



Listen
Understand
Deliver

9 February 2023

Record Financial Group

Capital Markets Event

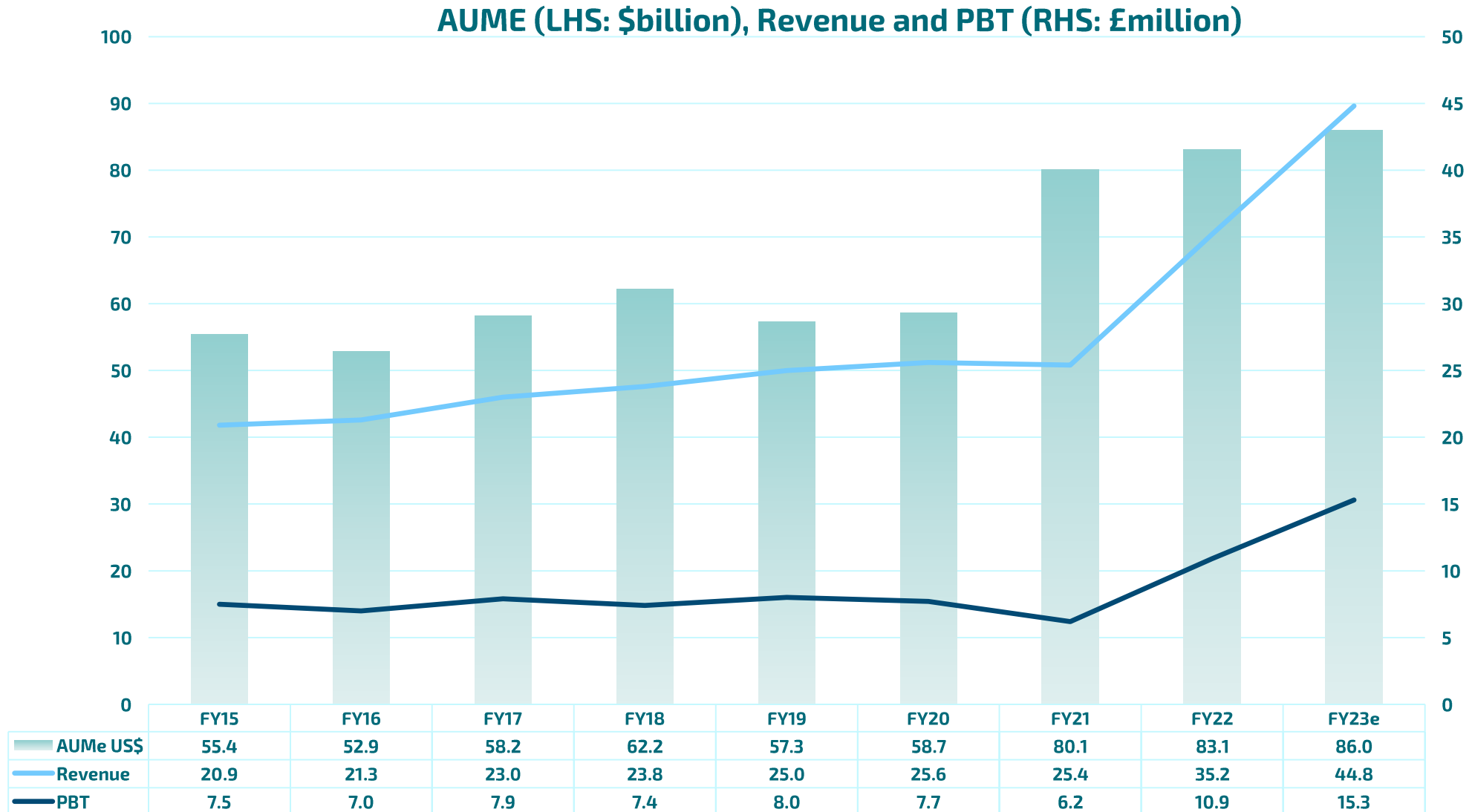
9 February 2023

Recordfg.com

Agenda

- Financial review - recap
- Diversification
 - Record Asset Management
 - Record Digital
- Modernisation
- Conclusion

AUMe and Financials - recap



Growth drivers and progress in 3 year plan

Record well-positioned to capitalise on growth drivers....

Change from FX manager to asset manager gaining momentum and improving results (H1-23: PBT +46%) in last 12 months

Growth in revenue (H1-23: +35%) in last 12 months achieved across broad product suite

Innovative, higher revenue-margin products are improving operating margin

Broader expertise - recruitment of experienced hires (e.g. fixed income, frontier FX, structured products)

BaFin licence and RAIF Lux fund structure underpin expansion plans across Europe collaborating with experienced partners

Growth in pipeline of opportunities in both new and existing products

Increase in performance fees linked to interest rate differentials: FY23 YTD: £5.8m (FY-22: £0.5m)

