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Press release 7 April 2021

Allfunds (UK) Limited

Announces its intention to launch an offering and list on Euronext Amsterdam

Allfunds (UK) Limited (to be re-named Allfunds Group Limited and re-registered as a public company limited by shares under the laws of England and Wales and renamed Allfunds Group plc prior to Admission ("Allfunds", the "Company" and, together with its consolidated subsidiaries, the "Group")), one of the world's leading B2B WealthTech platforms, today announces its intention to launch an initial public offering (the "IPO" or the "Offering") and admission to listing and trading of its ordinary shares (the "Shares") on Euronext Amsterdam ("Euronext Amsterdam"), a regulated market operated by Euronext Amsterdam N.V. (the "Admission"). The Offering is expected to consist entirely of existing Shares in the Company offered by the Selling Shareholders (as defined below). The Offering is expected to take place in the coming weeks, subject to market conditions and other relevant considerations.

Allfunds is one of the world's leading B2B WealthTech platforms connecting Fund Houses and Distributors (as defined below). It operates a world-class open-architecture platform which provides a marketplace and digital solutions matching fragmented demand for asset management products from Distributors with fragmented supply of those products from Fund Houses. Allfunds has built an ecosystem that covers the entire fund distribution value chain and investment cycle, including via Allfunds Connect, a full suite of SaaS-enabled digital, data and analytics tools. As of 31 December, 2020, Allfunds had over €1.2 trillion of Assets under Administration ("AuA") (including AuA acquired but still to be transferred), €370 million revenue, €263 million adjusted EBITDA and 71% adjusted EBITDA margin on a 2020 pro forma basis (as defined in the financial highlights). The Group has continued to benefit from strong AuA growth momentum in the first quarter of 2021, with organic AuA (excluding the impact from recent acquisitions) increasing from €515 billion as at 31 December 2020 to €582 billion as at 31 March 2021, representing a growth rate of 13% over a three month period.

Juan Alcaraz, Founder and CEO of Allfunds, comments:

"Today´s announcement is truly momentous for Allfunds. We have led a fundamental transformation of the wealth management industry, building a global technology platform linking Fund Houses and Distributors. With over

€1.2 trillion in AuA, we have grown into what I believe is the largest network of Fund Houses and Distributors accessing a marketplace that operates in 59 countries. We have built an ecosystem that covers the entire fund distribution value chain and investment cycle, integrated into a simple one-stop-shop for our clients. Allfunds has been gathering momentum over a 20-year journey since I founded the business, but there is still an enormous opportunity to be realised. This listing provides us with the flexibility to accelerate the digital transformation of the wealth management industry and the growth of our best-in-class global platform. With the support of leading institutional investors – many of whom are trusted clients, access to global capital markets, and the continued dedication of our employees, we will continue offering our clients unparalleled service and support in a more connected and digital world."

Offering highlights

Should the IPO proceed, the key features are expected to be as follows:

- The Offering will consist of a private placement of existing Shares held by LHC3 Plc (which is indirectly controlled by funds managed by affiliates of Hellman & Friedman LLC and Eiffel Investment Pte Ltd, a nominated investment vehicle of GIC Special Investments Pte Ltd), BNP Paribas Securities Services SCA and Credit Suisse A.G. (the "Selling Shareholders") to a range of institutional investors in various jurisdictions;
- The Selling Shareholders intend to sell a minimum of 25% of the Company's shares in the IPO, with a customary over-allotment option for stabilisation purposes;
- An application will be made for the admission to listing and trading of the Shares on Euronext Amsterdam;
- The Company, the Selling Shareholders, BNP Paribas Asset Management Holding (an existing shareholder of the Company) ("BNPP AM") and certain senior managers of the Group expect to enter into customary lock-up arrangements with the Underwriters (as defined below); and
- The Company has appointed BNP PARIBAS, Credit Suisse Securities Sociedad de Valores, S.A. ("Credit Suisse"), Citigroup Global Markets ("Citi") and Morgan Stanley Europe SE ("Morgan Stanley") as joint global coordinators (the "Joint Global Coordinators"). Rothschild & Co is acting as independent IPO advisor to the Company.

Whilst the Company will not receive any proceeds from the Offering, the Company believes that the Offering and Admission will provide access to the capital markets and diversified sources of funding for the future, increase the Group's public profile and brand awareness, provide liquidity to shareholders generally and provide a wider base of long-term shareholders.

Allfunds highlights

Allfunds has a twenty year history of connecting financial institutions that buy shares of undertakings for collective investment ("UCIs"), including ETFs (the "Distributors"), with financial institutions that create, manage or distribute UCIs (the "Fund Houses"). The Allfunds platform provides distribution, dealing, custody and administration services, enabling automated access to a wide range of funds, thereby maximising transactional efficiency, minimising the risk of operational errors and reducing costs.

A key driver of Allfunds' competitive differentiation and growth is the compelling value proposition it delivers to both sides of its marketplace business model. Allfunds provides Fund Houses with a single point of access to what we believe to be the largest global distribution network, providing geographical and customer diversification and a secure and low-risk operational set-up. Fund Houses also benefit from Allfunds' broad product and service portfolio, reducing internal costs and operational and KYC/AML complexities. In turn, Distributors benefit from a one-stop-shop access to what Allfunds believes is the largest open-architecture fund offering with global distribution agreements. Allfunds reduces operational costs and risks for Distributors through maintenance of these fully compliant distribution agreements and outsourcing of administrative, reporting and regulatory compliance tasks, while supporting Distributors with local service on a global scale. Distributors gain access to Allfunds' core services via a "buy-free" pricing model (in which core services are provided free of charge to Distributors), which creates strong loyalty and has resulted in negligible client churn in recent years. In addition, Fund Houses and Distributors have access to data and analytic tools and other digital wealth solutions to increase their sales efficiency and expand their wealth advisory capabilities.

