PRIDE IN OUR PERFORMANCE

HALF-YEAR REPORT AND CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) TO 30 SEPTEMBER 2022

LIONTRUST ASSET MANAGEMENT PLC

LIONTRUST
COURAGE · POWER · PRIDE

DIRECTORS AND ADVISERS

DIRECTORS, REGISTERED OFFICE AND COMPANY NUMBER:

Alastair Barbour (Non-executive Chair)

John Ions (Chief Executive)

Vinay Abrol (Chief Operating Officer and Chief Financial Officer)

Rebecca Shelley (Senior Independent Director)

Mandy Donald (Non-executive Director)

Emma Howard Boyd CBE (Non-executive Director)

Quintin Price (Non-executive Director)

George Yeandle (Non-executive Director)

2 Savoy Court, London, WC2R 0EZ.
Registered in England with Company Number 02954692.

Company Secretary:
Mark Jackson

Independent Auditors:
KPMG LLP,
15 Canada Square,
London, E14 5GL

Legal Advisers:
Simmons & Simmons LLP,
City Point, 1 Ropemaker Street,
London, EC2Y 9SS

Macfarlanes LLP,
20 Cursitor Street,
London, EC4A 1LT

Bankers:
Royal Bank of Scotland Plc,
280 Bishopsgate,
London, EC2M 4RB

Financial Adviser and Corporate Broker:
Singer Capital Markets,
1 Bartholomew Lane,
London, EC2N 2AX

Panmure Gordon,
One New Change,
London, EC4M 9AF

Registrars:
Equiniti Limited,
Aspect House,
Spencer Road,
Lancing,
West Sussex, BN99 6DA

With effect from 14 November 2022 Link Asset Services were replaced by Equiniti.

CHIEF EXECUTIVE'S STATEMENT

The excellence of our investment management teams, brand, communications and distribution have been central to the success of Liontrust over the past few years. These strengths will stand us in good stead in both the current challenging environment and to drive growth over the long term.

We have seen the impact of macro-economic events in the UK and globally on asset management sales this year, and Liontrust has not been immune to this. The industry trend in the UK has continued in the third quarter of 2022.

I believe our strategy will enable us to emerge from the current environment in a strong position within the UK asset management industry and to develop our business successfully by meeting the demands and needs of investors.

Consolidation in the asset management industry will continue, and acquisitions remain a key part of meeting our strategic objective of expanding Liontrust's distribution and products to diversify our business. Consolidation presents opportunities for Liontrust to buy businesses that have not achieved the required brand profile and breadth of distribution to prosper, even when they have strong investment management capability.

In acquiring companies where there is the opportunity to improve their business performance, we can integrate them into our proven business model to provide their investment teams with a strong sales and marketing platform. In turn, they can broaden our product range, enhance our investment proposition and therefore further diversify Liontrust's distribution.

The acquisition of Majedie Asset Management has enhanced our product range through the long/short equity fund Tortoise and Edinburgh Investment Trust, as well as enabling us to meet the strategic objectives of enhancing our institutional distribution capability and acquiring talent. Tortoise has added to Liontrust's other alternative investment funds – GF European Strategic Equity and the MA Diversified Real Assets funds – for which there is increasing demand especially in Europe.

Diversifying our distribution internationally will play a key role in delivering future growth for Liontrust, both in Europe and beyond. A broader fund range and product mix, including alternatives, and increasing our number of strategic partners will help drive this.

In doing so, we will remain focused on the quality of our investment teams and funds. Central to our strategy has always been to have expertise in all the areas of investment we offer and for each team to have robust and repeatable processes. This will not change.

The benefit of this approach is demonstrated by strong long-term fund performance and the fact that research shows the Liontrust Sustainable Investment and Economic Advantage teams are regarded as leaders in their respective asset classes among both professional intermediaries and retail investors in the UK (Source: Research in Finance).

This is one part of delivering another of our strategic objectives of enhancing the investor experience. I am pleased that despite the general negative investor sentiment, Liontrust has been able to maintain strong communication and engagement with our clients. This is shown by the fact that more than 900 professional investors registered for Liontrust's virtual Sustainable investment conference held on 9 November, which is over 20% higher than two years ago.

The evidence of the success of our focus on investment management and client service has also been demonstrated by gaining further independent recognition through Liontrust winning the award for Best UK Manager of the Year at the Financial News' Excellence in Fund Management Awards 2022 in November. Given Financial News' focus on institutional investment, this shows the degree to which we have been able to diversify over the past few years.

I am confident that a clear focus on our strategy will ensure Liontrust continues to enhance our investment capability, broaden distribution and strengthen the brand profile. This will enable Liontrust to deliver for investors and shareholders over the long term.

John Ions
Chief Executive

CHAIR'S STATEMENT

At a time of what feels like continuous political, economic and market instability, it is imperative that your Company remains focused on the long-term interests of our clients, colleagues and you as shareholders. It is easy to lose focus in such an environment and chase returns or a different strategy.

We must, and we do, challenge ourselves as to whether our strategy is the correct one and is being implemented as effectively as possible. We remain steadfast in our belief that both continue to be true. In the Chief Executive's Statement, John Ions explains how the strategy is being delivered despite the challenging environment this year.

The acquisition of Majedie Asset Management has been impacted by global events and their effect on investment markets, which we could not foresee at the time of purchase. Buying Majedie was consistent with the strategy of continuing to diversify our investment management and distribution capability. This leads to a more robust and resilient business over the long term as we have proved with Liontrust's other acquisitions over the last decade.

It is this track record and the excellent management of the business that has led to Liontrust's growth and strong financial health. On behalf of the Board, I want to thank the whole Liontrust team for their hard work, commitment and adaptability to have kept on strategically expanding and enhancing the Company over the past few years whatever the external demands and challenges.

The UK's Financial Conduct Authority (FCA) has rightly increased the focus on the treatment of and communication with investors with two important pieces of regulations. Liontrust is well positioned to meet the demands posed by the Consumer Duty and the consultation paper on Sustainability Disclosure Requirements (SDR). The Company has always had a strong focus on delivering clear and frequent communications, engaging with consumers as well as institutional and professional investors, and will continue to ensure we meet the needs of retail investors going forward.

When it comes to SDR, our Sustainable Investment team has one of the longest track records in the market at more than 21 years and we are being transparent about the role of ESG in our other teams' investment processes. This includes detailing the impact of our funds' engagement with companies on behalf of investors. Concerns about greenwashing have been rising and we support efforts to ensure this is called out.

These new regulations are just one demonstration of why we believe that Liontrust's strategy and focus on positive outcomes for investors continue to put your Company in a strong position for future growth.