...to achieve attractive medium-term financial targets



Revenue > £60m p.a. for FY-25



Operating margin c. 40% by FY-25



Ordinary dividend target payout ratio range between 70% to 90% of EPS

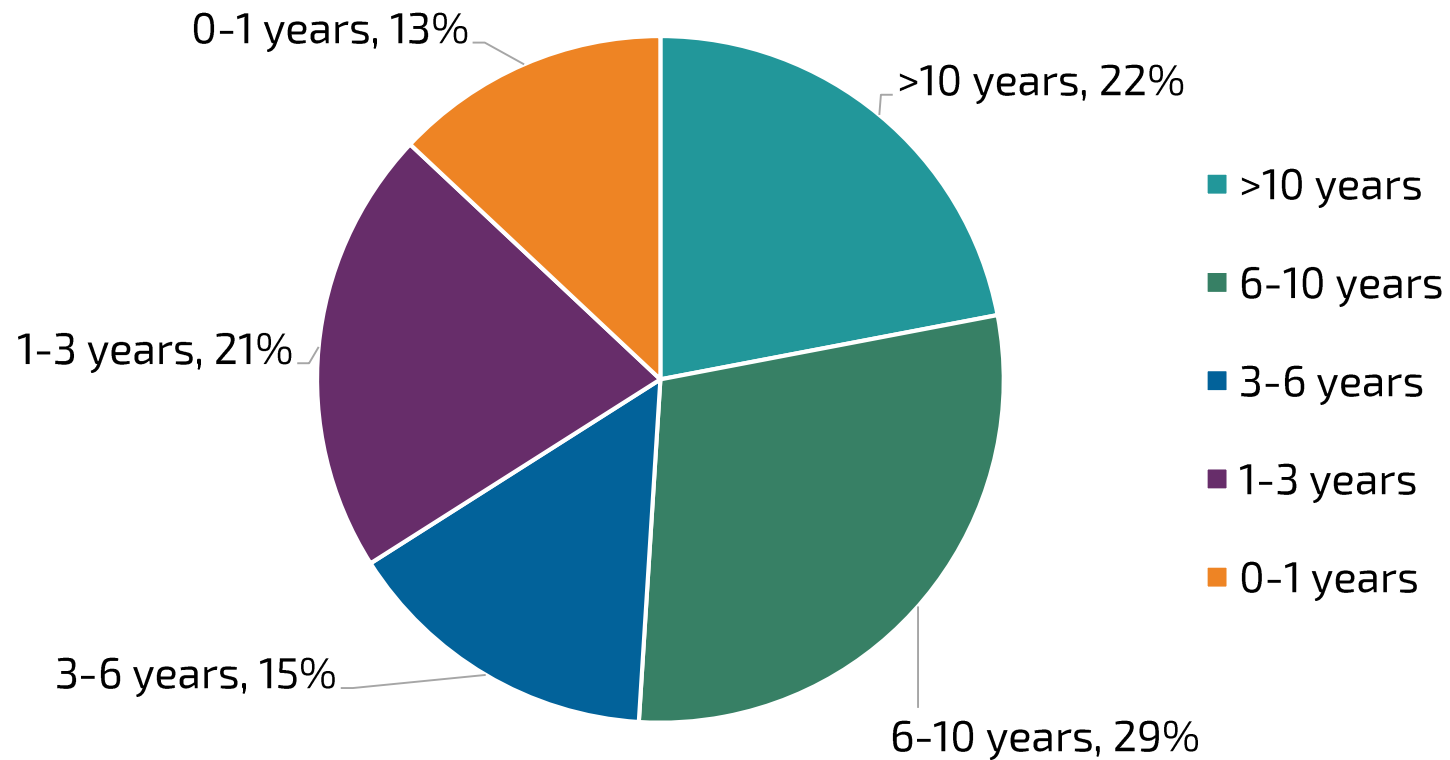


Performance fees give further opportunities to outperform targets

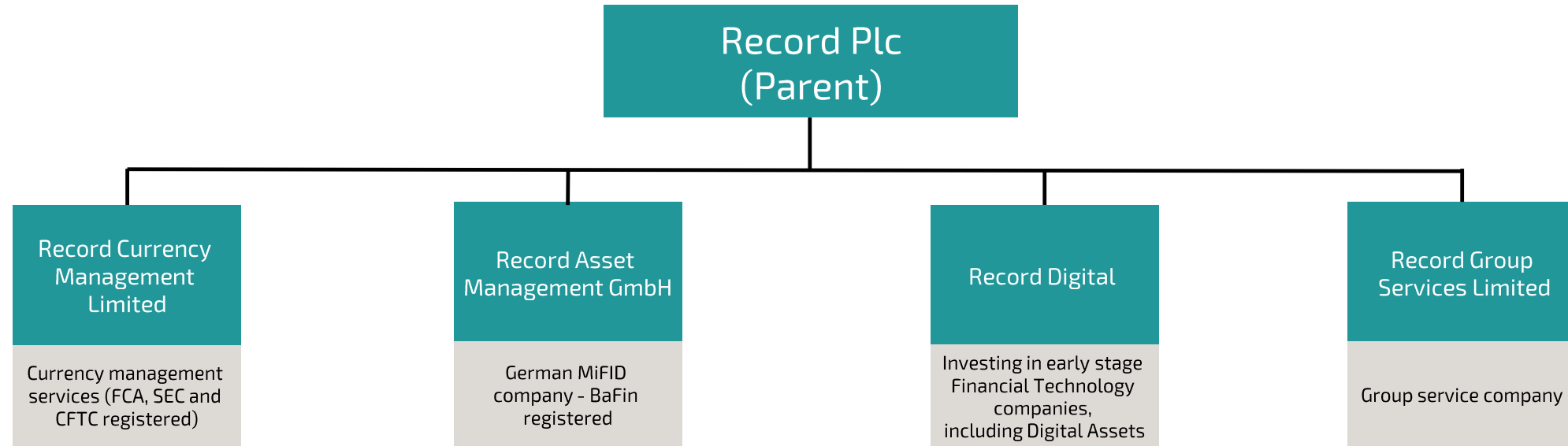
Financials

Client longevity

Client longevity as at 30 September 2022 (AUME)



Group Structure – Record Financial Group



All above subsidiaries are 100% owned by Record plc, the Group parent company.



Listen
Understand
Deliver

9 February 2023

Record Asset Management

Record Asset Management

The Company

Record Asset Management GmbH
Bockenheimer Anlage 46
60322 Frankfurt
Germany

- Registered in September 2020
- Subsidiary of Record plc
- Full BaFin license received in August 2022
- Headquartered in Frankfurt
- 7 Employees

Record Asset Management

The Founding Members



Dr Jan Hendrik Witte

- Jan has overall responsibility for client relationships, overseeing all strategic initiatives and growth targets and working to develop appropriate regional strategies and objectives.
- Member of the Record Asset Management board.
- Prior to his role as Global Head of Sales, Jan was Head of Quantitative Research and Head of Sales for Europe.
- Jan has 10 years' industry experience, having joined Record in 2012



Nicolas Thomet

- Nicolas adds private and illiquid investment ideas to traditional capital markets-based solutions.
- Member of the Record Asset Management board.
- He has 28 years of industry experience, with previous experience including Transamerica, SBC-O'Conner and Head of Value-Added Products at Citibank.
- Nicolas joined Record in 2020.



Oldrik Verloop

- Oldrik is responsible for product development and investor relations at RAM.
- Externally, he sits on the board Småkraft AS, majority owned by pension fund APG (AuM USD 550bn). His previous experience includes Strategy and Planning at Royal Dutch Shell, and Member of Management Board Aquila Capital.
- He has 22 years' industry experience, and joined Record in 2020.



Vanessa Vantol

- Vanessa is responsible for operations and supports the structuring of illiquid investment products.
- She has 16 years' experience in structuring and solutions, having previously been at Citibank as a member of the Global Value-Added Product team.
- Vanessa joined Record in 2020.

Record Asset Management

Our Partners



Siegfried
Capital Partners

- **AUM:** USD 2.4 billion
- **Specialisation:** trade finance strategies



Fasanara
Capital

- **AUM:** USD 3.7 billion
- **Specialisation:** multi-asset niche products including alternative credit digital lending and digital assets



AGL Credit
Management L.P

- **AUM:** USD 12 billion
- **Specialisation:** bank loan-based investment offerings



- **AUM:** USD 4 billion
- **Specialisation:** private equity and private credit



- **AUM:** USD 13 billion
- **Specialisation:** systematic equity investing



- **AUM:** USD 18 billion
- **Specialisation:** options strategies and risk mitigation



- **Asset under advisory:** USD 1 billion
- **Specialisation:** Sharia advisory

Record Asset Management (RAM)