Allfunds has developed a one-stop-shop ecosystem with the aim of eliminating the inefficiencies inherent to Distributors´ captive and in-house models that have led to a patchwork of multiple providers and legacy systems. The Group has built proprietary technology designed to provide seamless integration of its solutions into the Allfunds platform to offer the best possible client experience. Allfunds believes that its scale, together with its more comprehensive and global proposition, has enabled it to capture market share from legacy providers and in-house propositions in a fragmented market, with significant runway for future growth. Underpinning the value proposition of the Allfunds platform is Allfunds Connect, a subscription-based SaaS-enabled offering of data-centric services to Distributors and Fund Houses. Allfunds Connect provides data and analytics solutions, model and client portfolio tools and reporting, fund research-related and regulatory solutions. Through Allfunds Connect, the Group is able to offer integration with the systems of Distributors and Fund Houses, providing them with tailor-made solutions to enhance their proposition to end-investors. Allfunds Connect allows the Company to monetise its long-standing relationships with Distributors and Fund Houses.

The Group offers a wide variety of funds through the Allfunds platform across active and passive strategies, including equity funds, fixed income funds, multi-asset funds, alternative funds and ETFs. There are approximately 100,000 funds from 1,960 different Fund Houses available for distribution and trading on the Allfunds platform as of 31 December, 2020. The Group also has access to a network of approximately 1,500 Distributors as of 31 December, 2020, including via the BNPP Acquisition (as defined below). These Distributors are domiciled in 59 countries and include retail banks, private banks, investment banks, life insurance companies, pension funds, stockbroking houses, custodians and independent financial advisers. As of 31 December, 2020, the Group had over €1.2 trillion AuA on the Allfunds platform (including AuA acquired but still to be transferred). The Company believes that it administers the largest distribution network globally.

Industry overview and addressable market[1]

The wealth management industry is more than 200 years old, yet it is only within the last 20 years that traditional business models have begun to shift in response to massive digital and regulatory disruption across the value chain. Wealth growth has proven its resilience in weathering crises, as personal financial wealth globally has nearly tripled over the last twenty years and is expected to continue growing in the coming years. According to the Market Data, despite 2020 growth having been flat as a result of the COVID-19 pandemic crisis, the global wealth management market is expected to continue to grow at 3% per annum, reaching a total market size of €125 trillion by 2024.

There are four main wealth distribution channels through which to reach retail investors: (i) closed, or captive, architecture (Distributors selling only or predominantly their own funds and investment products); (ii) open-architecture in-house, or Distributor-delivered (Distributors selling third-party funds but without the use of a fund platform); (iii) open-architecture outsourced, or intermediated B2B (Distributors selling third-party funds through a B2B wealth platform such as Allfunds); and (iv) direct-to-consumer (D2C) (Fund Houses that reach retail investors via third-party D2C platforms). Unlike in the United States, where D2C is the predominant distribution channel, in Europe wealth distribution relies mainly on Distributor-delivered and intermediated B2B channels (e.g. banks, insurers, independent financial advisers).

A fund platform today is no longer simply an intermediary linking Fund Houses and Distributors. Full-service fund platforms have moved beyond simply facilitating distribution agreements. Allfunds defines the fund platform distribution market as the portion of household wealth pertaining to investable financial assets that are invested in mutualised vehicles and distributed via captive asset managers or open-architecture platforms. According to the Market Data, the total fund platform distribution market was estimated to be €14.9 trillion at the end of 2019 based on AuA. Of this €14.9 trillion, €8.5 trillion refers to the captive fund platform market, €6.0 trillion to B2B open-architecture platforms, and the remaining €0.4 trillion pertains to D2C platforms. The figures for Allfunds' addressable market are limited to the geographies in which it currently has Distributors (including Europe, Asia, the Middle East, the United States offshore market and Latin America).

The addressable revenue market for Allfunds can be described as the aggregate of the markets related to its different sources of revenue. The main sources of revenue for Allfunds include platform revenues (including sub-advisory solutions), digital revenues including data analytics and other value-added services (referred to in Allfunds' financial statements as "subscription and other revenues"), as well as other areas of potential growth within those revenue segments, such as distributed ledger and data technologies (known as "blockchain" technologies).

Total AuA growth based on management sizing of the market using third-party data is expected to be c.9% from 2019 to 2024. This is driven by continued growth in household wealth, an increase in financial assets penetration, open-architecture penetration, further growth in outsourcing penetration and increasing demand for digital solutions.

Platform revenues: Allfunds considers that the addressable market pertaining to its platform and distribution services (referred to as "total B2B fund platform market") includes the B2B open-architecture fund platform segment and the captive (both outsourced and in-house) fund segment. According to the Market Data, the total B2B fund platform market is valued at approximately €14.5 trillion based on 2019 AuA. Allfunds considers that this represents a revenue opportunity of €6.3 billion (based on 2019 data), assuming approximately 4bps in revenue margin on market AuA.

