



17 March 2020

To our valued clients,

As we all continue to monitor developments of the spread of COVID-19, we wanted to make you aware of the measures Kingswood has in place to ensure uninterrupted delivery of our services. We are closely monitoring on a daily basis developments and announcements from the authorities and have invoked several precautionary measures from our Business Continuity Plan to help minimise the potential impact of the virus on our employees, clients and the greater community.

Social distancing is critical to limit the impact of the virus, and consequently we have implemented a remote working policy to reduce the number of people in our offices and minimise risk. For the safety of clients and advisers we will not be holding face to face meetings for the foreseeable future. Instead your adviser will conduct client meetings through video calls or over the telephone. This will not in any way affect the way we manage your affairs and the quality of advice provided. Your adviser remains always accessible through the usual email and telephone channels and the Kingswood team remains firmly focused on servicing your personal needs. We have restricted all non-essential travel and have instituted a mandatory 14-day quarantine period for anyone that has travelled to an impacted area.

Our investment portfolios are well diversified across a number of asset classes and we have maintained a neutral equity exposure for our clients for some time. This means that although portfolios have experienced falls, the valuation drops are not to the same extent as global stock indices. Near term, there is clearly a significant risk that markets could fall further. Even so, we believe equity markets are now pricing in a recession and much of the bad news is in the price. We do not believe this is a re-run of the global financial crisis. If, as we expect, economic activity picks up again later this year, markets should also recover, and past experience is that these recoveries can be swift.

Our Investment Team monitors and discusses events daily and we are able to act quickly at the appropriate time. On a weekly basis our Investment Committee, chaired by Richard Jeffrey, meets to assess strategy, review market developments and the positioning of portfolios. The Investment Committee on Monday decided not to implement any further policy change following last week's portfolio rebalancing which took our equity weighting, which had fallen due to market moves, back up to neutral. It concluded that the near term direction of markets is quite uncertain with further market falls possible but our base case remains that economic growth and markets will recover in the second half of 2020.

We send investment updates at least weekly by email and these will now also include a recorded audio running through our latest views – please subscribe at the bottom of this email if you would like to be added to the list.

We are also in the process of organising a conference call for all clients on Monday March 23d which will be led by Rupert Thompson, our Chief Investment Officer, and Richard Jeffrey our Investment Committee Chairman to discuss our investment strategy and market outlook for the remainder of the year - and most importantly answer any questions you may have. You can find details of the conference call and submit your questions in advance by [clicking here](#).

We are determined to keep our clients fully informed of our latest thinking and our intention is to repeat the call going forward depending on how events unfold.

Our clients come first and we are here to help you navigate in smooth and challenging times. We are confident the measures we have implemented will enable us to continue to serve you with minimal interruption, provide the level of service and support expected from Kingswood and ensure the safety of our employees. We can assure you of our continued commitment to supporting your financial planning and investment needs for the long term. Kingswood continues to maintain a strong and robust balance sheet with the long term support of KPI and Pollen Street Capital.

Thank you for your continued support and trust. We will continue to monitor this situation and the measures we take will evolve as necessary, taking into account the needs and safety of employees, clients, and our communities. We look forward to your participation in next week's conference call.

Best Regards,

Gary Wilder
Group CEO

Patrick Goulding
Platform CEO & Group CFO