Our Sales Pipeline

| | | |
|---|---------|--|
| Digital Lending (Insurance Company) | Live | \$75m (RAM as Distributor) |
| Digital Lending (Pension Fund) | Live | \$5m (RAM as Distributor) |
| Digital Lending (Pension Fund) | Live | \$150m (RAM as Distributor) |
| Private Credit (Sharia Compliant Structure) | Q1-2023 | \$40m (RAM as Distributor and Structurer) |
| Private Credit (Family Office) | Q1-2023 | \$35m (RAM as Distributor and Structurer) |
| Public Equity (Family Office) | Q1-2023 | \$260m (RAM's own AuM) |
| Private Equity (Family Office) | Q1-2023 | \$70m (RAM's own AuM) |
| Infrastructure Equity (Pension Fund) | Q2-2023 | > \$1bn (RAM's own AuM) |
| Trade Finance (Asset Manager) | Q3-2023 | > \$500m (RAM as Distributor) |



Listen
Understand
Deliver

9 February 2023

Record Digital

Recordfg.com

Our Record Digital Initiative

Generating diversifying revenues through our investments and the opportunities they present

- Long standing clients trust us and ask us for our help
- From April 2021 we ring-fenced £2mn of Rplc capital for deployment in early-stage funds and direct investment opportunities
- We had to think carefully about how to genuinely get involved with the companies we gained exposure to
- We have focused on areas where we are a potential client, our client base can benefit directly, and most importantly, where there is potential for new business opportunities

The Record Digital Team

We work with experts and rely on experience



Chris Tyrer

- Previously Head of Fidelity Digital Asset Management and Head of Fidelity Digital Assets Europe
- 22 years experience in trading and finance



Rebecca Venis

- Chief Technology Officer at Record Group
- Board member of Record Currency Management
- Non-Executive Director of Block Scholes



Phil Bickerton

- CIO Denlow Family Office
- Manages allocations across a global Venture Capital portfolio
- 11 years at JP Morgan Wealth Management

Investments

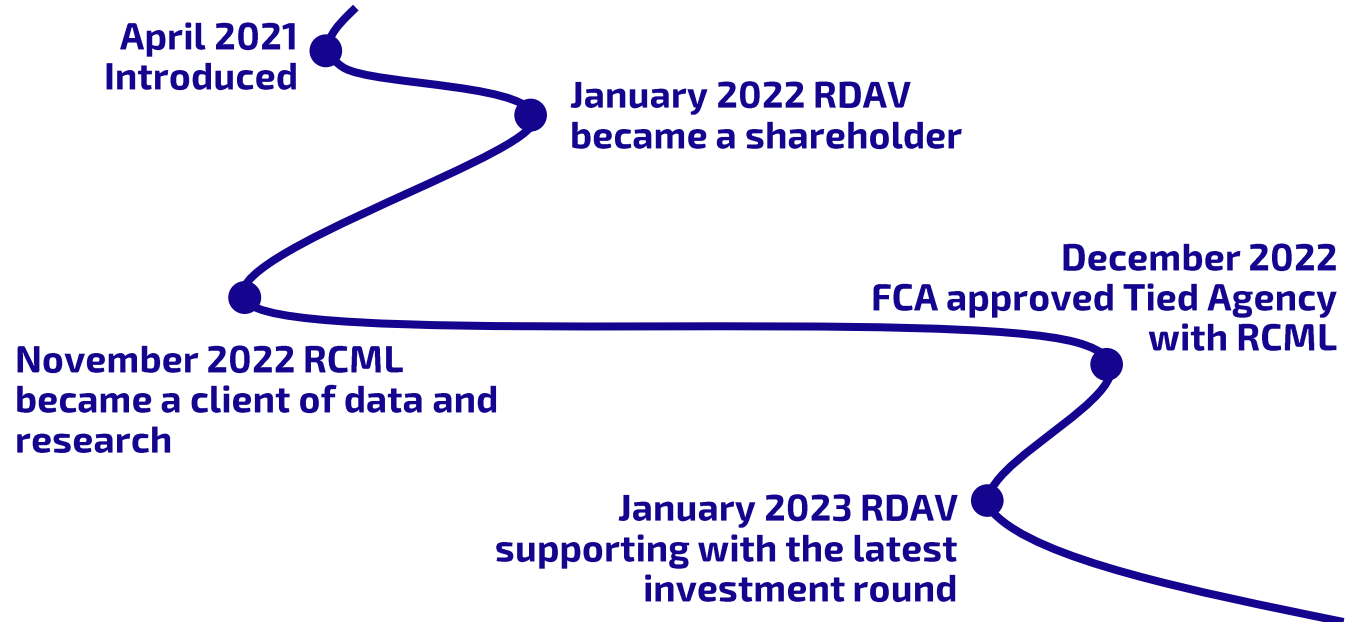
Synergies between Record and the companies we've invested in

Creating valuable partnerships

Combining our traditional structure with innovators to differentiate these companies from their competitors

BlockScholes

- Aiming to be the “Bloomberg of Digital Assets”
- Delivering institutional-grade analytics, data and research platform
- Clients include regulated Digital Asset banks



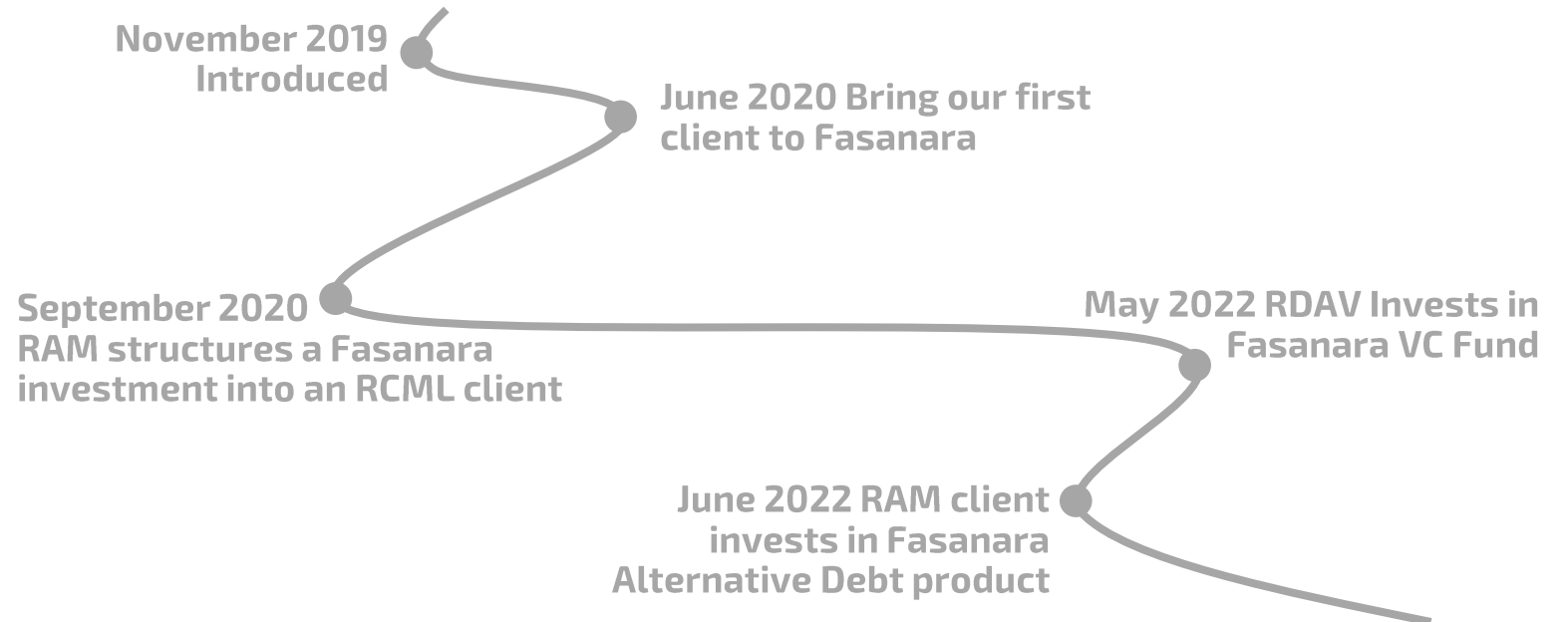
Creating valuable partnerships

Combining our traditional structure with innovators to differentiate ourselves from our competitors