Subscription and other revenues: Subscription and other revenues pertain to sources of revenues which are not linked to AuA volumes. In the context of Allfunds, this includes value-added services such as: data and digital solutions offered to both Fund Houses and Distributors, back-office services such as legal, compliance and administrative services, and customer management services. Allfunds believes that the total addressable market for digital services revenues is approximately €5.8 billion (based on 2019 data).

Competitive advantages

Leading global scaled open-architecture WealthTech transforming the ecosystem

As described above, the traditional wealth management landscape is characterised by a fragmented patchwork of providers and legacy systems, which Allfunds believes leads to sub-optimal outcomes for both Distributors and Fund Houses. In this context, Allfunds has set out to fundamentally change the industry by building a single fully-integrated global platform.

Allfunds is one of the largest B2B WealthTech Platforms globally, with over €1.2 trillion AuA (including AuA yet to be transferred) as of 31 December, 2020. Allfunds believes that it administers these assets under the largest distribution network of any Fund Platform, with access to approximately 1,500 Distributors (including more than 700 Distributor agreements on a standalone basis as well as Distributors to which Allfunds has access as a result of the BNP PARIBAS Acquisition) in 59 countries and a selection of approximately 100,000 funds from 1,960 Fund Houses as of 31 December, 2020 (of which more than 1,000 Fund Houses were covered by global distribution agreements). Allfunds believes that its scale, together with its more comprehensive and global proposition, allows it to capture market share from legacy providers and in-house solutions in a still fragmented market. Allfunds believes that its scale provides a competitive advantage compared to smaller market participants, as asset migrations between fund platforms tend to favour larger, market-leading players, which offer a wider selection of UCIs at more favourable pricing terms and a wider array of services.

Global platform with local presence

Allfunds combines what it believes is the world's largest universe of mutual funds and ETFs with local service delivery to the largest fund distribution network. Allfunds believes in the importance of being close to its clients to understand their needs. Thanks to its granular and capillary network of global services supported through 15 local offices (in Madrid, Paris, Milan, London, Zurich, Luxembourg, Warsaw, Stockholm, Dubai, Hong Kong, Singapore, Miami, Bogota, Sao Paulo and Santiago de Chile), Allfunds has built long-lasting relationships with its platform clients. This has contributed to the Group's success in capturing market share across the geographies in which it operates. According to the Market Data, the Company holds leading market share positions in Europe, the Middle East and Singapore based on AuA in 2020 and has experienced strong AuA growth in recent years across all its geographies.

One-Stop-Shop with unique value proposition

The Allfunds platform is designed to replace several blocks of the wealth management value chain with a single, integrated, end-to-end platform. Where traditional platforms provide separate solutions, Allfunds combines distribution, dealing, custody and administration services, as well as digital solutions (including data and analytics tools) into one single platform. Underpinning the value proposition of the Allfunds Platform is Allfunds Connect, a SaaS-enabled, subscription-based portal through which Distributors and Fund Houses have access to a variety of modular digital tools. This integrated, one-stop-shop ecosystem provides Allfunds with a competitive advantage over other market participants who typically only provide a subset of services available on the Allfunds platform.

Powerful "flywheel" effect

The Allfunds platform creates powerful network effects that benefit both Fund Houses and Distributors, which the Group refers to as the "flywheel" effect. Allfunds' comprehensive suite of services and ability to achieve better terms negotiating distribution agreements attracts new Distributors to join the Allfunds platform, providing incremental flows to Fund Houses, thus incentivising more Fund Houses to join Allfunds to capture increased sales from a growing base of Distributors.

This flywheel effect is powered by the Group's relentless focus on increasing the breadth of its platform offering to Distributors and continuous price management with Fund Houses. It is accelerated by platform innovations that make it easier for Allfunds to monetise new digital services and increase the rate at which Distributors join the Allfunds platform. As Fund Houses and Distributors join the Allfunds platform and make increasing use of the Group's digital services, more data is available to Allfunds, which in turn enables the Group to continue to improve its service offerings. Leveraging this network effect provides Allfunds with a clear competitive advantage.

Simple and attractive pricing model

Allfunds believes that it has a simple and attractive business model. Distributors benefit from a buy-free model of core services related to trading, dealing, settlement and administration while paying a subscription fee for value-added services. Fund Houses benefit from an attractive value-for-money proposition through which they pay basis points for AuA intermediated in addition to a subscription fee for value-added services.

Continuous innovation and game-changing digital tools

As part of its vision to create a truly holistic platform proposition, Allfunds provides a comprehensive set of value-added services to its clients. Fund Houses and Distributors gain access to industry-leading functionality through Allfunds Connect, a subscription-based SaaS-enabled offering of data-centric services. Through different application programming interfaces, Allfunds Connect has the ability to develop bespoke solutions that are fully integrated into Fund Houses' and Distributors' IT systems, providing them with an end-to-end solution to suit their needs. This level of integration provides Allfunds with a competitive advantage over other market participants who do not offer integrated data-centric services and is yet another way for the Group to monetise its long-standing client relationships. Moreover, Allfunds believes that its Allfunds Connect offering accelerates the flywheel effect by creating additional incentives for Distributors and Fund Houses to continue using and increasing their use of the Group's services and solutions.