Results

Liontrust has delivered profit before tax of £14.066 million (2021: £31.063 million), a decrease of 55% compared to the equivalent period last year. This includes costs of £28.8 million (2021: £8.1 million) relating to recent acquisitions and associated restructuring costs; the amortisation and impairment of the related intangible assets; and other non-cash and non-recurring costs (see note 6 below).

The adjusted profit before tax was £42.867 million (2021: £39.256 million), an increase of 10%. Adjusted profit before tax is disclosed in order to give shareholders an indication of the profitability of the Group excluding non-cash expenses (intangible asset amortisation and impairment), and non-recurring expenses (acquisition related and associated restructuring and severance compensation related).

See note 6 below for a reconciliation of adjusted profit before tax.

Dividend

In accordance with the Company's dividend policy, the Board is declaring a first Interim dividend of 22.0 pence per share (2021: 22.0 pence) which will be payable on 13 January 2023 to shareholders who are on the register as at 9 December 2022, the shares going ex-dividend on 8 December 2022. Last day for Dividend Reinvestment Plan elections is 23 December 2022.

Shareholder services

With effect from Monday 14 November 2022, the Company has transferred the management of its share register from Link Group to Equiniti Limited ("EQ"). EQ's contact details are Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA. Telephone: 0371 384 2030 (please use the country code if calling from outside the UK, lines are open 8:30am to 5:30pm (UK time) Monday to Friday (excluding public holidays in England and Wales)).

Outlook

Despite the challenging year so far, we are optimistic about the future growth of the Company. The confidence is based on the fact the business is financially strong, we have robust investment processes, we have been diversifying our investment capability and distribution, and the brand profile continues to be positive and strong. This belief is reflected in the Interim dividend payment we have announced.

ASSETS UNDER MANAGEMENT AND ADVICE

On 30 September 2022, our AuMA stood at £31,695 million and were broken down by type and investment process as follows:

Process	Total (£m)	Institutional Accounts & Funds (£m)	Investment Trusts (£m)	UK Retail Funds & MPS (£m)	Alternative Funds (£m)	International Funds & Accounts (£m)
Sustainable Investment	11,005	323	–	10,049	–	633
Economic Advantage	7,577	417	–	6,909	–	251
Multi-Asset	5,893	–	–	5,546	347	–
Global Equity	1,163	62	–	1,101	–	–
Global Innovation	535	–	–	535	–	–
Cashflow Solution	989	517	–	354	112	6
Global Fundamental	4,089	1,347	1,059	1,086	451	146
Global Fixed Income	444	–	–	166	–	278
Total – 30 Sep 2022	31,695	2,666	1,059	25,746	910	1,314

AuMA as at 14 November 2022 were £33,461 million.

FLOWS

The net outflows over the six months to 30 September 2022 were £2,187 million (30 September 2021: net inflows £2,088 million). A reconciliation of fund flows and AuMA over the six months to 30 September 2022 is as follows:

	Total (£m)	Institutional Accounts & Funds (£m)	Investment Trusts (£m)	UK Retail Funds & MPS (£m)	Alternative Funds (£m)	International Funds & Accounts (£m)
Opening AuMA - 1 Apr 2022	33,548	1,408	–	30,113	370	1,657
Net flows	(2,187)	(580)	–	(1,339)	172	(440)
Market and Investment performance	(4,814)	(473)	(180)	(3,906)	(27)	(228)
Majedie acquisition	5,148	2,311	1,239	878	395	325
Closing AuMA - 30 Sep 2022	31,695	2,666	1,059	25,746	910	1,314

UK Retail Fund Performance (Quartile ranking)

	Quartile ranking – Since Launch/ Manager Appointed	Quartile ranking - 5 year	Quartile ranking - 3 year	Quartile ranking - 1 year	Launch Date/ Manager Appointed
Economic Advantage funds					
Liontrust UK Growth Fund	1	1	1	1	25/03/2009
Liontrust Special Situations Fund	1	1	1	3	10/11/2005
Liontrust UK Smaller Companies Fund	1	1	1	1	08/01/1998
Liontrust UK Micro Cap Fund	1	1	1	1	09/03/2016
Sustainable Future funds					
Liontrust SF Monthly Income Bond Fund	2	3	2	3	12/07/2010
Liontrust SF Managed Growth Fund	2	1	1	4	19/02/2001
Liontrust SF Corporate Bond Fund	3	4	4	4	20/08/2012
Liontrust SF Cautious Managed Fund	1	2	4	4	23/07/2014
Liontrust SF Defensive Managed Fund	1	2	3	4	23/07/2014
Liontrust SF European Growth Fund	2	4	4	4	19/02/2001
Liontrust SF Global Growth Fund	3	1	1	4	19/02/2001
Liontrust SF Managed Fund	1	1	1	4	19/02/2001
Liontrust UK Ethical Fund	2	2	4	4	01/12/2000
Liontrust SF UK Growth Fund	2	3	4	4	19/02/2001
Global Innovation funds					
Liontrust Global Dividend Fund	2	1	1	4	20/12/2012
Liontrust Global Innovation Fund	1	3	3	4	31/12/2001
Global Equity funds[1]					
Liontrust Balanced Fund	1	1	1	4	31/12/1998
Liontrust China Fund	4	4	3	4	31/12/2004
Liontrust Emerging Market Fund	2	4	3	3	30/09/2008
Liontrust Global Smaller Companies Fund	1	1	2	4	01/07/2016
Liontrust Global Alpha Fund	1	1	1	4	31/12/2001
Liontrust Global Technology Fund	3	2	2	3	15/12/2015
Liontrust India Fund	4	4	1	3	29/12/2006
Liontrust Japan Equity Fund	2	2	1	1	22/06/2015
Liontrust Latin America Fund	2	2	3	4	03/12/2007
Cashflow Solution funds					
Liontrust European Dynamic Fund[2]	1	1	1	1	15/11/2006
Global Fixed Income funds					
Liontrust Strategic Bond Fund	2	–	3	2	08/05/2018

	Quartile ranking – Since Launch/ Manager Appointed	Quartile ranking - 5 year	Quartile ranking - 3 year	Quartile ranking - 1 year	Launch Date/ Manager Appointed
Global Fundamental Team funds[3]					
Liontrust UK Equity Fund	1	4	3	3	27/03/2003
Liontrust UK Focus Fund	1	4	4	4	29/09/2003
Liontrust Income Fund	1	1	2	1	31/12/2002
Liontrust UK Equity Income Fund	2	4	4	4	19/12/2011
Liontrust US Opportunities Fund	1	1	2	3	31/12/2002
Edinburgh Investment Trust Plc[4]	2	–	–	1	27/03/2020
Liontrust Global Equity Fund	1	1	1	1	30/06/2014
Liontrust Global Focus Fund	1	1	1	1	30/06/2014
Liontrust GF US Equity Fund	3	3	3	3	26/06/2014
Liontrust GF UK Equity Fund	4	4	3	3	03/03/2014
Liontrust GF International Equity Fund	3	–	–	4	17/12/2019

Source: Financial Express to 30 September 2022 as at 06 October 2022, bid-bid, total return, net of fees, based on primary share classes. Edinburgh Investment Trust Plc NAV source: Morningstar. Past performance is not a guide to future performance, investments can result in total loss of capital. The above funds are all UK authorised unit trusts, OEICs, or Irish authorised OEICs (primary share class).