Fasanara Ventures

- Specialises in multi-asset technology driven products
- Including alternative credit digital lending and digital assets
- Multiple Fasanara portfolio companies reached Unicorn status



Opportunities

Partnerships we have established with the talented people we have met

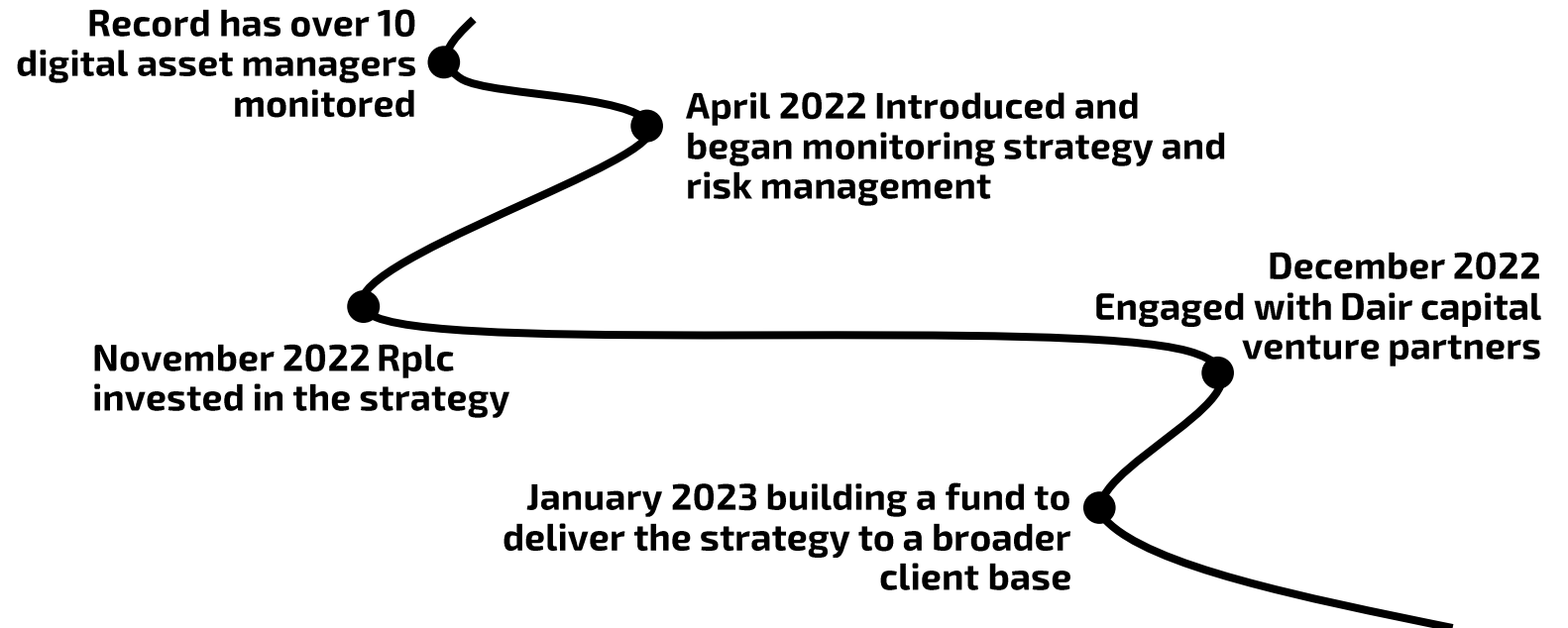
Accelerating emerging managers

We are providing a platform for managers to grow and expand in-line with client demand



Darren Dineen

- Founder and CIO of Dair Capital
- Successfully mining and trading bitcoin since 2011
 - Founded and advised technology start-ups with two successful exits



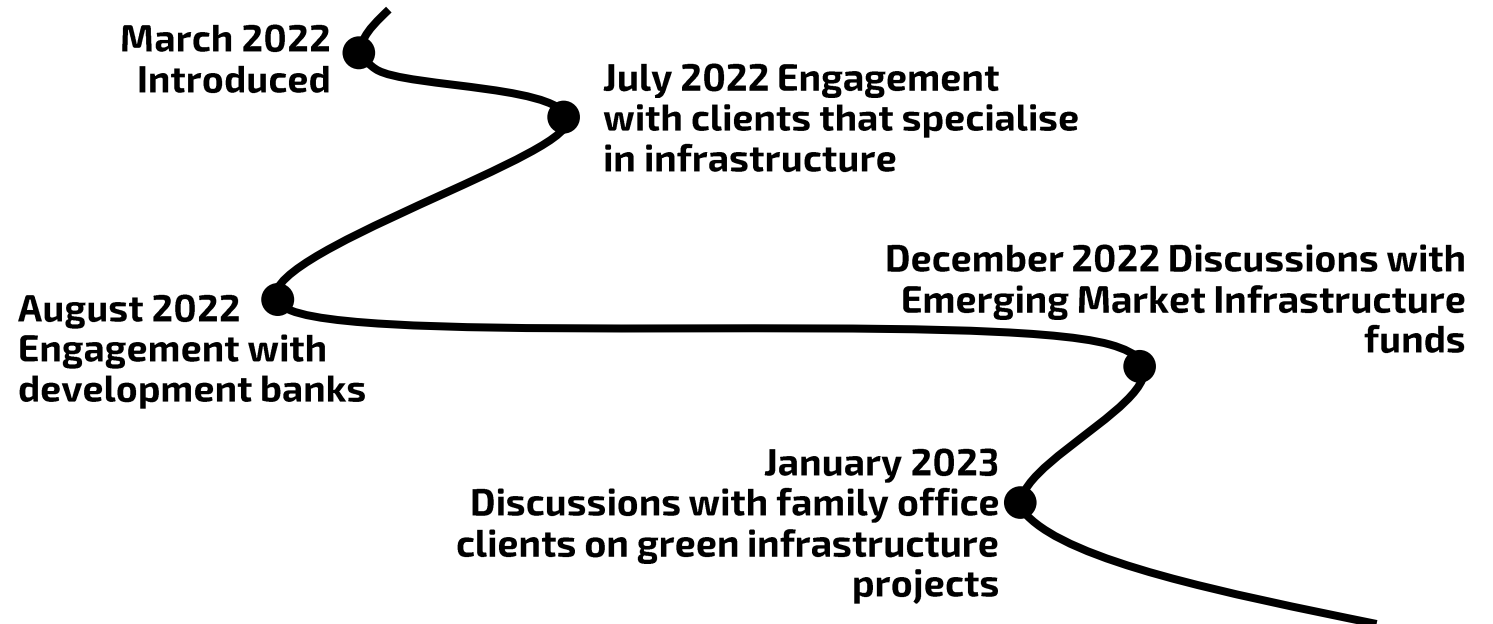
Securing long-term revenue streams

We continue to meet client-led demand by structuring infrastructure deals; focusing on renewable energy and digital infrastructure