Proprietary technology assets built for growth

Allfunds' state-of-the-art platform was built in-house and is designed to replace several blocks of the wealth management value chain with a single, integrated platform. Direct connectivity to major Fund Houses and Distributors is a departure from traditional fund distribution platforms that rely on the technology infrastructure of legacy captive providers. Allfunds provides a *plug-and-play* platform that enables clients to be operational within days, not weeks, ensuring that neither Allfunds nor its clients are reliant on third-party fund infrastructure providers. Allfunds operates using connectivity models, in both *machine-to-machine* and *machine-to-human* communication paradigms. The Allfunds platform itself comprises several sub-platforms including the Dealing Platform, the Banking Platform, the Open Platform, the Windows Platform and the Flash Platform. These different platforms are fully integrated and work together to provide a consistent service offering to the Group's clients. Importantly, they are also agnostic to the core technology used by clients.

The Allfunds platform is highly efficient, scalable and resilient, with an average 99.96% core platform availability as of February 2021, processing volumes in excess of €2.3 billion on a daily basis in 2020. The Allfunds platform executes approximately 6.9 million trading processes per year and exchanges in excess of 34 million SWIFT messages per year. The Allfunds platform has been designed to be highly scalable, with ample headroom for growth (tested at 2.5x current volumes of processed transactions), despite 1.5 times growth in volumes from 2018 to 2020. The Allfunds platform could therefore handle much greater volumes and can be scaled almost instantaneously with minimal cost to Allfunds or its clients.

Proven M&A track record of consolidating and integrating strategic assets

Allfunds has materially increased its scale, capabilities, and geographical footprint through a number of value-accretive acquisitions in recent years, pursuing a strategy focused on both opportunistic bolt-on acquisitions and transformative mergers and acquisitions (M&A). Allfunds completed several opportunistic bolt-on acquisitions to enhance its offering with innovative technology, including the acquisitions of Finametrix in 2018 (which was subsequently renamed Allfunds Digital), Fundinfo's Zurich-based fund research business in 2019, and NASDAQ's Nordic Fund Market (NFM), also in 2019. The Group also entered into two transformative M&A transactions with the acquisition of Credit Suisse InvestLab and the acquisitions of BNP PARIBAS' Local Paying Agent operations, Wealth Management Platform and Third-party Client Platform (the "BNP PARIBAS Acquisition"), which significantly increased the AuA on its platform and expanded Allfunds' presence in key markets such as Germany, Switzerland and France. As a result of those acquisitions and continued organic growth, the AuA on the Group's platform increased from €359 billion as of 31 December, 2017 to €1.2 trillion as of 31 December, 2020 (including AuA acquired but not yet transferred). Historic M&A activities have been integrated at accretive incremental Adjusted EBITDA margins, demonstrating the value generated for the Group as well as the scalability of the Allfunds platform. Allfunds is well positioned to continue to act as a disciplined consolidator in the industry, given its track record of successful integrations and synergies realisation.

Superior financial profile underpinned by best-in-class growth and significant operating leverage

The Group has an attractive financial profile supported by a combination of strong top-line growth, profitability and high cash conversion at scale. The Group's business model has proven its resilience to economic cycles, including during the recent COVID-19 pandemic.

The Group has several compelling building blocks of growth, which have supported its track record of double-digit AuA growth, net revenue growth and Adjusted EBITDA growth. In addition to several secular market growth trends, the Group has benefitted from various business and growth initiatives as well as its ability to execute strategic, value-accretive M&A transactions. Since 2012, Allfunds' AuA increased organically by a CAGR of 26% to 2020 (on the basis of pro forma 2020 AuA), compared to a total AuA CAGR of 41% over the same period. Allfunds was able to translate this strong growth in AuA into high top-line growth, with net revenues growing at a CAGR of 24% from 2016 to 2020 (based on pro forma 2020 net revenue), of which c.12% was organic and the rest was due to M&A.

Founder-led visionary management team fostering an entrepreneurial culture

Since Allfunds' inception, its management team has focused on fostering an entrepreneurial culture, at the heart of which rests a commitment to superior service for its clients and to creating benefits for all stakeholders. The Group is led by a highly experienced and entrepreneurial management team with complementary skillsets and proven track records of driving innovation. The Founder and CEO, Juan Alcaraz, has been at the heart of Allfunds since inception. Many of the same team that today leads the company has accompanied him since its early stages. The Chief Financial Officer, Amaury Dauge, who joined Allfunds in 2020, has over 20 years of experience in the industry, including the re-IPO of Euronext in 2014. He previously served as President and CFO of Axioma and CFO of Deutsche Boerse's Qontigo (2016 to 2020), and as CFO of Euronext (2014 to 2016). Combining global expertise and local knowledge has enabled the team to build what the Group is today – a leading global B2B WealthTech platform.

Future strategies

Continue gaining market share; sustainable growth through powerful flywheel effects

The Allfunds flywheel is at the core of the Group's strategy: as the number of Fund Houses increases, so does the value of the Allfunds platform proposition to Distributors, and vice versa. Therefore, Allfunds is focused on supporting and perpetuating the flywheel effect through a number of strategies:

- **Maintain strong client relationships, and develop and expand product offerings to current clients**: the Group intends to maintain and strengthen the deep relationships it has built with Distributors and Fund Houses over the years. Allfunds believes that its ambition to achieve excellence with its existing services and its entrepreneurial spirit will continue to enable it to provide a differentiated offering to its clients and to expand its service offering with current clients to capture significant cross-selling opportunities;

- **Expansion of client base in existing geographies:** Allfunds believes there continues to be significant runway for further market share gains in its existing markets and therefore intends to consolidate and expand its leading position;

- **Geographic expansion:** building on Allfunds' track record and experience in developing business activities outside of its core markets and successfully growing its international market share, the Group plans to continue pursuing additional growth opportunities in regions where it has a smaller presence. In particular, the Group plans to focus on regions with high growth potential, such as North America and Asia. Allfunds considers Asia in particular as a significant opportunity given the size of the market and based on Allfunds' success in increasing its AuA from €0.4 billion in 2018 to €15.0 billion in 2020, and its client base from 14 clients in 2018 to 42 clients in 2020. Besides the benefits from attracting new Fund Houses and Distributors, geographic expansion is also expected to allow the Group to attract additional flows from existing Distributors operating in these markets.

