

## Trading Update and Notice of Results

**20 October 2022**

Jupiter Fund Management plc (“Jupiter”, the “Group”) today issues its trading update in respect of the three months to 30 September 2022.

### KEY POINTS

- Net outflows slowed in the third quarter to £0.6bn.
- Net inflows from Institutional clients of £0.5bn, driven by a large mandate from a sovereign wealth fund. Net redemptions in the Retail & wholesale channel slowed to £1.1bn.
- Assets under management (AUM) ended the period at £47.4bn, driven by net outflows and £0.8bn of negative market movements.

A worsening macroeconomic backdrop, continued geopolitical challenges and inflationary concerns, particularly in the UK, again weighed upon investor sentiment in the third quarter. Despite this, we are pleased to report a much improved flow picture with net outflows of £0.6bn. We continued to attract strong levels of gross flows, with £3.8bn for the quarter and £10.7bn year to date.

This improvement in net flows was driven by net inflows of £0.5bn from Institutional clients. This was predominantly due to the funding of a UK equity mandate from a sophisticated sovereign wealth fund client. We are pleased to report that this momentum has continued into the early part of the fourth quarter, with the funding of another mandate from a high-quality Institutional client.

Outflows in the Retail & wholesale channel have continued to slow quarter-on-quarter, with total net redemptions in Q3 of £1.1bn. Client demand for UK and European equities products remained subdued. Although we also saw net outflows from unconstrained fixed income strategies, these were much reduced from the first half of the year. These outflows were partially offset by positive net inflows into the Strategic Absolute Return Bond fund, as well as into NZS Capital’s global equity strategies.

| £bn   | AUM at<br>30 June 2022 | Q3 2022<br>net flows | Q3 2022<br>market returns | AUM at<br>30 September 2022 |
|---|------------------------|----------------------|---------------------------|-----------------------------|
| Retail & wholesale                          | 43.5                   | (1.1)                | (0.5)                     | 41.9                        |
| Institutional                               | 4.8                    | 0.5                  | (0.2)                     | 5.1                         |
| Investment trusts                           | 0.5                    | -                    | (0.1)                     | 0.4                         |
| <b>Total</b>                                | <b>48.8</b>            | <b>(0.6)</b>         | <b>(0.8)</b>              | <b>47.4</b>                 |
| <i>of which is invested in mutual funds</i> | 40.6                   | (1.3)                | (0.4)                     | 38.9                        |

### Matthew Beesley, Chief Executive Officer, commented:

*“I am encouraged by the improved flow picture in Q3, despite continued market volatility. This flow momentum has continued into the fourth quarter with the funding of further Institutional mandates in excess of £500m in the first week of October alone.*

*“While we saw net outflows overall, retail outflows have slowed as we continue to focus on delivering a differentiated product set, which both meets our clients’ increasingly complex needs and demonstrates the value of high-conviction, active investment management.*

*Since my appointment, I have sought to take decisive actions to ensure we have the optimal operating model to succeed in a competitive environment. This includes reducing our cost base, streamlining the fund range and restructuring our management team. Although this work is ongoing, we have made a good start and this, combined with the success of our existing strategies and new growth opportunities ahead of us, gives me confidence that Jupiter is well placed for a return to sustainable growth.”*

**Capital allocation policy and share buyback programme**

With effect from the year commencing 1 January 2023, our ordinary dividend policy will be reset to 50% of pre-performance fee earnings and will no longer be subject to a minimum of the prior year amount. In line with the current approach, the Board's capital allocation policy is to make additional returns to shareholders on a periodic basis, based on the capital needs of the business for growth and a healthy regulatory surplus.

This revision to the dividend policy, as part of our overall capital allocation framework, allows us to return capital to shareholders on a clear, sustainable basis and, where there are no further capital needs, we expect to return additional capital to shareholders at the appropriate time.

We previously reported a target of returning at least 70% of cumulative underlying earnings per share for 2021 and 2022. In view of that target, and our current valuation, Jupiter today announces that we will commence a share buyback programme to repurchase and subsequently cancel shares for up to a maximum consideration of £10 million (the "Programme"). The Programme will commence on 24 October 2022, and is expected to be completed by no later than 31 December 2022.

As we transition to the new dividend policy from 2023, whilst retaining the target return of capital in respect of 2021 and 2022, we will provide more details in due course as to the amount of any further returns, including any final dividend for 2022 and whether there will be an extension of this Programme beyond 31 December 2022.

Jupiter will make further regulatory announcements to shareholders in respect of any purchase of shares under the Programme as they occur.

**Analyst presentation**

There will be a virtual analyst presentation at 09:00 BST on 20 October 2022.

The presentation will be accessible via a live webcast, which will be available at: <https://secure.emincote.com/client/jupiter/fm030>. Please note that questions can be asked via the webcast.

**Notice of results**

Jupiter will be issuing full year results for the year to 31 December 2022 on 24 February 2023 and will host an analyst presentation to discuss the results.

