



Mattioli Woods PLC

Acquisition of pension administration business

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Mattioli Woods PLC

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Mattioli Woods plc

("Mattioli Woods" or "the Group")

Acquisition of pension administration business of Ashcourt Rowan plc

Mattioli Woods plc (AIM: MTW.L), the specialist wealth management and employee benefits business is pleased to announce its subsidiary City Pensions Limited ("City Pensions") has acquired the pension administration business from UK Wealth Management Limited ("UKWM"), a wholly owned subsidiary of Ashcourt Rowan plc ("Ashcourt Rowan"), for a total cash consideration of up to £355,000, comprising an initial consideration of £275,000 (subject to adjustment for the value of working capital acquired) plus deferred consideration of up to £80,000 (subject to certain revenue and client retention targets being met during the two years following completion). The acquisition is being funded from the Groups existing cash resources.

The acquisition comprises the trade and certain assets of Pension Administration Limited ("PAL"), 100% of the share capital of Ropergate Trustees Limited from PAL Group Holdings Limited ("PALGH"), 100% of the share capital of Simmonds Ford Trustees Limited and 100% of the share capital of Acomb Trustees Limited from ATL Group Limited ("ATL") (together "the Pension Business"). PAL, PALGH and ATL are wholly owned indirectly by UKWM, and ultimately owned by Ashcourt Rowan. UKWM was acquired by Ashcourt Rowan in 2014.

The Pension Business provides trustee and administration services to over 400 self-invested personal pension ("SIPP") schemes and small self-administered pension ("SSAS") schemes, with total funds under trusteeship of over £190 million.

In the year ended 31 December 2013, the portfolio generated annual revenues of £335,970 and on completion we estimate liabilities being acquired to be £87,000. The acquisition is expected to be earnings

enhancing in the first full year of ownership, following the realisation of synergies and other benefits from combining the assets and activities of the Pension Business with those of Mattioli Woods.

Commenting on the acquisition, Ian Mattioli, Chief Executive of Mattioli Woods, said:

"Mattioli Woods is a 21st century financial services business and like Ashcourt Rowan, we both have a desire to provide quality advice and products that are suitable for our clients and add real growth to their assets.

"City Pensions provides administration services to Ashcourt Rowans' SIPP and SSAS clients, as well as other IFA organisations throughout the UK. It was acquired by Mattioli Woods in August 2010, acquiring over 1,088 schemes, which has grown to 2,245, whilst the assets under administration have increased from £300m to over £750m. By working with other professional intermediaries and clients, we have a high-quality, well resourced, and fully compliant administration platform.

We continue to see legislation affecting these markets and creating opportunities for consolidation, which is a key part of our growth strategy."

Jonathan Polin, Group Chief Executive of Ashcourt Rowan, commented:

"Ashcourt Rowan continues to focus on our core businesses. The administration of SIPP and SSAS schemes acquired with UKWM is non-core to our business, and this sale follows that announced last year of Ashcourt Rowan's own SIPP and SSAS business. During the last 12 months we have found Mattioli Woods to be a sound strategic partner with the expertise, scale and systems to give the very best SIPP and SSAS administration services to our clients."

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