- **Launch Sub-Advisory**: Allfunds has recently developed a full-fledged Sub-Advisory proposition to capitalise on its global reach and scale, independence, price negotiation power, proven negotiation skills and access to key players. With the market in Europe growing at 19% CAGR 2017-2021, Allfunds is well placed to capture AuA growth and deliver incremental revenue upside.

Further expansion and monetisation of digital value-added proposition

Allfunds' digital value-added proposition is a key pillar of its strategy to build a fully-integrated, one-stop-shop B2B wealth management marketplace. The Group believes that Allfunds Connect provides it with the opportunity to solidify and further differentiate its position as an industry leader. Allfunds therefore intends to increase the net revenue share of its digital value proposition Allfunds Connect through a number of initiatives. For example, Allfunds plans to intensify its cross-selling efforts by selling the Allfunds Connect offering to its existing Distributors and Fund Houses. Moreover, the Group intends to sell additional solutions to its existing Allfunds Connect client base.

Realise operating efficiencies through scale effects

Allfunds' focus on operating efficiency and associated cost optimisation will remain an integral part of its strategy. Allfunds expects to leverage the operating expertise and experience of its management team to continue to improve operating efficiencies, and leverage technology and operational-driven scale effects as the business grows. Thanks to its fully-invested, scalable platform, Allfunds is able to onboard new clients at very low marginal costs. To maintain its operational efficiency and high-quality service, Allfunds will continue to invest in its platform to maintain best-in-class capabilities and standards.

Pursue strategic, value-accretive acquisitions

Allfunds has proven M&A capabilities with a demonstrable track record of successful acquisitions that have helped accelerate its growth and enhance its platform. Allfunds' M&A strategy has been focused on enhancing scale, expanding its geographical footprint and accessing technologies, products and expertise that enhance its solutions. Allfunds is highly disciplined and has a well-defined set of evaluation criteria that it follows in order to maximise value from any acquisition.

The Group expects that there will be further consolidation in the wealth management market and intends to continue to focus on selected M&A opportunities that its management believes have the potential to enhance, complement or expand its product and service offerings and strengthen its value proposition to customers. Moreover, Allfunds will evaluate opportunities that would expand its global footprint in order to gain access to new markets. The Group believes that Allfunds' M&A strategy complements its organic growth ambitions.

Allfunds 3.0

Allfunds believes that its competitive strengths have allowed it to be at the forefront of innovation and to take full advantage of favourable market trends, evolving from "Allfunds 1.0", a European platform with limited service offering, to "Allfunds 2.0", a digitally-enabled one-stop-shop. The Group believes it is well positioned to enhance its business and increase scale over the coming years, with opportunities mostly centred on the following strategic pillars supporting the "Allfunds 3.0" vision for the future as a fully-digital client service provider:

- **Fully-digital interaction with clients:** one of the main objectives of Allfunds 3.0 is to become a fully-digital platform where clients, both Fund Houses and Distributors, directly interact digitally through the Connect Integrated Dashboard.

- **Big data science on customer behaviour**: the Group is willing to combine the large quantity of data regarding trading and execution (which it has been collecting for the last 20 years and continues to collect) with the data available on Allfunds Connect in order to generate real-time insights on behaviours, investors and clients appetite. The combination of historical data and Connect decision-making data results in high-value information that enables it to create an advanced predictive investment behaviour model;

- **B2B marketplace:** currently Allfunds Connect comprises services that are proprietary to Allfunds. The Group may enter into strategic partnerships with third-party providers in order to add new services and solutions to Allfunds Connect as part of a marketplace offering that combines both in-house proprietary applications and best-of-breed third-party tools.

- **Full blockchain implementation:** the Group has long recognised that blockchain innovations have the potential to disrupt the global asset management value chain by, among other things, de-risking, streamlining and speeding up processes while potentially dis-intermediating some actors within the industry. In order to capitalise on the opportunities presented by blockchain technologies, in 2018 the Group commenced the development of its Allfunds Blockchain offering. As of December 2020, the Group is not generating any revenues from Allfunds Blockchain, although it has recently announced a partnership with a leading software engineering company and has launched a Fund House lab to test solutions with Fund Houses.