[1] Liontrust Russia Fund is not included as it is currently suspended and in an IA sector that is not rankable (e.g., Specialist) so it would not be a fair comparison to make.

[2] Liontrust European Growth Fund changed its name to Liontrust European Dynamic Fund on 11 July 2022.

[3] The onshore and offshore Tortoise funds are not included as they are not in IA sectors.

[4] Edinburgh Investment Trust Plc uses the IT UK Equity Income sector.

Alastair Barbour
Non-executive Chair

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Six months ended 30 September 2022

	Note	Six months to 30-Sep-22 (unaudited) £'000	Six months to 30-Sep-21 (unaudited) £'000	Year ended 31-Mar-22 (audited) £'000
Revenue	4	116,785	114,893	245,571
Cost of sales	4	(7,984)	(6,348)	(14,252)
Gross profit		**108,801**	**108,545**	**231,319**
Realised profit on sale of financial assets		–	50	–
Unrealised gain on financial assets		465	–	26
Administration expenses	5	(95,204)	(77,486)	(151,916)
Operating profit		14,062	31,109	79,429
Interest receivable		45	3	4
Interest payable		(41)	(49)	(142)
Profit before tax		**14,066**	**31,063**	**79,291**
Taxation	7	(1,290)	(4,852)	(20,088)
Profit for the period		**12,776**	**26,211**	**59,203**
Other comprehensive income:		–	–	–
Total comprehensive income		12,776	26,211	59,203
		Pence	Pence	Pence
Basic earnings per share	8	19.93	43.27	97.65
Diluted earnings per share	8	19.82	42.72	96.61

All of the results are derived from continuing operations.

The accompanying notes on pages 13 to 22 form an integral part of these unaudited condensed interim financial statements.

CONSOLIDATED BALANCE SHEET

As at 30 September 2022

	Note	30-Sep-22 (unaudited) £'000	30-Sep-21 (unaudited) £'000	31-Mar-22 (audited) £'000
Assets				
Non current assets				
Intangible assets	9	97,648	79,992	75,171
Goodwill	10	38,584	27,577	27,577
Property, plant and equipment		5,115	5,346	3,658
		141,347	**112,915**	**106,406**
Current assets				
Trade and other receivables	11	218,612	240,935	235,496
Financial assets	12	8,461	4,107	4,168
Cash and cash equivalents		109,012	82,837	120,852
Total current assets		**336,085**	**327,879**	**360,516**
Liabilities				
Non current liabilities				
Deferred tax liability		(21,425)	(12,467)	(16,601)
Lease liability		(4,269)	(5,024)	(2,775)
Total non current liabilities		**(25,694)**	**(17,491)**	**(19,376)**
Current liabilities				
Trade and other payables		(232,702)	(252,314)	(255,669)
Corporation tax payable		(9,508)	(1,853)	(7,709)
Total current liabilities		**(242,210)**	**(254,167)**	**(263,378)**
Net current assets		**93,875**	**73,712**	**97,138**
Net assets		**209,528**	**169,136**	**184,168**
Shareholders' equity				
Ordinary shares		647	611	612
Share premium		112,510	64,370	64,370
Capital redemption reserve		19	19	19
Retained earnings		107,907	109,626	128,859
Own shares held		(11,555)	(5,490)	(9,692)
Total equity		**209,528**	**169,136**	**184,168**

The accompanying notes on pages 13 to 22 form an integral part of these unaudited condensed interim financial statements.

CONSOLIDATED CASH FLOW STATEMENT

Six months ended 30 September 2022

	Six months to 30-Sep-22 (unaudited) £'000	Six months to 30-Sep-21 (unaudited) £'000	Year ended 31-Mar-22 (audited) £'000
Cash flows from operating activities			
Cash inflow from operations	109,827	114,775	219,544
Cash outflow from operations	(91,314)	(71,972)	(112,949)
Cash inflow/(outflow) from changes in unit trust receivables and payables	(1,659)	1,453	(508)
Net cash generated from operations	16,854	44,256	106,087
Interest received	45	3	4
Tax paid	(2,616)	(7,500)	(12,500)
Net cash generated from operations	**14,283**	**36,759**	**93,591**
Cash flows from investing activities			
Purchase of property, plant and equipment	(135)	(310)	(507)
Acquisition of Majedie net of cash acquired	13,598	–	–
Purchase of financial assets	(2,701)	(3,124)	(3,125)
Sale of financial assets	–	–	1,183
Purchase of seeding investments	(88)	(34)	(170)
sale of seeding investments	**271**	**–**	**84**
Net cash from/(used in) investing activities	**10,945**	**(3,468)**	**(2,535)**
Cash flows from financing activities			
Payment of lease liabilities	(817)	(839)	(1,889)
Purchase of own shares	(4,250)	–	(5,000)
Sale of own shares	–	328	–
Dividends paid	(32,000)	(21,841)	(35,213)
Net cash used in financing activities	(37,067)	(22,352)	(42,102)
Net (decrease)/ increase in cash and cash equivalents	**(11,840)**	**10,939**	**48,954**
Opening cash and cash equivalents	120,852	71,898	71,898
Closing cash and cash equivalents	**109,012**	**82,837**	**120,852**

Cash and cash equivalents consist only of cash balances.

