

Kingswood continues to make strong progress against strategic objectives and is well positioned to accelerate the delivery of medium-term targets

INVESTOR & ANALYST PRESENTATION

September 2022

Strong progress against strategic objectives and well positioned to accelerate the delivery of medium-term targets

Group Financial

- ✓ Double digit revenue and operating profit growth
- ✓ Organic revenue growth across all operating segments
- ✓ Balance Sheet strength with £20.7m cash and £75.6m total equity

UK

- ✓ Completed 6 acquisitions in the UK in H1'22, increasing UK AUM/A to £7.1bn
- ✓ 4.8 stars out of 5 on 'VouchedFor', home to the UK's most trusted advisers
- ✓ Launched of 'Kingswood Go' in Mar'22 with 1.3k clients already registered

US

- ✓ US registered representatives increased 6% to 223, driving an increase in US AUM to \$2.7bn
- ✓ Continue to build on the growth experienced in our Investment Banking business in 2021, recruiting two new high quality IB groups in H1'22 focussed on mid-market equity capital markets

H2'22 Financial Performance



Solid performance across the Group in the first half of the year despite an unsettled macro-economic backdrop

<i>£'000 (unless otherwise stated)</i>	H1'22	H1'21	Change (%)
Wealth Management	12,864	8,307	55%
Investment Management	3,588	2,312	55%
Kingswood US	63,937	50,922	26%
Total Revenue	80,389	61,541	31%
Kingswood UK (WP and IM)	5,810	2,830	105%
Kingswood US	1,529	2,519	(39)%
Division Operating Profit	7,339	5,349	37%
Central Costs	(2,834)	(2,294)	24%
Group Operating Profit	4,505	3,055	47%
	H1'22	FY'21	Change (%)
Total Equity	75,608	76,898	(2)%
Total Cash	20,693	42,933	(52)%
Key Metrics:			
AUM/A (£m)	9,288	6,772	37%
# UK Advisers	87	70	24%
# US RIA/BD reps	223	211	6%

- Growth in Wealth Planning and Investment Management was underpinned by:
 - ✓ Successful completion and integration of UK business acquisitions 2020/21
 - ✓ Organic growth via vertical integration and higher volumes of new business
- US Revenue growth reflects a strong performance in Investment banking in Q1, with Q2 impacted by lower capital market activity, and AUM growth in the RIA/IBD business through the ongoing recruitment of registered representatives
- Central costs increase of 24% reflects investment to support a growing business and higher professional fees
- Cash of £20.7m and Total Equity of £75.6m demonstrates the strength of our balance sheet
- AUM/A of £9.3bn is 37% higher than FY'21 largely reflecting acquisitions, as net inflows was offset by the impact of adverse market movements

We remain confident in the success of our long-term growth strategy grounded in supporting our clients to protect and grow their wealth every step of the way

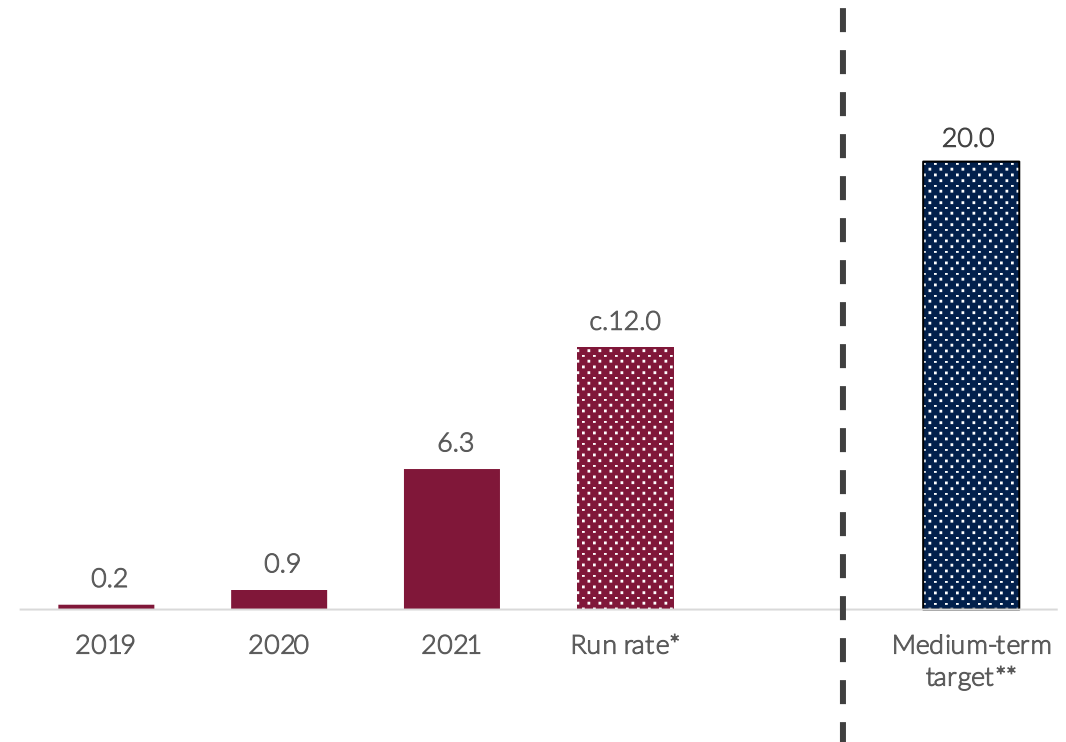
H2'22

- Kingswood continues to maintain a strong pipeline of acquisitions and has signed Heads of Terms or is in exclusive discussions with 8 businesses in the UK and Ireland
- Near-term target remains to build proforma UK AUM/A to over £10bn and £12.5bn globally
- In H2'22, we expect financial performance to continue to be impacted by market movements and the levels of capital market activity, though with positive net flows, with upside potential as financial markets recover
- Given macro-economic inflationary cost pressures we continue to maintain a disciplined approach to cost management

Medium-Term

- Medium-term target remains £20m Operating Profit supported by our current acquisition pipeline and organic growth trajectory
- The Kingswood Board continues to focus on ensuring that they maintain and deliver a robust Balance Sheet with a view to ensuring no deferred liability remains uncovered from a funding perspective

Operating Profit run-rate progression (£m)



*12 month pro-forma operating profit run-rate incorporating existing UK and US acquisitions

** Targeted medium term operating profit run-rate based on current acquisition pipeline