

24 April 2024

Quilter plc
First Quarter 2024 Trading Statement

Quilter first quarter flows demonstrate continued strong business momentum

Quilter plc highlights:

- Group Assets under Management and Administration (“AuMA”) of £111.6 billion at the end of March 2024 increased by 5% on 31 December 2023 levels. This reflected improved net inflows and higher equity markets, partially offset by rising bond yields in the quarter which reduced the market value of bond portfolios.
 - Average AuMA for the first quarter of £108.3 billion was 6% ahead of the 2023 full year average of £102.1 billion.
- Core net inflows of £810 million were approximately double the prior year level (Q1 2023: £409 million) and represented 3% of opening AuMA on an annualised basis (Q1 2023: 2%).
 - The Quilter channel delivered another strong quarter, with:
 - Q1 net inflows as an annualised percentage of opening AuMA of 20% in the High Net Worth segment and 12% in the Affluent segment.
 - Year-on-year increases in gross inflows of 57% in the High Net Worth segment and 16% in the Affluent segment.
 - The strength of our Platform proposition continues to be evidenced by increased levels of new business:
 - Quilter channel gross and net flows onto the Platform increased by 25% and 23% respectively year-on-year.
 - IFA channel gross inflows onto the Platform increased by 41% on the comparable period, with net inflows increasing over 400% to £423 million (Q1 2023: £83 million).
 - Improved new business levels meant the Quilter Platform delivered net inflows of over £1.0 billion during Q1, the highest level achieved since early 2018, representing an annualised 6% of opening AuMA.
 - In High Net Worth, despite outflows remaining elevated, in line with industry peers, the segment increased gross and net flows by 24% and 33% respectively versus first quarter 2023.
- First quarter non-core net outflows of £103 million were broadly consistent with the comparative period (Q1 2023: £96 million). After non-core net outflows, reported net inflows of £707 million represented 3% (annualised) of opening AuMA (Q1 2023: £313 million or 1%).
- Persistency levels in the quarter remained broadly stable at 90% in the High Net Worth segment and 89% in the Affluent segment.
- Productivity: Quilter channel annualised gross sales per Quilter Adviser were £3.3 million in the first quarter, up 22% on the comparable period.

Ongoing Adviser Charging: In our preliminary results announcement on 6 March 2024, we committed to undertake a review of historical data and practices across the Quilter Financial Planning Limited network of appointed representative firms (“AR Firms”). The purpose of this review is to determine if the AR Firms have met their ongoing servicing obligations to customers and, if not, remediate customers to the extent appropriate. Following discussion with the FCA, the review will be conducted by a skilled person. This is expected to commence shortly, and we will update the market on the outcome of the review in due course.

Quilter plc: Three months ended 31 March 2024

Quilter plc, unaudited	Q1 2024	Q1 2023
AuMA: Reported (£bn)	111.6	101.9
<i>Of which are administered on the UK Platform</i>	77.8	69.0
<i>Of which are administered on external platforms</i>	6.8	7.8
<i>Of which High Net Worth</i>	28.1	25.9
Gross flow: Reported (£m)	3,646	2,824
Net flow: Core (£m)	810	409
Net flow: Reported (£m)	707	313
Productivity: Quilter channel gross sales per Quilter Adviser (£m, annualised)	3.3	2.7

Steven Levin, Chief Executive Officer of Quilter plc, commented:

“We are pleased to report that our first quarter net flows are running at double the level experienced last year, reflecting the momentum in our business, actions we have taken and tentative signs of improving market sentiment.

“The Quilter channel continues to drive strong flows in both our High Net Worth and Affluent segments. Our focus on broadening and deepening our business relationships is demonstrating clear results, with IFA and Quilter channel gross new business increasing by 34% and 21% respectively on the prior year.

“We are particularly pleased that our Platform achieved net flows of over £1 billion during the quarter, representing the strongest quarter for Platform net inflows during our time as a listed company. Moreover, a 41% year-on-year growth in first quarter gross new business from IFAs in the Affluent segment led to an over 400% increase in net inflows from IFAs onto the Quilter Platform in the quarter.”

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About Quilter plc

Quilter plc is a leading provider of financial advice, investments and wealth management, committed to being the UK's best wealth manager for clients and their advisers.

Quilter oversees £111.6 billion in customer investments as at 31 March 2024.

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

The business is comprised of 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 Cheviot Financial Planning.