Amir Ben-Gacem

- 20 years experience in Investment Banking
- Most recently Head of Emerging Market Sales at Credit Suisse
- Early stage Venture Capital investor





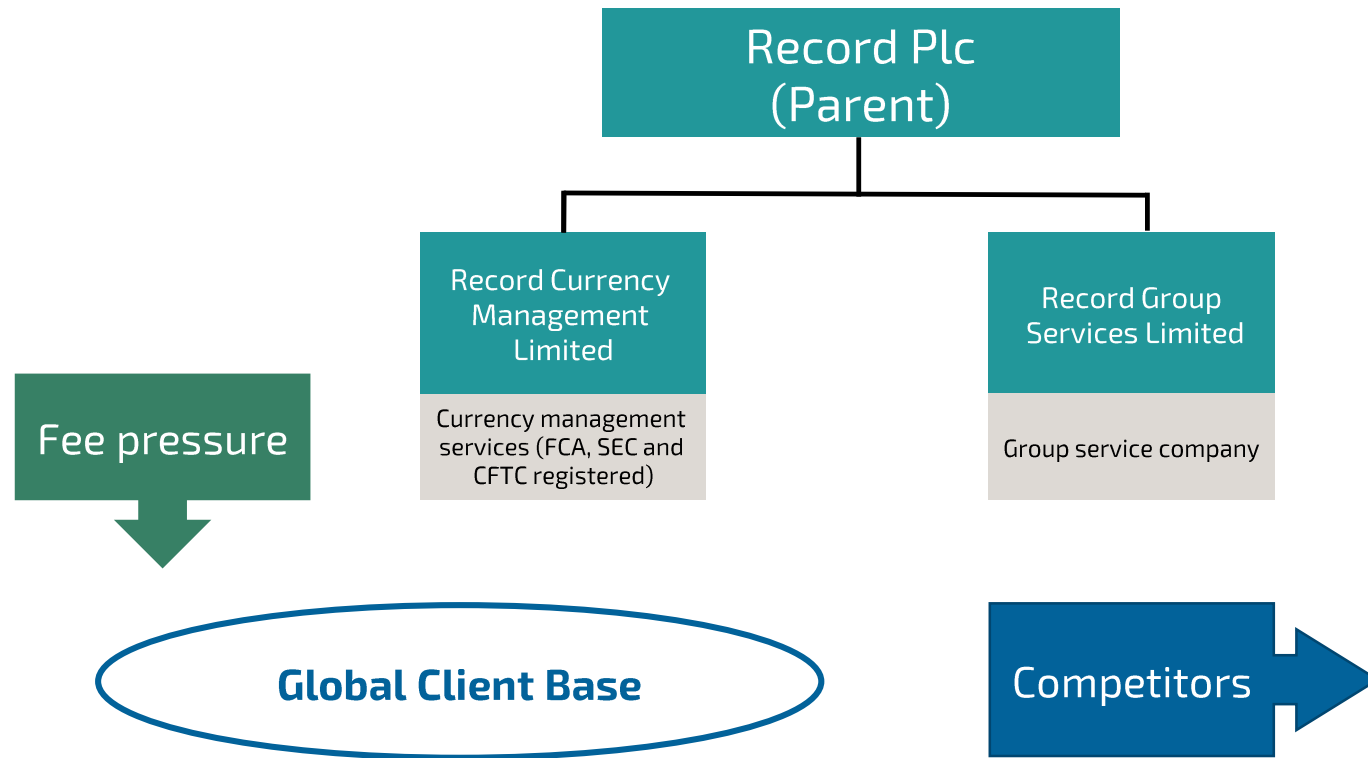
Listen
Understand
Deliver

9 February 2023

Record Group Services Ltd

Stable and consistent approach to supporting clients and the business

The drive to grow the business and market driven pressures require us to embrace change



Technological change on target and on budget

We build, buy and borrow the solutions we need to support scale and differentiate ourselves



Microsoft Azure

- Scalable & secure data storage
- Cloud computing platform, enabling scalable build, deployment and management of services and applications
- Access to latest services and technologies



Microsoft Power BI

- Connect and transform data sources with custom visualisations
- Enable self service, and Client's access to own data, enhanced service offering
- Scalable, cost effective solutions