Financial highlights

	As of and for the year ended December 31						
	Allfunds (UK) Limited				Allfunds Bank		CAGR
	Pro forma 2020	2020	2019	2018	2017	2016	2016-2020
	(€ thousands, unless otherwise noted)						
AuA EoP(1) (€ billions)	1,232	1,232	554	349	359	253	48.5%
Allfunds standalone AuA	515	515	435	349	359	253	19.4%
Acquired AuA	717	717	119	-	-	-	
AuA average(2) (€ billions)	774	706	421	367	302	220	33.8%
Net flows as a % of BoP AuA(3)		11.2%	10.7%	4.0%	36.9%	14.3%	
Market performance as a % of BoP AuA(4)		3.9%	14.6%	(6.7)%	4.8%	3.2%	
Net revenue(5)	370,397	309,298	228,171	220,241	189,230	154,513	18.9%
of which: Net platform revenue(6)	356,390	295,291	216,259	212,519	185,058	152,236	18.0%
Net platform revenue (% of total)	96.2%	95.5%	94.8%	96.5%	97.8%	98.5%	
Net platform revenue margin (bps)(7)	5.4(8)	5.0(8)	5.1	5.8	6.1	6.9	(7.7%)
of which: Net subscription and other revenues(9)	14,007	14,007	11,912	7,722	4,172	2,277	57.5%
Net subscription and other revenues (% of total)	3.8%	4.5%	5.2%	3.5%	2.2%	1.5%	
Separately disclosed items(10)	63,256	63,256	53,173	6,375	9,738	2,091	
Adjusted EBITDA(11)	262,749	212,599	143,471	135,456	124,080	99,796	20.8%
Adjusted EBITDA margin(12)	70.9%	68.7%	62.9%	61.5%	65.6%	64.6%	
Adjusted profit before tax(13)	241,160	191,600	123,250	130,907	121,886	98,513	18.1%
Adjusted profit after tax(14)	169,241	136,080	88,804	84,667	83,511	68,929	18.5%
Pro forma normalised free cash flow(15)	170,976						
Underlying capital expenditures(16)		19,387	27,020	12,475	5,226	6,184	

Notes:

(1) AuA EoP is defined as AuA on the Group's platform at the end of the relevant financial period (*EoP*). For the years ended December 31, 2020 and December 31, 2019, this amount is derived from management's internal accounting records and also includes acquired AuA which is yet to be transferred (€79 billion as at December 31, 2020). For December 31, 2020, AuA EoP includes €515 billion registered on the Allfunds Platform and €717 billion acquired through acquisitions (€581 billion in connection with the BNPP Acquisition, €125 billion in connection with the CS InvestLab Acquisition and €11 billion in connection with the NFM Acquisition). AuA as at December 31, 2019 includes €435 billion of AuA on the Allfunds Platform (of which €425 billion of intermediated AuA), with the remaining amount relating to acquired AuA (€110 billion from the CS InvestLab Acquisition and €9 billion from the NFM Acquisition). AuA acquired from CS InvestLab amounted to €108 billion at the time of the acquisition (approximately €2bn of net flows and market performance related to CS InvestLab included in 2019 net flows and market performance). For the year ended December 31, 2018, this information is derived from management's internal accounting records. For the years ended December 31, 2017 and 2016, this information is derived from the internal accounting records of AFB.

(2) AuA average is defined as the average value of the AuA on the Group's platform for the relevant financial period. It is calculated as the sum of the daily value of AuA on the Group's platform for the year divided by 365 and is derived from management's internal accounting records.

(3) Net flows as a % of BoP AuA is defined as volumes of AuA from existing and new distributors in any given year as a percentage of AuA on the Group's platform at the beginning of the relevant financial period (*BoP*). Net flows as a % of BoP AuA is derived from management's internal accounting records.

(4) Market performance as a % of BoP AuA is defined as volumes of AuA from movements in the financial markets in any given year as a percentage of AuA on the Group's platform at the beginning of the relevant financial period. Market performance as a % of BoP AuA is derived from management's internal accounting records.

(5) Net revenue represents the Group's fee, commission and service revenues less fee, commission and service expenses. Net revenue for the years ended December 31, 2020 and 2019 is derived from the 2020 Financial Statements. Net revenue for the year ended December 31, 2018 is derived from the Group's underlying accounting records. Net revenue for the years ended December 31, 2017 and 2016 is derived from AFB's underlying accounting records. Pro forma net revenue is derived from the Unaudited Pro Forma Financial Information.

(6) Net platform revenue is derived from the 2020 Financial Statements for the years ended December 31, 2020 and 2019. For the years ended December 31, 2018, 2017 and 2016, these amounts are derived from management's internal accounting records. Net revenue resulting from the BNPP LPA Business for the period to October 2, 2020 consists only of net platform revenue. Pro forma net platform revenue for the year ended December 31, 2020 is therefore calculated as 2020 net platform revenue (derived from the 2020 Financial Statements), plus net revenue resulting from the BNPP LPA Business for the period to October 2, 2020 (derived from the Unaudited Pro Forma Financial Information).

(7) Net platform revenue margin represents net platform revenue divided by the average AuA for the relevant period and expressed in basis points.

(8) Net platform revenue margin for 2020 and Pro forma 2020 are calculated using average AuA of €587 billion and €655 billion, respectively, which in each case excludes AuA related to the BNPP Platform Services Right from BNPP AM and the outsourcing activities covered by the BP2S Outsourcing Agreement, as these AuA will only begin generating revenue in 2021 (with the exception of €0.3 million in fees generated in 2020).

(9) Net Subscription and other revenues are derived from the 2020 Financial Statements for the years ended December 31, 2020 and 2019. For the years ended December 31, 2018, 2017 and 2016, these amounts are derived from management's internal accounting records. Net revenue resulting from the BNPP LPA Business for the period to October 2, 2020 consists only of net platform revenue. Pro forma net subscription and other revenues is therefore derived from management's internal accounting records.