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY (UNAUDITED)

Six months ended 30 September 2022

	Share capital £ '000	Share premium £ '000	Capital redemption £ '000	Retained earnings £ '000	Own shares held £ '000	Total Equity £ '000
Balance at 1 April 2022 brought forward	612	64,370	19	128,859	(9,692)	184,168
Profit for the period	–	–	–	12,776	–	12,776
Total comprehensive income for the period	–	–	–	12,776	–	12,776
Dividends paid	–	–	–	(32,000)	–	(32,000)
Shares issued	35	48,140	–	–	–	48,175
Purchase of own shares	–	–	–	–	(4,250)	(4,250)
Equity share options issued	–	–	–	964	–	964
LTIP dividends settled through equity	–	–	–	(305)	–	(305)
Sale of own shares	–	–	–	(2,387)	2,387	–
Balance at 30 September 2022	647	112,510	19	107,907	(11,555)	209,528

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY (UNAUDITED)

Six months ended 30 September 2021

	Share capital £ '000	Share premium £ '000	Capital redemption £ '000	Retained earnings £ '000	Own shares held £ '000	Total Equity £ '000
Balance at 1 April 2021 brought forward	610	64,370	19	104,207	(5,818)	163,388
Profit for the period	–	–	–	26,211	–	26,211
Total comprehensive income for the period	–	–	–	26,211	–	26,211
Dividends paid	–	–	–	(21,841)	–	(21,841)
Shares issued	1	–	–	(1)	–	–
Sale of own shares	–	–	–	–	328	328
Equity share options issued	–	–	–	1,541	–	1,541
Equity share options issued settled	–	–	–	(244)	–	(244)
Deferred tax on option charge taken to equity	–	–	–	(247)	–	(247)
Balance at 30 September 2021	611	64,370	19	109,626	(5,490)	169,136

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY (AUDITED)

Year ended 31 March 2022

	Ordinary shares £ '000	Share premium £ '000	Capital redemption £ '000	Retained earnings £ '000	Own shares held £ '000	Total Equity £ '000
Balance at 1 April 2021 brought forward	610	64,370	19	104,207	(5,818)	163,388
Profit for the year	–	–	–	59,203	–	59,203
Total comprehensive income for the year	–	–	–	59,203	–	59,203
Dividends paid	–	–	–	(35,947)	–	(35,947)
Shares issued	2	–	–	(2)	–	–
Purchase of own shares	–	–	–	–	(5,000)	(5,000)
Sale of own shares	–	–	–	(1,042)	1,126	84
Equity share options issued	–	–	–	2,440	–	2,440
Balance at 31 March 2022	612	64,370	19	128,859	(9,692)	184,168

NOTES TO THE FINANCIAL STATEMENTS

1 PRINCIPAL ACCOUNTING POLICIES

a) Basis of preparation

The Group financial information for the six months ended 30 September 2022 has been prepared in accordance with the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority and with IAS 34 Interim Financial Reporting. The condensed interim financial statements should be read in conjunction with the Group's annual financial statements for the year ended 31 March 2022, which were prepared in accordance with UK-adopted international financial reporting standards (IFRS) and with the requirements of the Companies Act as applicable to companies reporting under those standards.

The condensed financial statements do not comprise statutory accounts within the meaning of section 434 of the Companies Act 2006. The financial information for the half years ended 30 September 2022 and 2021 has not been audited by the auditors pursuant to the Auditing Practices Board guidance on Review of Interim Financial Information. KPMG reported on the 31 March 2022 financial statements, and their report was unmodified and did not contain a statement under Section 498(2) or (3) of the Companies Act 2006 in the UK.

The preparation of financial statements in conformity with IFRS requires the directors of the Company to make significant estimates and judgements that affect the reported amounts of assets and liabilities and disclosure of contingencies at the date of the financial information and the reported income and expense during the reporting periods. Although these judgements and assumptions are based on the directors' best knowledge of the amount, events or actions, actual results may differ from these estimates. The accounting policies set out below have been used to prepare the financial information. All accounting policies have been consistently applied.

b) Going concern

The financial information presented within these financial statements has been prepared on a going concern basis under the historical cost convention (except for the measurement of financial assets at fair value through profit and loss and DBVAP liability which are held at their fair value). The Group is reliant on cash generated by the business to fund its working capital. The Directors have assessed the prospects of the Group and parent company over the forthcoming 12 months, including an assessment of current trading; budgets, plans and forecasts; the adequacy of current financing arrangements; liquidity, cash reserves and regulatory capital; and potential material risks to these forecasts and the Group strategy. This assessment includes consideration of a severe but plausible downside scenario in which AuMA falls due to a market event by 10%. The Directors confirm that as a result of this assessment they have a reasonable expectation that the Group and parent company will continue to operate and meet its liabilities as they fall due for at least 12 months from the date of signing these accounts.

c) Accounting estimates and judgements

The preparation of the financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Estimates and judgements used in preparing the financial statements are periodically evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable. The resulting accounting estimates may not equal the related actual results. There are no significant judgements. The Directors make a number of estimates, these include leases (note l in the financial statements for the year ended 31 March 2022) and share based payments (see notes l and q in the financial statements for the year ended 31 March 2022), neither of which are considered to be significant. In addition, the Directors make significant estimates to support the carrying value of goodwill and intangibles that arise on acquisition. These estimates are set out below:

(i) Acquisition of Majedie Investment Management Limited:

The consideration paid for Majedie is allocated between the intangible assets related to the fund management contracts, segregated client portfolios and goodwill, being the excess of the consideration and the amount recognised for non-controlling interests, over the net identifiable assets acquired and liabilities assumed. The significant estimate is in relation to certain unobservable inputs supporting the carrying value of the intangible assets and goodwill. Details of the key assumptions used are provided in notes 9 and 10.

(ii) Impairment of Goodwill and Intangible assets

Goodwill arising on acquisitions is capitalised in the consolidated balance sheet. Goodwill is carried at cost less provision for impairment. The carrying value of goodwill is not amortised but is tested annually for impairment or more frequently if any indicators of impairment arise. Goodwill is allocated to a cash generating unit (CGU) for the purpose of impairment testing, with the allocation to those CGUs that are expected to benefit from the business combination in which the goodwill arose (see note 14 of the Financial Statements to 31 March 2022).

The costs of acquiring intangible assets such as fund management contracts are capitalised where it is probable that future economic benefits that are attributable to the assets will flow to the Group and the cost of the assets can be measured reliably. The assets are held at cost less accumulated amortisation. An assessment is made at each reporting date, on a standalone basis for each intangible asset, as to whether there is any indication that the asset in use may be impaired. If any such indication exists and the carrying value exceeds the estimated recoverable amount at the time, the assets are written down to their recoverable amount. The recoverable amount is measured as the greater of fair value less costs to sell and value in use. Further information on the impairment testing and estimates used are contained in note 9.

The fund management contracts and segregated clients contracts relating to the assets acquired as part of the acquisitions of Alliance Trust Investments Limited; Neptune Investment Management Limited; Architas Multi-Manager Limited and Architas Advisory Services Limited (together "Architas") and Majedie Investment Management Limited are recorded initially at fair value and recorded in the consolidated financial statements as intangible assets, they are then amortised over their useful lives on a straight-line basis. Management have determined that the useful life of these assets is between 5 and 10 years owing to the nature of the acquired products. Impairment is tested through measuring the recoverable amount against the carrying value of the related intangible asset. The recoverable amount is the higher of the fair value less costs to sell and its value in use. The Directors assess the value in use using a multi-period excess earnings model which requires a number of inputs requiring management estimates, the most significant of which include: future AumA growth, useful economic life and discount rates. In the current period, significant estimates were only required for the intangible assets in relation to Architas and Majedie (see notes 9 and 10 for further detail).