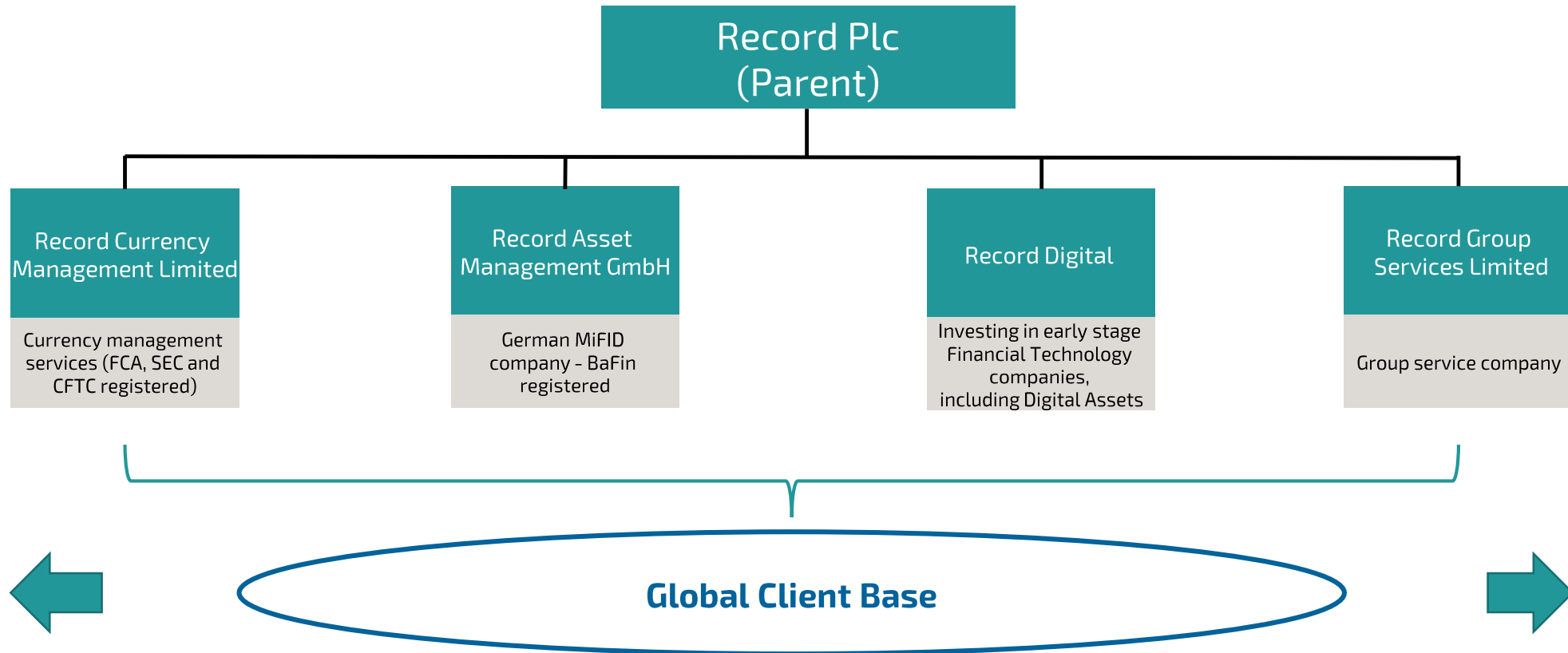


Xceptor

- Data transformation and automation platform
 - Integration with application and services to create end-to-end automated workflows
- Enable scale and drive ROI

Expansion and diversification requires a broader set of solutions and services

Our shared services model benefits all subsidiaries and the client base across the group