(10) Separately disclosed items and Pro forma separately disclosed items are derived from management's internal accounting records and comprise costs or profits recognised in a given period which, due to their nature or size, are disclosed separately to enable a more comparable view of period-to-period underlying performance. Separately disclosed items for the periods indicated

include TSA and restructuring costs (excluding capital expenditures), M&A consultancy costs, other consulting and legal fees and other non-recurring items (including IT carve-out costs in relation to the BNPP Acquisition integration, double rental costs incurred due to moving to a new office in London and one-off staffing bonuses, redundancy and severance costs relating to the closing off of a redundant business line).

(11) The Group defines Adjusted EBITDA as profit /(loss) for the year after tax, excluding net interest expense, tax credit /(expense), and depreciation and amortisation, adjusted to exclude separately disclosed items, impairment losses, losses on disposal and amortisation of intangible assets acquired as a result of business combinations. Pro Forma Adjusted EBITDA is defined as unaudited Pro forma profit for the year after tax, excluding net interest expense, tax credit /(expense), and depreciation and amortisation, adjusted to exclude separately disclosed items, impairment losses, losses on disposal and amortisation of intangible assets acquired as a result of business combinations. Such adjustments relate to costs and income that the Group believes are not reflective of the ongoing performance of the business and are thus added back.

(12) Adjusted EBITDA margin represents Adjusted EBITDA as a percentage of net revenue. Pro Forma Adjusted EBITDA margin represents Pro Forma Adjusted EBITDA as a percentage of Pro forma net revenue.

(13) The Group defines Adjusted profit before tax as profit /(loss) for the year after tax, adjusted to exclude tax credits /(expenses), separately disclosed items, impairment losses, losses on disposal and amortisation of intangible assets acquired as a result of business combinations. Pro forma Adjusted profit before tax is defined as unaudited Pro forma profit for the year after tax, adjusted to exclude tax credits /(expenses), separately disclosed items, impairment losses, losses on disposal and amortisation of intangible assets acquired as a result of business combinations. Such adjustments relate to costs and income that the Group believes are not reflective of the ongoing performance of the business and are thus added back to profit /(loss) for the year after tax.

(14) The Group defines Adjusted profit after tax as profit /(loss) before tax less Adjusted cash tax expenses, adjusted to exclude separately disclosed items, impairment losses, losses on disposal and amortisation of intangible assets acquired as a result of business combinations. Pro forma Adjusted profit after tax is defined as unaudited Pro forma profit /(loss) before tax less Adjusted cash tax expenses, adjusted to exclude separately disclosed items, impairment losses, losses on disposal and amortisation of intangible assets acquired as a result of business combinations. Such adjustments relate to costs and income that the Group believes are not reflective of the ongoing performance of the business and are thus added back to profit /(loss) before tax.

(15) The Group defines Pro forma normalised free cash flow as Pro forma profit /(loss) for the year after tax, excluding net interest expense, tax credit /(expense), and depreciation and amortisation, adjusted to exclude separately disclosed items (as described above), impairment losses, losses on disposal and amortisation of intangible assets acquired as a result of business combinations, net of Underlying capital expenditures, Pro forma rental expenses, Pro forma net interest expense and Pro forma taxes (assuming a 27% effective tax rate).

(16) The Group defines Underlying capital expenditures as the sum of purchase of property, plant and equipment and purchase of intangible assets, less right-of-use asset additions as required by IFRS 16. In 2020 and 2018, Underlying capital expenditures also exclude fixed assets acquired as part of the Myfundmatch acquisition and the Finametrix Acquisition, respectively.

Dividend policy

Following Admission and subject to any applicable regulatory restrictions, the Company is targeting a dividend pay-out ratio of 20-40% of adjusted profit/loss for the year after tax. The Company expects that the dividend pay-out ratio for the year ending 31 December, 2021 will be near the bottom end of the range and will be pro-rated from the date of Admission. The Company intends that any excess cash built up by the business will either be used in connection with attractive M&A opportunities or will be returned to shareholders in the form of special dividends or buybacks.

Offering details

The Offering will consist of a private placement of existing Shares provided by the Selling Shareholders (i) to a range of institutional investors in various jurisdictions outside the United States, including the Netherlands, in compliance with Regulation S under the U.S. Securities Act of 1933, as amended (the “U.S. Securities Act”) and (ii) to “qualified institutional buyers” in the United States as defined in, and in reliance on, Rule 144A under the U.S. Securities Act or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. There will be no public offering in any jurisdiction.

A customary option to cover over-allotments is expected to be granted to the Underwriters for stabilisation purposes. The Company, the Selling Shareholders, BNPP AM and certain senior managers of the Group expect to enter into customary lock-up arrangements (subject to certain exceptions) with the Underwriters in connection with the Offering.

The Company has appointed BNP PARIBAS, Credit Suisse, Citi, and Morgan Stanley as Joint Global Coordinators for the Offering.

BofA Securities, Barclays, CaixaBank BPI, HSBC, ING, IMI – Intesa Sanpaolo and Banco Santander have been appointed as Joint Bookrunners (and, together with the Joint Global Coordinators, the “Underwriters”).

If and when the expected Offering is launched, full information about the IPO and the Admission will be included in the Prospectus. If and when the Offering is launched, and once the Prospectus has been approved by the AFM, the Prospectus will be published and made available at no cost at the start of the offer period through the corporate website of the Company (www.allfunds.com), subject to securities law restrictions in certain jurisdictions. Further details of the intended Offering and Admission will be announced in due course.

