

RATHBONES GROUP PLC

FOURTH QUARTER TRADING UPDATE

FUNDS UNDER MANAGEMENT AND ADMINISTRATION (“FUMA”) UPDATE FOR THE YEAR ENDED 31 DECEMBER 2023 AND NOTICE OF RESULTS.

- Total FUMA, including Investec Wealth & Investment (IW&I), reached £105.3 billion at 31 December 2023 (30 September 2023: £100.7 billion, 31 December 2022: £60.2 billion) consisting of:
 - £48.0 billion in Rathbones Investment Management (RIM) (31 December 2022: £45.1 billion).
 - £42.2 billion in IW&I (31 December 2022: £nil).
 - £1.3 billion in Saunderson House (31 December 2022: £4.1 billion) as FUMA in that entity continues to migrate as planned to Rathbones investment propositions.
 - £13.8 billion in Rathbones Asset Management (RAM, formerly Rathbone Unit Trust Management) (31 December 2022: £11.0 billion).
- Total net flows in wealth management were flat in the quarter as positive inflows in Rathbones offset anticipated outflows in IW&I:
 - Rathbones discretionary and managed net inflows for the quarter totalled £0.4 billion.
 - Net outflows in IW&I were £0.3 billion, reflecting the anticipated impact of investment manager departures that predominantly occurred prior to the announcement of the combination with Rathbones. Since then, investment manager turnover has been low, engagement with colleagues at IW&I has been very positive, and integration work remains on track.
- Net inflows into our multi-asset fund range, comprising both direct and managed solutions via in-house funds, totalled £0.6 billion in the quarter. Net outflows in RAM single strategy funds of £0.1 billion were resilient against the wider asset management industry backdrop.
- Market and investment performance added £4.9 billion to FUMA in the quarter.

OUTLOOK

Economic uncertainties are expected to persist in 2024, however, Rathbones will continue to remain focused on client engagement as we deliver toward our key strategic objectives.

Until the IW&I business is fully integrated, the existing client billing dates of each of the investment management businesses will be maintained. The principal charging dates for Rathbone Investment Management clients are 5 April, 30 June, 30 September and 31 December. The principal charging dates in 2024 for IW&I are 29 February, 31 May, 31 August and 30 November.

Rathbones begins 2024 as an enlarged group that remains well-positioned to take advantage of both benefits of scale and future growth opportunities.

NOTICE OF RESULTS

Our preliminary statement of annual results for the year ended 31 December 2023 will be published on Wednesday, 6 March 2024. A presentation to analysts will be held on the same day.

FUNDS UNDER MANAGEMENT AND ADMINISTRATION

(I) BREAKDOWN OF FUMA AND FLOWS BY SERVICE LEVEL

Q4 ended 31 December 2023	Opening FUMA (£m)	Gross Inflows (£m)	Gross Outflows (£m)	Net Flows (£m)	Transfers ¹ (£m)	SHL Migrated Assets (£m)	Market & Investment Performance (£m)	Closing FUMA (£m)	Ann Net Growth ² (%)
Rathbones Investment Management	45,705	1,158	(880)	278	59	626	2,091	48,759	2.4
Bespoke portfolios	42,630	1,050	(779)	271	(43)	279	1,867	45,004	2.5
Managed via in-house funds	3,075	108	(101)	7	102	347	224	3,755	0.9
Multi-asset funds ³	2,345	280	(166)	114	-	-	86	2,545	19.4
Rathbones discretionary & managed	48,050	1,438	(1,046)	392	59	626	2,177	51,304	3.3
Non-discretionary service	732	11	(9)	2	(25)	-	43	752	1.1
Investec W&I (from 1 October) ⁴	40,781	796	(1,123)	(327)	(115)	-	1,928	42,267	(3.2)
Saunderson House ⁵	2,211	15	(113)	(98)	-	(631)	108	1,590	(17.7)
Total wealth management	91,774	2,260	(2,291)	(31)	(81)	(5)	4,256	95,913	(0.1)
Single-strategy funds	6,313	299	(412)	(113)	-	-	477	6,677	(7.2)
Execution only & banking	2,594	86	(164)	(78)	81	5	148	2,750	(12.0)
Total group⁴	100,681	2,645	(2,867)	(222)	-	-	4,881	105,340	(0.9)

12 months ended 31 December 2023	Opening FUMA (£m)	Gross Inflows (£m)	Gross Outflows (£m)	Net Flows (£m)	Transfers ¹ (£m)	SHL Migrated Assets (£m)	Market & Investment Performance (£m)	Closing FUMA (£m)	Ann Net Growth ² (%)
Rathbones Investment Management	44,322	4,216	(3,824)	392	(214)	2,389	1,870	48,759	0.9
Bespoke portfolios	42,894	3,804	(3,556)	248	(896)	1,107	1,651	45,004	0.6
Managed via in-house funds	1,428	412	(268)	144	682	1,282	219	3,755	10.1
Multi-asset funds ³	2,159	896	(597)	299	-	-	87	2,545	13.8
Rathbones discretionary & managed	46,481	5,112	(4,421)	691	(214)	2,389	1,957	51,304	1.5
Non-discretionary service	757	40	(62)	(22)	(38)	-	55	752	(2.9)
Investec W&I (from 1 October) ⁴	40,781	796	(1,123)	(327)	(115)	-	1,928	42,267	
Saunderson House ⁵	4,117	119	(510)	(391)	-	(2,396)	260	1,590	(9.5)
Total wealth management	92,136	6,067	(6,116)	(49)	(367)	(7)	4,200	95,913	(0.1)
Single-strategy funds	6,474	1,275	(1,838)	(563)	-	-	766	6,677	(8.7)
Execution only & banking	2,404	327	(541)	(214)	367	7	186	2,750	(8.7)
Total group⁴	101,014	7,669	(8,495)	(826)	-	-	5,152	105,340	(0.8)