Medium-term financial targets



Revenue > £60m p.a. for FY-25



Operating margin c. 40% by FY-25



Ordinary dividend target payout ratio range between 70% to 90% of EPS

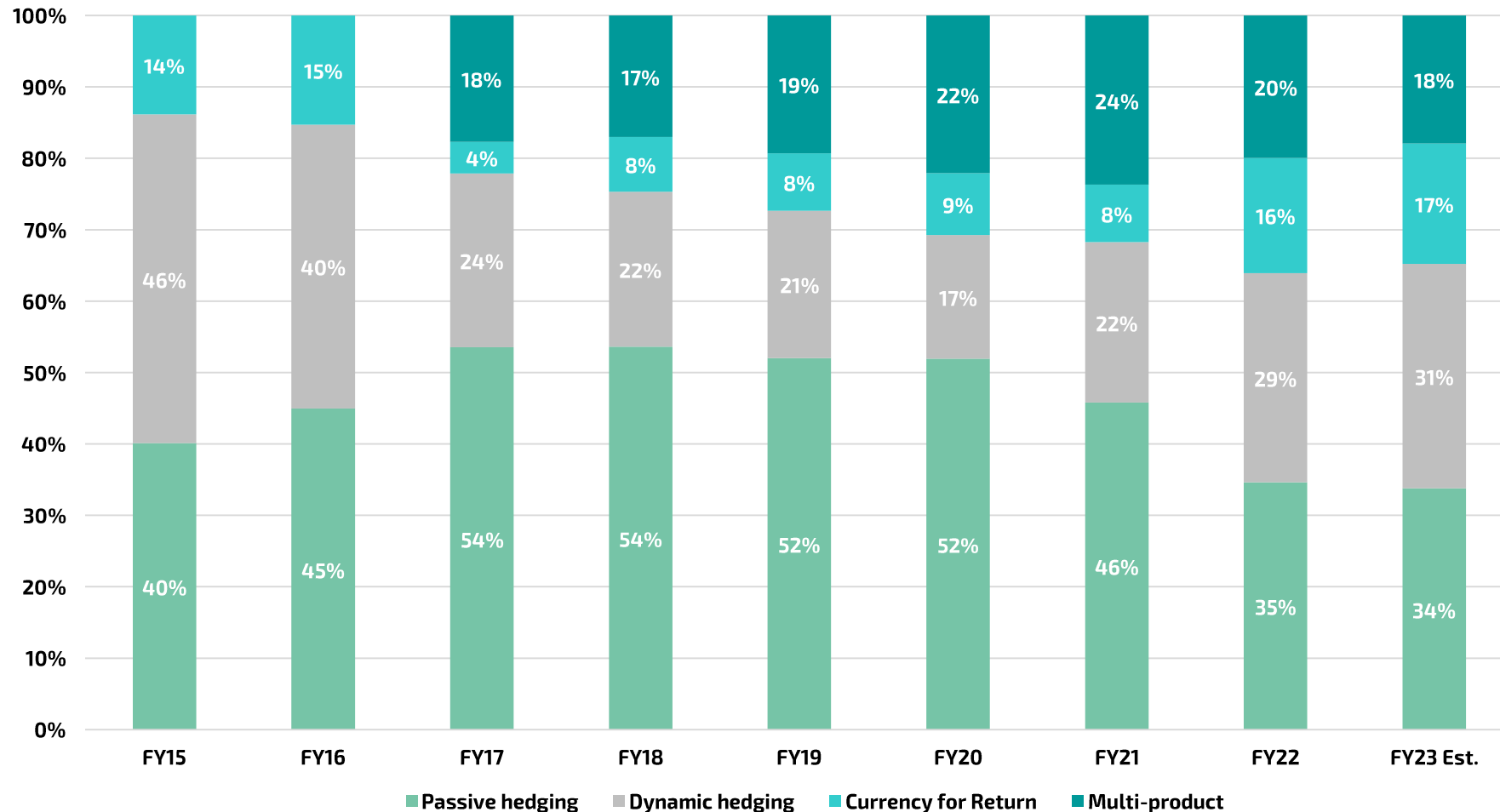


Performance fees give further opportunities to outperform targets

Appendices

Financials

Management fee analysis – change in revenue mix



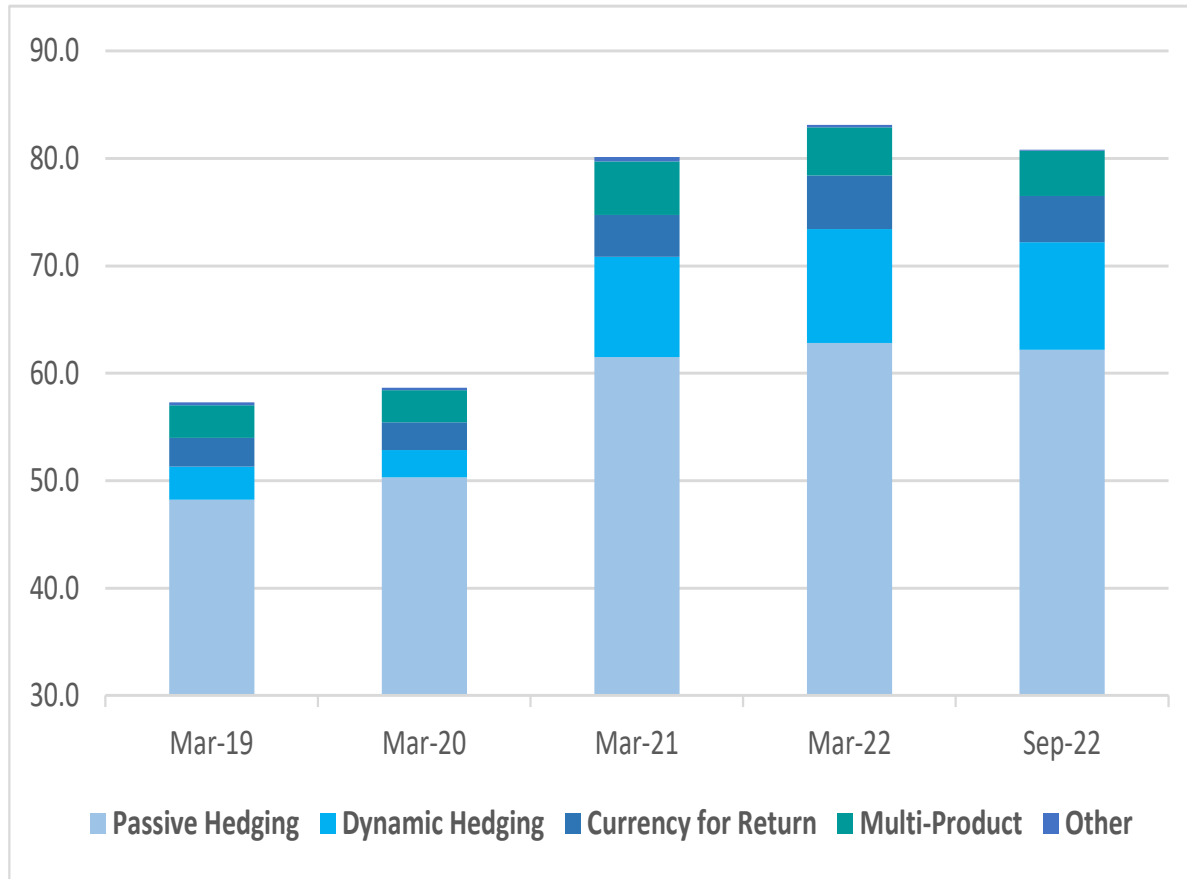
Financials

Income statement

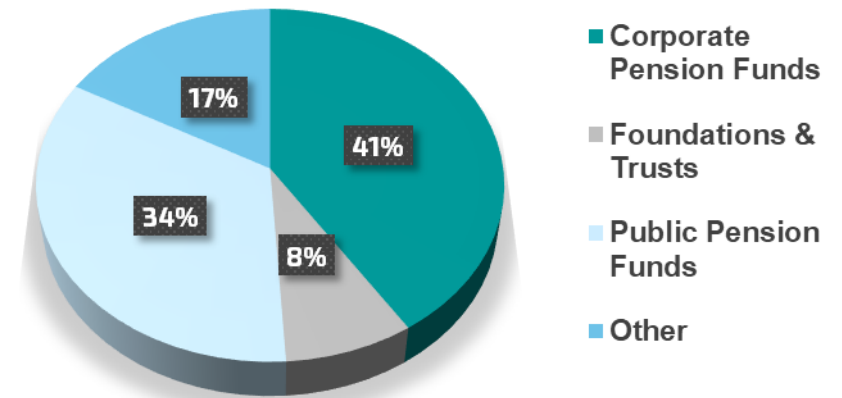
| | FY18 | FY19 | FY20 | FY21 | FY22 | FY23e (company compiled consensus) |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|---|
| Management fees | 23.5 | 22.3 | 23.1 | 24.9 | 34.1 | 38.4 |
| Performance fees | 0.0 | 2.4 | 1.9 | 0.1 | 0.5 | 5.8 |
| Other currency services income | 0.2 | 0.3 | 0.6 | 0.4 | 0.6 | 0.6 |
| Total revenue | 23.8 | 25.0 | 25.6 | 25.4 | 35.2 | 44.8 |
| Cost of sales | (0.3) | (0.4) | (0.3) | (0.4) | (0.2) | (0.1) |
| Gross profit | 23.5 | 24.6 | 25.3 | 25.0 | 34.9 | 44.7 |
| Administrative expenses | (16.4) | (16.7) | (17.8) | (18.9) | (23.7) | (29.5) |
| Other income and expenditure | 0.2 | - | 0.1 | - | (0.4) | - |
| Operating profit | 7.3 | 7.9 | 7.6 | 6.1 | 10.9 | 15.2 |
| Operating Profit Margin | 31% | 32% | 30% | 24% | 31% | 34% |
| Net finance income | 0.1 | 0.1 | 0.1 | 0.1 | - | 0.1 |
| Profit before tax | 7.4 | 8.0 | 7.7 | 6.2 | 10.9 | 15.3 |
| Taxation | (1.2) | (1.6) | (1.3) | (0.8) | (2.2) | (3.2) |
| Profit after tax | 6.2 | 6.4 | 6.4 | 5.4 | 8.6 | 12.1 |

AUME evolution

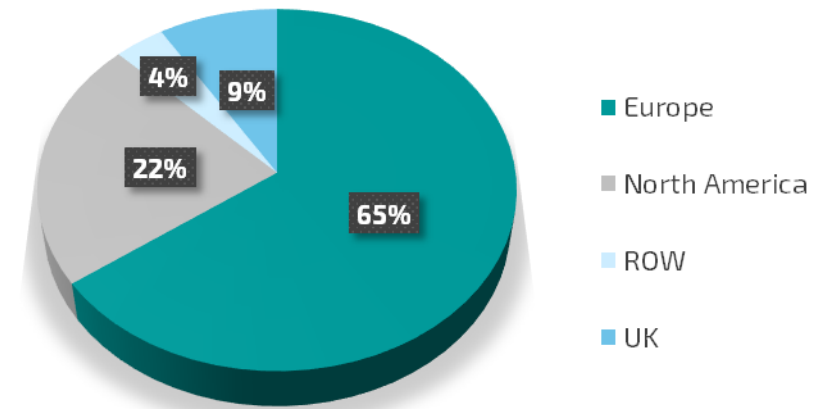
AUME by product (\$bn)



AUME by client type



AUME by geography

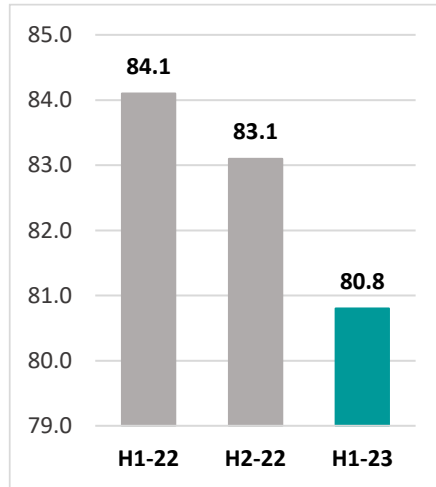


Source: Record Currency Management Limited. Note: AUME data are as at 30 September 2022. AUME expresses the total notional exposure of Passive Hedging and Currency for Return products, and the maximum hedgeable exposure of Dynamic Hedging products.

