

18 July 2024

AJ Bell plc
Q3 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 30 June 2024.

Performance overview

Platform business

- Customer numbers increased by 25,000 in the quarter to close at 528,000, up 13% in the last year and 5% in the quarter
 - Total advised customers of 168,000, up 7% in the last year and 2% in the quarter
 - Total D2C customers of 360,000, up 17% in the last year and 7% in the quarter
- Assets under administration ("AUA") closed at £83.7 billion, up 20% over the last year and 4% in the quarter
- Gross and net inflows across the platform significantly higher than prior year, reflecting a continuation of the strong momentum reported in the previous quarter
 - Gross inflows in the quarter of £3.7 billion (2023: £2.4 billion)
 - Net inflows in the quarter of £1.7 billion (2023: £1.1 billion)
- Favourable market movements of 2% of opening AUA
- D2C growth included a one-off migration from a third-party D2C platform, representing 7,000 customers with an average portfolio of £4,000

AJ Bell Investments

- Assets under management ("AUM") increased to £6.3 billion, up 47% over the last year and 9% in the quarter
- Net inflows in the quarter of £0.4 billion, in line with the prior year (2023: £0.4 billion)

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

"The third quarter of our financial year saw a continuation of the strong momentum reported in our previous update. Our strategy of serving both the advised and D2C markets helped us to attract a significant number of new customers and assets from both sub-sectors of the growing platform market. Total platform customers increased by 25,000 in the quarter whilst net inflows were 55% higher than the comparative period at £1.7 billion. This helped to drive platform AUA to a record £83.7 billion, 20% higher than a year ago.

"Our investments business continues to go from strength to strength. Net inflows of £0.4 billion into AJ Bell investment solutions resulted in total AUM surpassing £6 billion for the first time. Our ongoing success in this area reflects our approach of offering simple, low-cost, multi-asset solutions which also benefit from our track record of delivering excellent long-term investment performance.

"Recent stock market performance has boosted confidence amongst D2C customers, resulting in higher levels of dealing activity in recent months, with international dealing activity being particularly strong. Our ongoing investment in our brand and products, including recent price reductions, has fuelled customer growth with the organic increase in D2C customers in Q3 being more than double the level achieved in the prior year.

"AJ Bell's purpose is to help people invest. However, many people are put off investing due to a lack of confidence, not helped by the complexity of the UK investments market. This has led to a situation where around 3 million people are holding at least £20,000 in their cash ISA but nothing in a stocks and shares ISA, according to HMRC figures. We are actively engaging with the newly-elected government on their pledge to support greater retail participation in capital markets and increase the number of people using stocks and shares ISAs. Having long campaigned for simplification of the ISA system, we have this week put forward proposals to the new Treasury team in which we call for a move to a single ISA wrapper for cash and investments, making it easier for savers to start investing. To further help this cohort of potential investors, we recently launched a 5.09% AER interest rate for ISA and Lifetime ISA accounts held on our Deal investment app, enabling customers to earn an attractive return on their cash whilst at the

accounts held on our Door Investment app, enabling customers to earn an attractive return on their cash whilst at the same time building knowledge until they feel ready to start investing.

"We enter the final quarter of our financial year with strong momentum. Our dual-channel strategy and continued investment into our brand, technology and products puts us in an excellent position to capture further market share gains in both the advised and D2C platform markets."

Three months ended 30 June 2024	Advised Platform	D2C Platform	Total Platform	Non- platform	Total
Opening customers (k)	165	338	503	15	518
Closing customers (k)	168	360	528	15	543
AUA and AUM (£billion)					
Opening AUA	53.4	26.9	80.3	5.5	85.8
Inflows ⁽¹⁾	1.7	2.0	3.7	0.1	3.8
Outflows ⁽²⁾	(1.2)	(0.8)	(2.0)	(0.1)	(2.1)
Net inflows	0.5	1.2	1.7	-	1.7
Market and other movements ⁽³⁾	1.0	0.7	1.7	0.1	1.8
Closing AUA	54.9	28.8	83.7	5.6	89.3
Closing AUM	3.4	1.7	5.1⁽⁴⁾	1.2⁽⁵⁾	6.3

Three months ended 30 June 2023	Advised Platform	D2C Platform	Total Platform	Non- platform	Total
Opening customers (k)	153	302	455	15	470
Closing customers (k)	157	309	466	15	481
AUA and AUM (£billion)					
Opening AUA	47.3	21.3	68.6	5.2	73.8
Inflows ⁽¹⁾	1.2	1.2	2.4	-	2.4
Outflows ⁽²⁾	(0.8)	(0.5)	(1.3)	-	(1.3)
Net inflows	0.4	0.7	1.1	-	1.1
Market and other movements ⁽³⁾	0.1	-	0.1	0.1	0.2
Closing AUA	47.8	22.0	69.8	5.3	75.1
Closing AUM	2.3	1.3	3.6⁽⁴⁾	0.7⁽⁵⁾	4.3

(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

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Historical customer numbers, AUA and AUM by quarter

Advised Platform	Qtr to 30 June 2023	Qtr to 30 September 2023	Qtr to 31 December 2023	Qtr to 31 March 2024	Qtr to 30 June 2024
Customers (k)	157	159	161	165	168
AUA and AUM (£billion)					
Opening AUA	47.3	47.8	48.2	51.0	53.4
Inflows ⁽¹⁾	1.2	1.2	1.5	1.7	1.7
Outflows ⁽²⁾	(0.8)	(0.8)	(0.9)	(1.1)	(1.2)
Net inflows	0.4	0.4	0.6	0.6	0.5
Market and other movements ⁽³⁾	0.1	-	2.2	1.8	1.0
Closing AUA	47.8	48.2	51.0	53.4	54.9
Closing AUM ⁽⁴⁾	2.3	2.5	2.8	3.2	3.4

D2C Platform	Qtr to 30 June 2023	Qtr to 30 September 2023	Qtr to 31 December 2023	Qtr to 31 March 2024	Qtr to 30 June 2024
Customers (k)	309	317	323	338	360
AUA and AUM (£billion)					
Opening AUA	21.3	22.0	22.7	25.2	26.9
Inflows ⁽¹⁾	1.2	1.3	1.2	1.7	2.0
Outflows ⁽²⁾	(0.5)	(0.6)	(0.5)	(0.7)	(0.8)
Net inflows	0.7	0.7	0.7	1.0	1.2
Market and other movements ⁽³⁾	-	-	1.8	0.7	0.7
Closing AUA	22.0	22.7	25.2	26.9	28.8
Closing AUM ⁽⁴⁾	1.3	1.3	1.4	1.5	1.7
Non-platform					
	Qtr to 30 June 2023	Qtr to 30 September 2023	Qtr to 31 December 2023	Qtr to 31 March 2024	Qtr to 30 June 2024
Customers (k)	15	15	15	15	15
AUA and AUM (£billion)					
Opening AUA	5.2	5.3	5.2	5.4	5.5
Inflows ⁽¹⁾	-	0.1	-	0.1	0.1
Outflows ⁽²⁾	-	(0.2)	-	(0.1)	(0.1)
Net (outflows)/inflows	-	(0.1)	-	-	-
Market and other movements ⁽³⁾	0.1	-	0.2	0.1	0.1
Closing AUA	5.3	5.2	5.4	5.5	5.6
Closing AUM ⁽⁵⁾	0.7	0.9	1.0	1.1	1.2
Total closing AUA	75.1	76.1	81.6	85.8	89.3
Total closing AUM	4.3	4.7	5.2	5.8	6.3

(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

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 AJ Bell Dodl, 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.

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