For further information please contact:

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**Forward-looking statements**

This announcement contains forward-looking statements with respect to the financial condition, results of operations and businesses of the Group. Such statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances in the future. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by forward-looking statements and forecasts. Forward-looking statements and forecasts are based on the Directors' current view and information known to them at the date of this announcement. The Directors do not make any undertaking to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Nothing in this announcement should be construed as a profit forecast.

## Historic quarterly net flows and AUM

| Flows and AUM by quarter      |                |                |                |                |                |                |                |                |
|-------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
|                               | Q1 2021<br>£bn | Q2 2021<br>£bn | Q3 2021<br>£bn | Q4 2021<br>£bn | Q1 2022<br>£bn | Q2 2022<br>£bn | Q3 2022<br>£bn | Q4 2022<br>£bn |
| <b>Total</b>                  |                |                |                |                |                |                |                |                |
| Opening AUM                   | 58.7           | 58.8           | 60.3           | 60.7           | 60.5           | 55.3           | 48.8           |                |
| Gross inflows                 | 5.4            | 4.2            | 3.4            | 3.5            | 3.8            | 3.1            | 3.8            |                |
| Gross outflows                | (6.1)          | (5.7)          | (4.0)          | (4.5)          | (5.4)          | (5.1)          | (4.4)          |                |
| <b>Net flows</b>              | <b>(0.7)</b>   | <b>(1.5)</b>   | <b>(0.6)</b>   | <b>(1.0)</b>   | <b>(1.6)</b>   | <b>(2.0)</b>   | <b>(0.6)</b>   |                |
| Market returns                | 0.8            | 3.0            | 1.0            | 0.8            | (3.6)          | (4.5)          | (0.8)          |                |
| <b>Closing AUM</b>            | <b>58.8</b>    | <b>60.3</b>    | <b>60.7</b>    | <b>60.5</b>    | <b>55.3</b>    | <b>48.8</b>    | <b>47.4</b>    |                |
| <b>Retail &amp; wholesale</b> |                |                |                |                |                |                |                |                |
| Opening AUM                   | 52.6           | 52.5           | 54.0           | 54.4           | 54.2           | 49.3           | 43.5           |                |
| Gross inflows                 | 4.9            | 4.1            | 3.2            | 3.4            | 3.3            | 2.8            | 2.8            |                |
| Gross outflows                | (5.5)          | (5.0)          | (3.7)          | (4.2)          | (5.2)          | (4.7)          | (3.9)          |                |
| <b>Net flows</b>              | <b>(0.6)</b>   | <b>(0.9)</b>   | <b>(0.5)</b>   | <b>(0.8)</b>   | <b>(1.9)</b>   | <b>(1.9)</b>   | <b>(1.1)</b>   |                |
| Market returns                | 0.5            | 2.4            | 0.9            | 0.6            | (3.0)          | (3.9)          | (0.5)          |                |
| <b>Closing AUM</b>            | <b>52.5</b>    | <b>54.0</b>    | <b>54.4</b>    | <b>54.2</b>    | <b>49.3</b>    | <b>43.5</b>    | <b>41.9</b>    |                |
| <b>Institutional</b>          |                |                |                |                |                |                |                |                |
| Opening AUM                   | 5.2            | 5.2            | 5.1            | 5.1            | 5.1            | 5.1            | 4.8            |                |
| Gross inflows                 | 0.3            | 0.1            | 0.2            | 0.1            | 0.4            | 0.3            | 1.0            |                |
| Gross outflows                | (0.6)          | (0.5)          | (0.3)          | (0.3)          | (0.2)          | (0.3)          | (0.5)          |                |
| <b>Net flows</b>              | <b>(0.3)</b>   | <b>(0.4)</b>   | <b>(0.1)</b>   | <b>(0.2)</b>   | <b>0.2</b>     | <b>-</b>       | <b>0.5</b>     |                |
| Market returns                | 0.3            | 0.3            | 0.1            | 0.2            | (0.2)          | (0.3)          | (0.2)          |                |
| <b>Closing AUM</b>            | <b>5.2</b>     | <b>5.1</b>     | <b>5.1</b>     | <b>5.1</b>     | <b>5.1</b>     | <b>4.8</b>     | <b>5.1</b>     |                |
| <b>Investment trusts</b>      |                |                |                |                |                |                |                |                |
| Opening AUM                   | 0.9            | 1.1            | 1.2            | 1.2            | 1.2            | 0.9            | 0.5            |                |
| Gross inflows                 | 0.2            | -              | -              | -              | 0.1            | -              | -              |                |
| Gross outflows                | -              | (0.2)          | -              | -              | -              | (0.1)          | -              |                |
| <b>Net flows</b>              | <b>0.2</b>     | <b>(0.2)</b>   | <b>-</b>       | <b>-</b>       | <b>0.1</b>     | <b>(0.1)</b>   | <b>-</b>       |                |
| Market returns                | -              | 0.3            | -              | -              | (0.4)          | (0.3)          | (0.1)          |                |
| <b>Closing AUM</b>            | <b>1.1</b>     | <b>1.2</b>     | <b>1.2</b>     | <b>1.2</b>     | <b>0.9</b>     | <b>0.5</b>     | <b>0.4</b>     |                |