilter.com">john-paul.crutchley@quilter.com</a>
Keilah Codd	UK	+44 207 002 7054 <a href="mailto:keilah.codd@quilter.com">keilah.codd@quilter.com</a>

## Media enquiries

Jane Goodland	UK	+44 77 9001 2066 <a href="mailto:jane.goodland@quilter.com">jane.goodland@quilter.com</a>
Tim Skelton-Smith	UK	+44 78 2414 5076 <a href="mailto:tim.skelton-smith@quilter.com">tim.skelton-smith@quilter.com</a>

### *Camarco*

Geoffrey Pelham-Lane	UK	+44 203 757 4985
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### *Aprio*

Julian Gwillim	SA	+27 11 880 0037
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