Impairment losses on goodwill, where these are identified, are not reversed. Impairment is tested through measuring the recoverable amount against the carrying value of the related goodwill. The recoverable amount is the higher of the fair value less costs to sell the CGU and its value in use. Value in use is assessed using a multi-period excess earnings model which requires a number of inputs requiring management estimates and judgements, the most significant of which are: future new business, AumA growth, discount rates and terminal growth rate.

In the current period, significant estimates were only required to be reassessed for the goodwill assets in relation to Architas and Majedie (see notes 9 and 10 for further details). Due to the strong performance and growth of the Sustainable Investment team (acquired as part of the ATI acquisition) and the Global Equity team (acquired as part of the Neptune acquisition) since acquisition there is no significant estimation in relation to the impairment of the related goodwill allocated to the Sustainable and Global Equity Investment teams' CGU.

2 ALTERNATIVE PERFORMANCE MEASURES ('APMS')

ADJUSTED PROFIT BEFORE TAX

Definition: Profit before taxation, amortisation, and non-recurring items (which include: professional fees relating to acquisitions; restructuring and severance compensation related costs).

Reconciliation: Note 6.

Reason for use: This is used to present a measure of profitability of the Group which is aligned to the requirements of shareholders, potential shareholders and financial analysts, and which removes the effects of non-cash and non-recurring items, which eases the comparison with the Group's competitors who may use different accounting policies and financing methods.

Specifically, calculation of Adjusted profit before tax excludes amortisation expenses, and costs associated with acquisitions and their integration into the Group. It provides shareholders, potential shareholders and financial analysts a consistent year on year basis of comparison of a "profit before tax number", when comparing the current year to the previous year and also when comparing multiple historical years to the current year, of how the underlying ongoing business is performing.

ADJUSTED OPERATING PROFIT

Definition: Operating profit before interest and amortisation, and non-recurring items (which include: professional fees relating to acquisitions; restructuring and severance compensation related costs).

Reconciliation: Note 6.

Reason for use: This is used to present a measure of profitability of the Group which is aligned to the requirements of shareholders, potential shareholders and financial analysts, and which removes the effects of financing and capital investment, which eases the comparison with the Group's competitors who may use different accounting policies and financing methods.

Specifically, calculation of Adjusted operating profit before tax excludes amortisation expenses, and costs associated with acquisitions and their integration into the Group. It provides shareholders, potential shareholders and financial analysts a consistent year on year basis of comparison of a "operating profit", when comparing the current year to the previous year and also when comparing multiple historical years to the current year, of how the underlying business is performing.

ADJUSTED OPERATING MARGIN

Definition: Adjusted operating profit divided by Gross profit.

Reconciliation: Note 6.

Reason for use: This is used to present a consistent year on year measure of adjusted operating profit compared to gross profits, identifying the operating gearing within the business.

GROSS PROFIT EXCLUDING PERFORMANCE FEES

Definition: Gross profit less any revenue attributable to performance related fees.

Reconciliation: Note 3

Reason for use: This is used to present a consistent year on year measure of gross profits within the business, removing the element of revenue that may fluctuate significantly year-on-year.

ADJUSTED EARNINGS PER SHARE

Definition: Adjusted profit before tax divided by the weighted average number of shares in issue.

Reconciliation: Note 6

Reason for use: This is used to present a measure of profitability per share in line with the adjusted profit as detailed above.

ADJUSTED DILUTED EARNINGS PER SHARE

Definition: Adjusted profit before tax divided by the diluted weighted average number of shares in issue.

Reconciliation: Note 6.

Reason for use: This is used to present a measure of profitability per share in line with the adjusted profit as detailed above.

OTHER ADMINISTRATION EXPENSE

Definition: a component of administration expenses related to non-people related costs within the business.

Reconciliation: Note 6

3 SEGMENTAL REPORTING

The Group operates only in one business segment - Investment management.

The Group offers different fund products through different distribution channels. All financial, business and strategic decisions are made centrally by the Board, which determines the key performance indicators of the Group. The Group reviews financial information presented at a Group level. The Board, is therefore, the chief operating decision-maker for the Group. The information used to allocate resources and assess performance is reviewed for the Group as a whole. On this basis, the Group considers itself to be a single-segment investment management business.

4 REVENUE

	Six months to 30-Sep-22 (unaudited) £'000	Six months to 30-Sep-21 (unaudited) £'000	Year ended 31-Mar-22 (audited) £'000
Revenue			
- Revenue	116,785	114,893	232,976
- Performance fee revenue	–	–	12,595
Total Revenue	**116,785**	**114,893**	**245,571**
Cost of sales	(7,984)	(6,348)	(14,252)
Gross Profit	**108,801**	**108,545**	**231,319**

Revenue from earnings includes:

- Investment management on unit trusts, open-ended investment companies sub-funds, portfolios and segregated account.
- Performance fees on unit trusts, open-ended investment companies sub-funds, portfolios and segregated accounts.
- Fixed administration fees on unit trusts and open-ended investment companies sub-funds.
- Net value of sales and repurchases of units in unit trusts and shares in open-ended investment companies (net of discounts).
- Net value of liquidations and creations of units in unit trusts and shares in open-ended investment companies sub-fund.
- Box profits on unit trusts - the "at risk" trading profit or loss arising from changes in the valuation of holdings of units in Group Unit Trusts to help manage client sales into, and redemptions from the trust.
- Foreign currency gains and losses.
- Less contractual rebates paid to customers.

The cost of sales includes:

- Operating expenses including (but not limited to) keeping a record of investor holdings, paying income, sending annual and interim reports, valuing fund assets and calculating prices, maintaining fund accounting records, depositary and trustee oversight and auditors.
- Sales commission paid or payable to third parties.
- External investment advisory fees paid or payable.

5 ADMINISTRATION EXPENSES

	Six months to 30-Sep-22 (unaudited) £'000	Six months to 30-Sep-21 (unaudited) £'000	Year ended 31-Mar-22 (audited) £'000
Employee related expenses			
Wages and salaries	13,541	20,060	35,221
Social security costs	1,912	2,864	4,539
Pension costs	1,176	866	1,745
Share incentivisation expense	1,304	2,974	3,446
DBVAP expense	1,263	1,344	2,405
Severance compensation	3,522	4	704
	22,718	**28,112**	**48,060**
Non-employee related expenses			
Members' drawings charged as an expense	24,549	24,314	54,639
Members' share incentivisation expense	228	971	1,257
Members' severance	35	114	–
Professional services[1]	4,654	3,255	6,920
Depreciation	970	959	2,474
Intangible asset amortisation and Impairment	20,590	4,820	9,641
Other administration expenses	21,460	14,941	28,925
Total administration expenses	**95,204**	**77,486**	**151,916**

[1] Includes acquisition related and restructuring costs for Architas/Neptune/Majedie.