Disclaimer

This announcement may contain 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, the implications and economic impact of the conflict in Ukraine and the Middle-East, 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.

Quilter plc data tables for the three months ended 31 March 2024 (£bn) – unaudited

	AuMA as at 31 December 2023	Gross flows (£m)	Net flows (£m)	AuMA as at 31 March 2024	Of which managed by Quilter AuM as at 31 March 2024
2024 Q1 gross flows, net flows & AuMA (£bn), unaudited					
AFFLUENT SEGMENT					
Quilter channel ¹	17.2	1,033	506	17.3	13.6
IFA channel on Quilter Investment Platform	58.7	1,833	423	62.0	11.6
Funds via third-party platform	1.6	90	(141)	1.9	1.9
Total Affluent segment core business	77.5	2,956	788	81.2	27.1
HIGH NET WORTH SEGMENT					
Quilter channel	2.9	184	142	3.1	3.1
IFA channel incl. Direct	24.1	591	(49)	25.0	25.0
Total High Net Worth segment	27.0	775	93	28.1	28.1
Inter-Segment Dual Assets²	(1.1)	(109)	(71)	(1.1)	(0.3)
Quilter plc core business	103.4	3,622	810	108.2	54.9
Non-core	3.3	24	(103)	3.4	2.1
Quilter plc reported	106.7	3,646	707	111.6	57.0
Affluent AuMA breakdown (incl. Non-core):					
Affluent administered only	53.2	1,675	512	55.4	
Affluent managed and administered	20.6	1,056	536	22.4	
Quilter Platform Sub-Total³	73.8	2,731	1,048	77.8	
Affluent external platform	7.0	249	(363)	6.8	
Affluent Total (Including Non-core)	80.8	2,980	685	84.6	

¹ Quilter channel first quarter Platform discrete gross flows and net flows were £893m and £652m respectively, with closing AuMA of £14.5bn.

² Inter-segment dual assets reflect funds managed by Quilter Cheviot and administered by Quilter Investors and the Quilter Cheviot managed portfolio service solutions available to advisers on the Quilter Investment Platform. This is excluded from total AuMA to ensure no double count takes place.

³ The Quilter Platform includes £5m of gross flows, £27m of net outflows and £1.3bn of closing AuA related to non-core assets.

Quilter plc data tables for the three months ended 31 March 2023 (£bn) – unaudited

	AuMA as at 31 December 2022	Gross flows (£m)	Net flows (£m)	AuMA as at 31 March 2023	Of which managed by Quilter AuM as at 31 March 2023
2023 Q1 gross flows, net flows & AuMA (£bn), unaudited					
AFFLUENT SEGMENT					
Quilter channel ¹	15.4	887	437	15.7	12.0
IFA channel on Quilter Investment Platform	54.1	1,301	83	55.8	9.6
Funds via third-party platform	2.0	56	(132)	2.0	2.0
Total Affluent segment core business	71.5	2,244	388	73.5	23.6
HIGH NET WORTH SEGMENT					
Quilter channel	2.4	117	84	2.5	2.5
IFA channel incl. Direct	23.1	510	(14)	23.4	23.4
Total High Net Worth segment	25.5	627	70	25.9	25.9
Inter-Segment Dual Assets²	(0.8)	(66)	(49)	(0.8)	(0.3)
Quilter plc core business	96.2	2,805	409	98.6	49.2
Non-core	3.4	19	(96)	3.3	2.1
Quilter plc reported	99.6	2,824	313	101.9	51.3
Affluent AuMA breakdown (incl. Non-core):					
Affluent administered only	50.0	1,225	251	51.1	
Affluent managed and administered	17.0	792	340	17.9	
Quilter Platform Sub-Total³	67.0	2,017	591	69.0	
Affluent external platform	7.9	246	(299)	7.8	
Affluent Total (Including Non-core)	74.9	2,263	292	76.8	

¹ Quilter channel first quarter Platform discrete gross flows and net flows were £715m and £529m respectively, with closing AuMA of £12.0bn.

² Inter-segment dual assets reflect funds managed by Quilter Cheviot and administered by Quilter Investors and the Quilter Cheviot managed portfolio service solutions available to advisers on the Quilter Investment Platform. This is excluded from total AuMA to ensure no double count takes place.

³ The Quilter Platform includes £1m of gross flows, £21m of net outflows and £1.2bn of closing AuA related to non-core assets.