Risk Factors

Investing in the Company involves certain risks. A description of these risks, which include risks relating to the Company as well as risks relating to the Offering and the Shares will be included in the Prospectus. **Any decision to participate in the Offering should be made solely on the basis of the information contained in the Prospectus.**

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[END]

NOTES

[1]Market Data constitutes company estimates, using underlying data from independent third parties, including market studies commissioned by the Company.

DISCLAIMER This announcement is not for release, distribution or publication, whether directly or indirectly and whether in whole or in part, in or into the United States, Canada, Australia, Japan, South Africa or any other jurisdiction where to do so would constitute a violation of the relevant laws of such jurisdiction.

This announcement is for information purposes only and is not intended to constitute, and should not be construed as, an offer to sell or a solicitation of any offer to buy the Shares in any jurisdiction, including the United States, Canada, Australia, Japan or South Africa.

This announcement is not for publication or distribution, directly or indirectly, in or into the United States. This announcement is not an offer of securities for sale into the United States. The Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States, absent registration or an applicable exemption from registration. The Company has no intention to register any part of the Offering in the United States or make a public offering of securities in the United States.

In the United Kingdom, this announcement and any other materials in relation to the Shares is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, "qualified investors" (as defined under the Prospectus Regulation as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 and underlying legislation) and who are: (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order and other persons to whom it may otherwise lawfully be communicated (all such persons together being referred to as "relevant persons"). Persons who are not relevant persons should not take any action on the basis of this document and should not act or rely on it.

The Company has not authorised any offer to the public of Shares requiring publication of a prospectus in any Member State of the European Economic Area or the United Kingdom. With respect to any Member State of the European Economic Area and the United Kingdom (each a "Relevant State"), no action has been undertaken or will be undertaken to make an offer to the public of Shares requiring publication of a prospectus in any Relevant State. As a result, the Shares may only be offered in Relevant States: (i) to any legal entity which is a qualified investor as defined in the Prospectus Regulation or UK Prospectus Regulation; or (ii) in any other circumstances falling within Article 1(4) of the Prospectus Regulation or UK Prospectus Regulation.

For the purpose of this paragraph, the expression "offer of securities to the public" means the communication in any form and by any means of sufficient information on the terms of the Offering and the Shares to be offered so as to enable the investor to decide to purchase or subscribe for the Shares, the expression "Prospectus Regulation" means Regulation (EU) 2017/1129 and includes any relevant delegated regulations and the expression "UK Prospectus Regulation" means as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018. No action has been taken by the Company or its shareholders that would permit an offer of Shares or the possession or distribution of this announcement or any other offering or publicity material relating to such Shares in any jurisdiction where action for that purpose is required.

The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law and therefore persons in such jurisdictions into which they are released, published or distributed, should inform themselves about, and observe, such restrictions.

This announcement may include statements, including the Company's financial and operational medium- to long-term term objectives that are, or may be deemed to be, "forward-looking statements". These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "targets", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect the Company's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's business, results of operations, financial position, liquidity, prospects, growth or strategies. Forward-looking statements speak only as of the date they are made. Each of the Company, its shareholders, the Underwriters and their respective affiliates expressly disclaims any obligation or undertaking to update, review or revise any forward-looking statement contained in this announcement whether as a result of new information, future developments or otherwise.

The price and value of securities may go up as well as down. Persons needing advice should contact a professional adviser.

Information in this announcement or any of the documents relating to the Offering cannot be relied upon as a guide to future performance.

The Underwriters are acting exclusively for the Company and/or the Selling Shareholders and no one else in connection with any offering of Shares. They will not regard any other person as their respective clients in relation to any offering of Shares and will not be responsible to anyone other than the Company and/or its shareholders for providing the protections afforded to their respective clients nor for providing advice in relation to any offering of Shares, the contents of this announcement or any transaction, arrangement or other matter referred to herein. None of the Underwriters or any of their respective subsidiary undertakings, affiliates or any of their respective directors, officers, employees, advisers, agents, alliance partners or any other entity or person accepts any responsibility or liability whatsoever for, or makes any representation, warranty or undertaking, express or implied, as to the truth, accuracy, completeness or fairness of the information or opinions in this announcement (or whether any information has been omitted from this announcement) or any other information relating to the group, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith. Accordingly, the Underwriters disclaim, to the fullest extent permitted by applicable law, all and any liability, whether arising in tort or contract or that they might otherwise be found to have in respect of this announcement and/or any such statement.

In connection with the Offering, each of the Underwriters and any of their affiliates, may take up a portion of the Shares in the Offering as a principal position and, in that capacity, may retain, purchase, sell, offer to sell for its own account such Shares and other securities of the Company or related investments in connection with the Offering or otherwise. In addition, each of the Underwriters and any of their affiliates may enter into financing arrangements (including swaps or contracts for differences) with investors in connection with which each of the Underwriters and any of their affiliates may from time to time acquire, hold or dispose of Shares. None of the Underwriters or their affiliates intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares subject of the Offering have been subject to a product approval process, which has determined that such Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, "Distributors" (for the purposes of the MiFID II Product Governance Requirements) should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each Distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.

The Company may decide not to go ahead with the IPO and there is therefore no guarantee that Admission will occur. You should not base your financial decision on this announcement. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested.