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TEAM PLC

("TEAM", the "Company" or the "Group")

Conditional Acquisition of Thornton Associates

Leading Isle of Man Financial Planning Business

TEAM plc (AIM: TEAM), the wealth, asset management and complementary financial services group, is pleased to announce that it has conditionally agreed to acquire the entire issued share capital of Thornton Associates Limited, trading as Thornton Chartered Financial Planners ("**Thornton**"), (the "**Acquisition**") for a consideration of up to £2.5 million. Thornton is an Isle of Man based financial planning business, the first chartered status firm on the island, providing holistic financial planning services with assets under advice ("**AUA**") of £121 million and approximately 180 client groups.

Highlights

- Conditional acquisition of Thornton for consideration of up to £2.5 million
- Natural fit with TEAM's assets in Jersey and in line with strategy to expand into other Crown Dependencies
- Potential for delivery of significant synergies and cross-selling opportunities
- TEAM is also announcing separately today its unaudited interim results for the six months ended 31 March 2023 and the acquisition of Globaleye Wealth Management Group ("**Globaleye**")
- Post-completion, these two acquisitions will take TEAM's assets under management and advice to over £850 million
- Thornton and Globaleye represent TEAM's fifth and sixth acquisitions in the last three years

Consideration

On completion of the Acquisition ("**Completion**"), an initial consideration of £0.9 million is payable in cash, plus an amount equal to the net assets of Thornton of £250,000 less regulatory capital of £50,000. In addition, a deferred consideration of up to £1.4 million is payable, half in new TEAM shares and half in cash. The deferred consideration is payable in two instalments of up to £700,000, dependent upon the revenue generated by Thornton in the 24 months following Completion. The Acquisition is subject to approval by the Isle of Man Financial Services Commission and is expected to complete in Autumn 2023. The cash consideration payable will be funded through existing resources within the Group, and from the future earnings of TEAM.

Thornton - overview

- Thornton is a firm of chartered Financial Planners providing multi-jurisdictional financial planning and regulated investment advice to private individuals, trustees and business owners on the Isle of Man
- Founded in 2000 by its Managing Director, Sharon Sutton, it now supports some 180 client groups (typically high net worth couples and families) with unaudited AUA as at 31 March 2023 of £121 million, largely invested by third party discretionary managers
- In the year ended 31 March 2023, Thornton generated unaudited revenues of £0.75 million, profit before and after tax of £0.22 million and as at 31 March 2023 had unaudited net assets of £0.40 million

Acquisition Rationale

- In a market where competition is limited, Thornton is a profitable, well-managed and highly regarded financial planning business. The TEAM Directors expect a smooth integration with the Group. A key element of TEAM's strategy is to have representation in all of the Crown Dependencies. Thornton is the first step it has taken outside Jersey and makes for a compelling strategic and cultural fit with TEAM, given complementary business models, strong client relationships and an active flow of new clients coming into Thornton
- The Isle of Man represents an exciting opportunity for TEAM. In addition:
 - Potential synergies have been identified by TEAM's Directors, primarily through Thornton joining a larger financial planning group and being able to access shared support services
 - Opportunity to offer Thornton services to current and future TEAM clients, and vice versa, most significantly the opportunity for Thornton clients to migrate from third party managers to using the investment expertise of TEAM Asset Management and its model portfolio and bespoke services
 - TEAM plans to integrate Thornton into its financial planning activities, sharing best in class practices across the offices and moving towards one operating model and brand. No one-off costs are expected from this integration exercise
- The Acquisition is expected to be earnings enhancing in the first year of ownership
- The total consideration payable represents an estimated forward P/E of 7x before revenue and cost synergies are generated
- The Acquisition will be the Company's fifth transaction since its inception in January 2020 and is expected to complete in Autumn 2023
- On completion of the acquisitions of both Thornton and Globaleye, TEAM expects to have assets under management and advice of over £850 million

Matthew Moore, CFO of TEAM, commented:

"In the Isle of Man, Thornton has been at the forefront of financial planning to help its clients manage, protect and maximise their wealth. In doing so, it has built a strong reputation across the island. Becoming part of TEAM is a natural fit and will, we believe, facilitate the next stage of growth for Thornton which will benefit from being part of a larger group, offering a wider range of services whilst maintaining the same customer centric ethos.

We are delighted to welcome Thornton into the Group. The acquisition is a natural extension into the Isle of Man from our base in Jersey and matches our strategy to build a new wealth, asset management and complementary financial services group with a focus on the UK, Crown Dependencies and International Finance Centres."

Market Abuse Regulation

For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/1055, this Announcement is being made on behalf of the Company by Matthew Moore, Chief Financial Officer of the Company.

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Background

TEAM plc is building a new wealth, asset management and complementary financial services group. With a focus on the UK, Crown Dependencies and International Finance Centres, the strategy is to build local businesses of scale around TEAM plc's core skill of providing investment management services. Growth will be achieved via targeted and opportunistic acquisitions, through team and individual hires, through collaboration with suitable partners, and organic growth and expansion.

Thornton results

Figures in the below table are taken from the unaudited management accounts for the year ended 31 March 2023.

£'000	Year ended 31 March 2023
Gross income	747
Profit before tax	218
Client AuA	£121 million
Net assets	400

Figures in Table below are an illustrative representation of the Group's expectation for the acquired business in a full financial year.

£'000	Illustrative full year
Gross income	750
Profit before tax	250

The financial illustrations set out in this announcement are illustrative only, representing reasonable assumptions, based on the financial information available at the time of the announcement. However, all financial information provided is subject to change and these illustrations may be different from the actual financial position. No reliance should be placed on the illustrations set out in this announcement.

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