6 ADJUSTED PROFIT BEFORE TAX

Adjusted profit before tax is reconciled in the table below:

	Six months to 30-Sep-22 (unaudited) £'000	Six months to 30-Sep-21 (unaudited restated) £'000	Year ended 31-Mar-22 (audited) £'000
Profit before tax for the period	14,066	31,063	79,291
Severance compensation and staff reorganisation costs	3,557	118	704
Professional services[2]	4,654	3,255	6,920
Intangible asset amortisation and impairment	20,590	4,820	9,641
Adjustments	28,801	8,193	17,265
Adjusted profit before tax	**42,867**	**39,256**	**96,556**
Interest receivable	(45)	(3)	(4)
Interest payable	–	–	–
Adjusted operating profit	**42,822**	**39,253**	**96,552**
Adjusted operating margin	**39.4%**	**36.2%**	**41.7%**
Adjusted basic earnings per share	54.17	52.50	129.00
Adjusted diluted earnings per share	53.87	51.82	127.63

[2] Includes acquisition related and restructuring costs for Architas/Neptune/Majedie.

Following the change in calculation methodology the Adjusted profit reconciliation for the half year ended 30 September 2021 has been represented under the new methodology which shows what the adjusted profit would have been in the prior half year period.

7 TAXATION

The half yearly tax charge has been calculated at the estimated full year effective UK corporation tax rate of 19% (2021: 19%).

8 EARNINGS PER SHARE

The calculation of basic earnings per share is based on profit after taxation and the weighted average number of Ordinary Shares in issue for each period as shown in the table below. Shares held by the Liontrust Asset Management Employee Trust are not eligible for dividends and are treated as cancelled for the purposes of calculating earnings per share.

Diluted earnings per share is calculated on the same bases as set out above, after adjusting the weighted average number of Ordinary Shares for the effect of options to subscribe for new Ordinary Shares that were in existence during the six months ended 30 September 2022 as shown in the table below. This is reconciled to the actual weighted number of Ordinary Shares as follows:

	30-Sep-22	30-Sep-21	31-Mar-22
Weighted average number of Ordinary Shares	64,099,257	60,570,438	60,628,715
Weighted average number of dilutive Ordinary shares under option:			
- to Liontrust Long Term Incentive Plan	352,420	757,386	625,902
- to the Liontrust CSOP	2,500	28,419	22,863
Diluted weighted average number of Ordinary Shares	**64,454,177**	**61,356,243**	**61,277,480**

9 INTANGIBLE ASSETS

Intangible assets represent investment management contracts that have been capitalised upon acquisition and are amortised on a straight-line basis over a period of their useful economic life. The intangible asset on the balance sheet represents investment management contracts as follows:

	30-Sep-22 £'000	30-Sep-21 £'000	31-Mar-22 £'000
Investment management contracts acquired from ATI	5,400	6,600	6,000
Investment management contracts acquired from Neptune	21,196	24,224	22,710
Investment management contracts acquired from Architas	34,955	49,168	46,461
Investment management contracts acquired from Majedie[1]	20,087	–	–
Segregated client contracts acquired from Majedie[1]	16,010	–	–
	97,648	**79,992**	**75,171**

[1] See Note 11

Impairment of intangible assets

Architas

Indicators of impairment were identified for the Architas investment management contract intangible due to higher than expected fund outflows and negative market returns leading to forecast revenues being lower than originally forecast. The value of the intangible assets have therefore been retested as at 30 September 202 which has resulted in an impairment of the Architas investment management contract intangible of £8.800 million.

Majedie

Indicators of impairment were identified for the Majedie investment management contracts and segregated clients intangible assets as at 30 September 2022 due to the current macroeconomic and geopolitical climate and its resultant impact on outflows. The value of the intangible assets have therefore been retested as at 30 September 2022 which has resulted in an impairment of the Majedie investment management contract intangible of £4.016 million.

Impairment losses are recognised in the statement of comprehensive income in amortisation:

	Architas £'000	Majedie £'000	Total £'000
Intangible asset at 1 April 2022	46,461	43,067	89,528
Amortisation	(2,706)	(2,954)	(5,660)
Impairment loss	(8,800)	(4,016)	(10,950)
Intangible asset at 30 September 2022	34,955	36,097	72,917
Discount rate	**12.4%**	**11.4%**	

The discount rate used in the intangible models was a market participant weighted average cost of capital, determined using the capital asset pricing model (post-tax) and calibrated using current assessments of market equity risk premia, company risk / beta, small company premium, tax rates and gearing; and specific risk premium for the relevant intangible asset. The appropriate discount rate is appraised at the date of the relevant transaction and then also at the reporting date to enable impairment reviews and testing.

10 GOODWILL

Goodwill is allocated to the CGU to which it relates as the underlying funds acquired in each business acquisition are clearly identifiable to the ongoing investment team that is managing them. The ATI Goodwill on acquisition is allocated to the Sustainable Funds team CGU and at 30 September 2022 was £11,874,000 (31 March 2022: £11,874,000). An assessment was made in relation to impairment of the goodwill where the recoverable amount, based on a value in use, was calculated using an earnings model which used key assumptions such as the discount rate (12.4%, 31 March 2022: 12.8%), terminal growth rate (2%, 31 March 2022: 2%) and net AuMA growth (5%, 2020: 5%). Sensitivity analysis was carried out on this model which significantly reduced the forecast net AuMA growth and increased the discount rate. These changes in estimates would not lead to any impairment in the carrying value of this goodwill.

The Neptune Goodwill on acquisition is allocated to the Global Equities team CGU and at 30 September 2022 was £7,753,000 (31 March 2022: £7,753,000). At 30 September 2022 an assessment was made in relation to impairment of the goodwill where the recoverable amount, based on a value in use, was calculated using an earnings model with reference to the projected cashflows relating to the CGU over a period of 5 years, which used key assumptions such as net AuMA growth, comprising net sales of £150 million and market growth rate (5%, 31 March 2022: 5%), terminal growth rate (2%, 31 March 2022: 2%) and a discount rate (12.4%, 31 March 2022: 12.8%). Based on these reasonable estimates there was no indication of impairment.