(II) BREAKDOWN OF INVESTMENT MANAGEMENT FUMA AND FLOWS BY CHANNEL

Q4 ended 31 December 2023	Opening FUMA (£m)	Gross Inflows (£m)	Gross Outflows (£m)	Net Flows (£m)	Transfers ¹ (£m)	SHL Migrated Assets (£m)	Market & Investment Performance (£m)	Closing FUMA (£m)	Ann Net Growth ² (%)
Total direct	32,948	747	(615)	132	(21)	-	1,352	34,411	1.6
Total financial adviser linked	12,757	411	(265)	146	80	626	739	14,348	4.6
Total discretionary service	45,705	1,158	(880)	278	59	626	2,091	48,759	2.4
Execution only & banking	2,594	86	(164)	(78)	81	5	148	2,750	(12.0)
Non-discretionary service	732	11	(9)	2	(25)	-	43	752	1.1
Total Investment Management	49,031	1,255	(1,053)	202	115	631	2,282	52,261	1.6
Investec W&I (from 1 October) ⁴	40,781	796	(1,123)	(327)	(115)	-	1,928	42,267	(3.2)
Total Investment Management for enlarged group⁴	89,812	2,051	(2,176)	(125)	-	631	4,210	94,528	(0.6)

12 months ended 31 December 2023	Opening FUMA (£m)	Gross Inflows (£m)	Gross Outflows (£m)	Net Flows (£m)	Transfers ¹ (£m)	SHL Migrated Assets (£m)	Market & Investment Performance (£m)	Closing FUMA (£m)	Ann Net Growth ² (%)
Total direct	33,639	2,709	(2,848)	(139)	(247)	-	1,158	34,411	(0.4)
Total financial adviser linked	10,683	1,507	(976)	531	33	2,389	712	14,348	5.0
Total discretionary service	44,322	4,216	(3,824)	392	(214)	2,389	1,870	48,759	0.9
Execution only & banking	2,404	327	(541)	(214)	367	7	186	2,750	(8.9)
Non-discretionary service	757	40	(62)	(22)	(38)	-	55	752	(2.9)
Total Investment Management	47,483	4,583	(4,427)	156	115	2,396	2,111	52,261	(0.3)
Investec W&I (from 1 October) ⁴	40,781	796	(1,123)	(327)	(115)	-	1,928	42,267	
Total Investment Management for enlarged group⁴	88,264	5,379	(5,550)	(171)	-	2,396	4,039	94,528	(0.2)

1. Transfers represent client FUMA which has transferred from one service to another and other intra-group movements.
2. Annualised net growth in flows calculated as net flows/opening FUMA.
3. Net inflows into multi-asset funds include direct flows and flows into managed solutions via in-house funds.
4. Opening FUMA for Investec W&I is from 1 October 2023.
5. Total funds under advice by Saunderson House, including those clients transferred to fellow group companies totalled £4.0 billion at 31 December 2023 (31 December 2022: £4.1 billion).

(III) TOTAL GROUP FUMA

	At 31 December			At 30 September	
	2023 £m	2022 £m	Change %	2023 £m	Change %
Rathbones Investment Management Gross FUMA	52,261	47,483	10.1	49,031	6.6
Of which: invested in RAM discretionary wrapped funds ⁶	(4,290)	(2,372)	80.9	(3,631)	18.1
Rathbones Asset Management	13,770	11,005	25.1	12,547	9.7
Saunderson House	1,590	4,117	(61.4)	2,211	(28.1)
Of which: invested in RAM discretionary wrapped funds ⁷	(243)	-	-	(246)	(1.2)
Total FUMA excluding Investec W&I	63,088	60,233	4.7	59,912	5.3
Investec W&I	42,267	-	-	40,781	3.6
Of which: invested in RAM discretionary wrapped funds ⁸	(15)	-	-	(12)	25.0
Total Group FUMA for enlarged group	105,340	-	-	100,681	4.6

6. Discretionary wrapped funds represent RAM funds which are held within portfolios managed by RIM.
7. Discretionary wrapped funds represent RAM funds which are held within portfolios managed by Saunderson House teams.
8. Discretionary wrapped funds represent RAM funds which are held within portfolios managed by Investec W&I teams.

17 January 2024

FOR FURTHER INFORMATION CONTACT:

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*subject to regulatory approval

RATHBONES GROUP PLC

Rathbones provides investment and wealth management services for private clients, charities, trustees and professional partners. We have been trusted for generations to manage and preserve our clients' wealth. Our tradition of investing and acting for everyone's tomorrow has been with us from the beginning and continues to lead us forward.

Rathbones has over 3,500 employees in 23 locations across the UK and Channel Islands; its headquarters is 8 Finsbury Circus, London, EC2M 7AZ.

www.rathbones.com