The Architas Goodwill on acquisition is allocated to the Multi Asset team CGU and at 30 September 2022 was £7,951,000 (31 March 2022: £7,951,000). At 30 September 2022 an assessment was made in relation to impairment of the goodwill where the recoverable amount, based on a value in use, was calculated using an earnings model with reference to the projected cashflows relating to the CGU over a period of 5 years, which used key assumptions such as net sales, net AuMA growth rates (4% per annum), terminal growth rate (2%) and a discount rate of 12.4%. Based on this assessment there was no indication of impairment.

Sensitivity analysis was carried out on this model which included changing the discount rate and reducing the net AuMA growth. The discount rate could be increased by 1.1% (10% increase in rate) without impairing goodwill and resulted in a £9.9 million reduction in headroom. Net new business flows could be reduced to nil without impacting goodwill and resulted in a £27.8 million reduction in headroom. However, reducing the AuMA growth to nil would result in the carrying value of goodwill being fully impaired. Management consider this to be a reasonably possible scenario, however the five year modelling timeframe would give ample time for management action. Given the significant headroom in our base forecasts management have concluded that no impairment of the goodwill is required. An assessment of the goodwill will be reperformed at the financial year end.

The Majedie goodwill on acquisition is allocated to the Global Fundamental team CGU and at 30 September 2022 was £11,006,000 (31 March 2022: £N/A). At 30 September 2022 an assessment was made in relation to impairment of the goodwill where the recoverable amount, based on a value in use, was calculated using an earnings model with reference to the projected cashflows relating to the CGU over a period of 5 years, which used key assumptions such net sales, net AuMA growth rates (variable based on management forecast), terminal growth rate (2%) and a discount rate of 11.4%. Based on this assessment there was no indication of impairment.

Sensitivity analysis was carried out on this model which included changing the discount rate and reducing the net AuMA growth. The discount rate could be increased by 1.1% (10% increase in rate) without impairing goodwill and resulted in a £6.1 million reduction in headroom. Net new business flows could be reduced to nil without impacting goodwill and resulted in a £11.4 million reduction in headroom. However, reducing the fund net sales to nil and market growth to -5.6% would result in the carrying value of goodwill being fully impaired. Management consider this to be a reasonably possible scenario, however the five year modelling timeframe would give ample time for management action. Given the significant headroom in our base forecasts management have concluded that no impairment of the goodwill is required. An assessment of the goodwill will be reperformed at the financial year end.

	£'000
ATI – Sustainable investment team	11,874
Neptune – Global Equity team	7,753
Architas – Multi-Asset team	7,951
Majedie – Global Fundamental team	11,006
	38,584

11 MAJEDIE ACQUISITION

Acquisition of Majedie Asset Management

On 1 April 2022 the Company acquired the entire issued share capital of Majedie Asset Management Limited ("Majedie") for a cost of £54.060 million. The consideration was funded by an issue of 3,683,220 shares raising £48.175 million. The acquisition adds a further highly regarded investment team and distinct investment process, the Global Fundamental team; and provides broader distribution and growth opportunities in our institutional and investment trust business.

The goodwill of £11.006 million arising from the acquisition, allocated to the Global Fundamental fund management team, is attributable to the acquired funds, customers and segregated accounts; and the expected economies of scale, growth opportunities and efficiencies from combining the operations of Majedie with the Group.

The total consideration was £54.060 million and is summarised in the following table showing the fair value of assets and liabilities acquired at completion:

	£'000	£'000
Fair value of consideration payable:		
Equity instruments (3,683,220 shares issued on completion)	48,175	
Cash[4]	4,036	
Deferred consideration	1,849	
Total consideration		54,060
Recognised amounts of identifiable assets acquired and liabilities assumed:		
Fixed assets	90	
Cash	17,633	
Trade and other receivables	10,650	
Trade and other payables	(17,974)	
Tangible assets acquired		10,399
Intangible assets – investment management contracts	27,056	
Intangible assets – segregated clients	16,010	
		43,066
Deferred tax liability		(10,411)
Goodwill		11,006
Net assets acquired		54,060

[4] Cash consideration payable for the excess of the net asset value of Majedie at the completion date over £5.5 million.

Acquisition costs of £1.198 million and reorganisation costs of £5.917 million have been charged to administrative expenses in the consolidated statement of the comprehensive income for the period to 30 September 2022.

Two further tranches of deferred consideration are payable subject to conditions:

1. **Performance fee consideration** – a maximum of 538,674 shares in Liontrust is payable if performance fee targets are met by 31 March 2025 subject to an AUM target at 31 March 2023. Management consider that this AUM target will not be met and therefore NIL consideration is expected to be paid.

2. **Client consideration** – a maximum of £20 million payable subject to Liontrust being appointed as investment manager by a specified client before 31 March 2023. The expected value of this consideration, based on a probability weighted expected returns model, is £1.849 million.

The identifiable assets acquired are accounted for at fair value. The fair value of intangible assets acquired was calculated using a Multiple Periods Excess Earnings Model ('MPEEM') which takes into account the future expected revenue and costs linked to the assets acquired. Due to the different characteristics of fund management contracts and segregated client relationships the related intangible assets were modelled separately. The MPEEM model assisted the Group in arriving at the valuation of £21.057 million for the fund management contracts and £16.010 million for segregated client relationships which management believe is appropriate.

The material accounting judgements used by management in the MPEEM included the useful economic life of the assets (10 years for funds, 5 years for segregated), the discount rate (12.7%), and net AuMA growth rate (variable). A 1% increase/ decrease in the discount rate used would result in a decrease/ increase in the value of the fund intangible of £1.452 million and £1.636 million respectively and segregated intangible of £0.447 million and £0.477 million respectively; and a corresponding increase/ decrease in the value of goodwill of £1.438 million and £1.600 million. An increase/decrease in net AuMA growth of 1% would result in an increase/decrease in the value of the funds intangible of £2.041 million and £1.812 million respectively and segregated intangible of +/-£0.002 million; and a corresponding decrease/increase in the value of goodwill of £1.541 million and £1.369 million respectively.

Goodwill on acquisition is allocated to the Global Fundamental team CGU, see note 10 for details. Testing of the value of goodwill at 30 September 2022 does not indicate any impairment.

12 TRADE AND OTHER RECEIVABLES

	30-Sep-22 £'000	30-Sep-21 £'000	31-Mar-22 £'000
Trade receivables			
- Fees receivable	19,325	22,703	29,989
- Unit Trust sales and cancellations	190,656	211,316	200,754
Prepayments and accrued income	8,631	6,916	4,753
	218,612	**240,935**	**235,496**

All financial assets listed above are non-interest bearing. The carrying amount of these non-interest-bearing trade and other receivables approximates their fair value. As at 30 September 2022, trade receivables of £nil (2021: £nil) were past due but not impaired. Expected credit losses are immaterial.

13 FINANCIAL ASSETS

The Group holds financial assets that have been categorised within one of three levels using a fair value hierarchy that reflects the significance of the inputs into measuring the fair value. These levels are based on the degree to which the fair value is observable and are defined as follows:

- **Level 1** fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets and liabilities;
- **Level 2** fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices);
- **Level 3** fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

As at the balance sheet date all financial assets are categorised as Level 1.

Under IFRS9 all financial assets are categorised as Assets held at fair value through profit and loss.

The financial assets consist of units held in the Group's collective investment schemes as part of a 'manager's box, assets held by the EBT in respect of the Liontrust DBVAP and assets held in Liontrust Global Funds plc to assist administration. The holdings are valued on a mid or bid basis.

14 RELATED PARTY TRANSACTIONS

During the six months to 30 September 2022 the Group received fees from unit trusts and ICVCs under management of £102,678,000 (2021: £116,146,000). Transactions with these funds comprised creations of £1,953,952,000 (2021: £3,980,800,000) and liquidations of £2,878,294,000 (2021: £2,195,098,000). As at 30 September 2022 the Group owed the unit trusts £190,172,000 (2021: £211,545,000) in respect of unit trust creations and was owed £204,931,000 (2021: £231,108,000) in respect of unit trust cancellations and fees.

During the six months to 30 September 2022 the Group received fees from offshore funds under management of £3,869,000 (2021: £5,655,000). Transactions with these funds comprised purchases of £88,000 (2021: £40,000) and sales of £57,000 (2021: £nil). As at 30 September 2022 the Group was owed £606,000 (2021: £753,000) in respect of management fees.

Directors and management can invest in funds managed by the Group on commercial terms that are no more favourable than those available to staff in general.

15 POST BALANCE SHEET DATE EVENT

There were no post balance sheet events.

16 KEY RISKS

The Directors have identified the risks and uncertainties that affect the Group's business and believe that they will be substantially the same for the second half of the year as the current risks as identified in the 2022 Annual Report. These can be broken down into risks that are within the management's influence and risks that are outside it.

Risks that are within management's influence include areas such as the expansion of the business, prolonged periods of under-performance, loss of key personnel, human error, poor communication and service leading to reputational damage and fraud.

Risks outside the management's influence include falling markets, terrorism, a deteriorating UK economy, investment industry price competition and hostile takeovers.

Management monitor all risks to the business, they record how each risk is mitigated and have warning flags to identify increased risk levels. Management recognise the importance of risk management and view it as an integral part of the management process which is tied into the business model and is described further in the Risk management and internal control section on page 64 of the 2022 Annual Report and Note 2 "Financial risk management" on page 150 of the 2022 Annual Report.

17 CONTINGENT ASSETS AND LIABILITIES

The Group can earn performance fees on some of the segregated and fund accounts that it manages. In some cases a proportion of the fee earned is deferred until the next performance fee is payable or offset against future underperformance on that account. As there is no certainty that such deferred fees will be collectable in future years, the Group's accounting policy is to include performance fees in income only when they become due and collectable and therefore the element (if any) deferred beyond 30 September 2022 has not been recognised in the results for the period.

18 DIRECTORS' RESPONSIBILITIES

The Directors confirm that this condensed set of interim financial statements has been prepared in accordance with IAS 34 as adopted by the European Union, and that the Half Yearly Report herein includes a fair review of the information required by DTR 4.2.7, being an indication of important events that have occurred during the first six months of the current financial year and their impact on the condensed set of financial statements; and a description of the principal risks and uncertainties for the remaining six months of the year; and DTR 4.2.8, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Group during that period; and any changes in the related party transactions described in the last Annual Report and Accounts that could have a material effect on the financial position or performance of the Group in the past six months of the current financial year.

By Order of the Board

John S. Ions Chief Executive	Vinay K. Abrol Chief Operating Officer and Chief Financial Officer

17 November 2022

FORWARD LOOKING STATEMENTS

This Half Year Report contains certain forward-looking statements with respect to the financial condition, results of operations and businesses and plans of the Group. These statements and forecasts involve risk and uncertainty because they relate to events and depend upon circumstances that have not yet occurred. There are a number of factors that could cause actual results or developments to differ materially from those expressed or implied by these forward-looking statements and forecasts. As a result, the Group's actual future financial condition, results of operations and business and plans may differ materially from the plans, goals and expectations expressed or implied by these forward-looking statements. Liontrust undertakes no obligation publicly to update or revise forward-looking statements, except as may be required by applicable law and regulation (including the Listing Rules of the Financial Conduct Authority). Nothing in this Half Year Report should be construed as a profit forecast or be relied upon as a guide to future performance.

The release, publication, transmission or distribution of this Half Year Report in jurisdictions other than the United Kingdom may be restricted by law and therefore persons in such jurisdictions into which this Half Year Report is released, published, transmitted or distributed should inform themselves about and observe such restrictions. Any failure to comply with the restrictions may constitute a violation of the securities laws of any such jurisdiction.

INDEPENDENT REVIEW REPORT TO LIONTRUST ASSET MANAGEMENT PLC

Conclusion

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2022 which comprises consolidated statement of balance sheet, consolidated statement of comprehensive income, consolidated cash flow statement, consolidated statement of changes in equity and the related explanatory notes.

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 September 2022 is not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting as adopted for use in the UK and the Disclosure Guidance and Transparency Rules ("the DTR") of the UK's Financial Conduct Authority ("the UK FCA").

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity ("ISRE (UK) 2410") issued for use in the UK. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. We read the other information contained in the half-yearly financial report and consider whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusions relating to going concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis of conclusion section of this report, nothing has come to our attention that causes us to believe that the directors have inappropriately adopted the going concern basis of accounting, or that the directors have identified material uncertainties relating to going concern that have not been appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the group to cease to continue as a going concern, and the above conclusions are not a guarantee that the group will continue in operation.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the DTR of the UK FCA.

The annual financial statements of the group are prepared in accordance with UK-adopted international accounting standards.

The directors are responsible for preparing the condensed set of financial statements included in the half-yearly financial report in accordance with IAS 34 as adopted for use in the UK.

In preparing the condensed set of financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Our responsibility

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review. Our conclusion, including our conclusions relating to going concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion section of this report. The purpose of our review work and to whom we owe our responsibilities

This report is made solely to the company in accordance with the terms of our engagement to assist the company in meeting the requirements of the DTR of the UK FCA. Our review has been undertaken so that we might state to the company those matters we are required to state to it in this report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company for our review work, for this report, or for the conclusions we have reached.

Jatin Patel
for and on behalf of KPMG LLP

Chartered Accountants
15 Canada Square
London
E14 5GL

17 November 2022