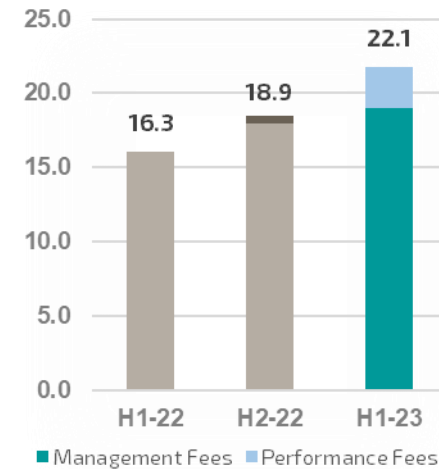
Financials

KPIs

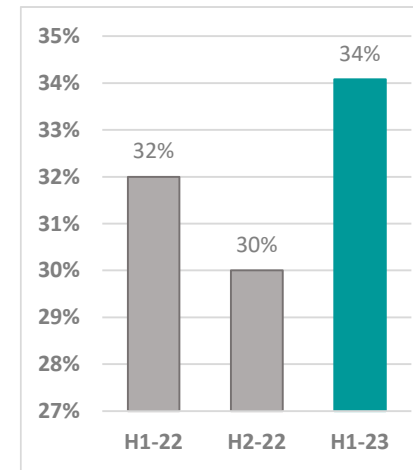
AUME (\$bn)



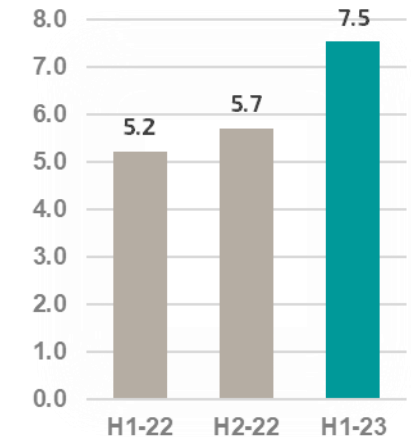
Revenue



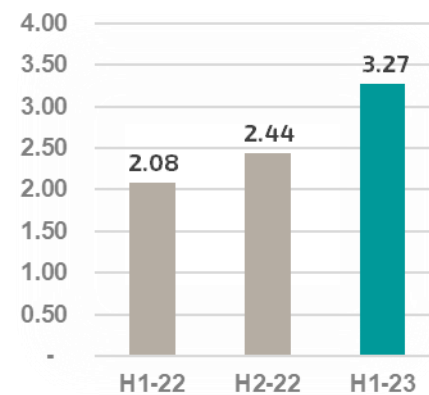
Operating margin



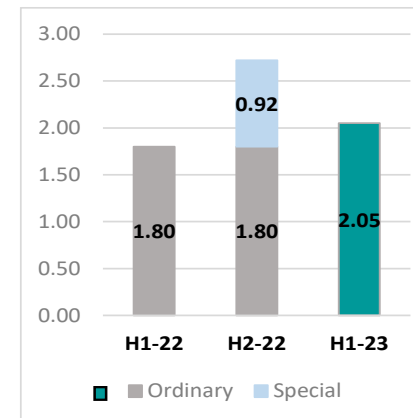
Profit before tax (£m)



EPS (pence)

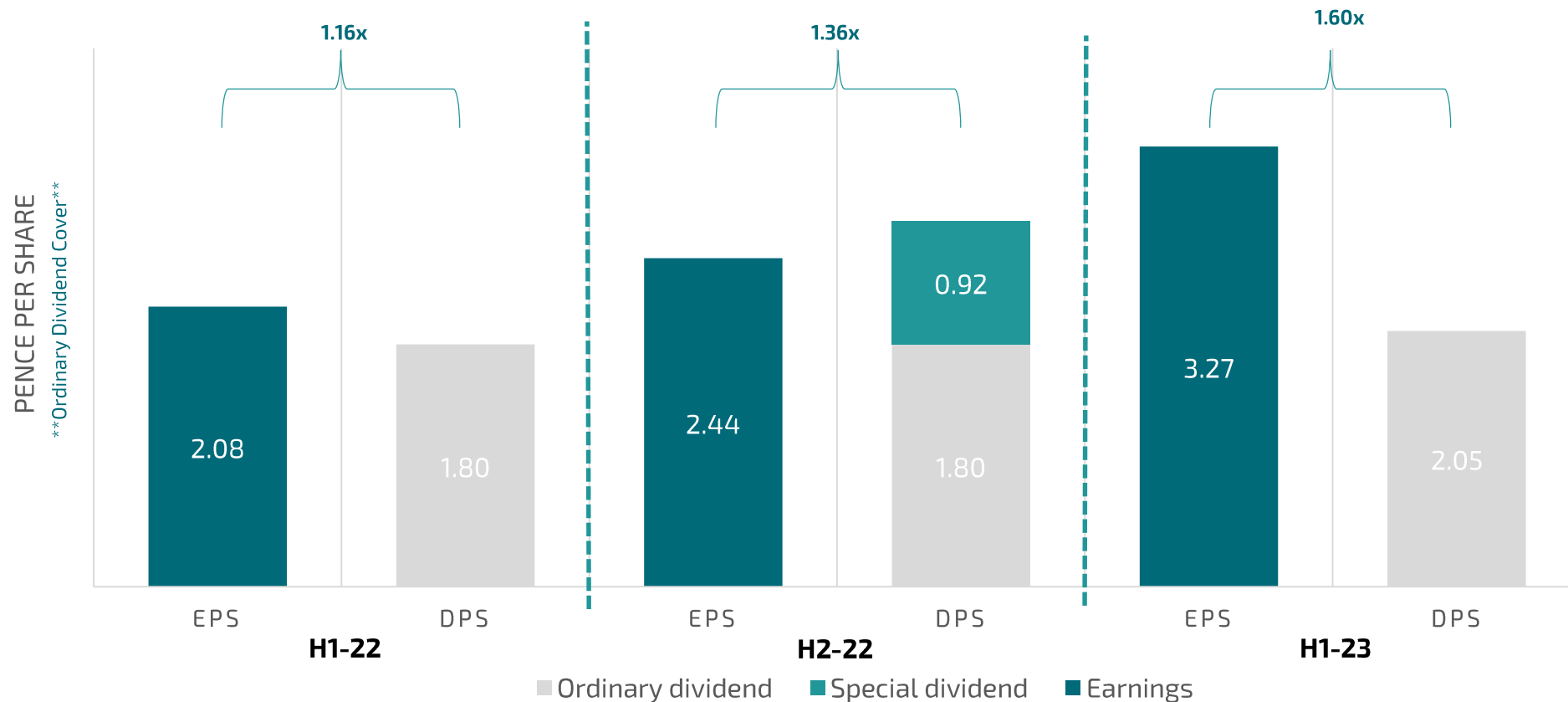


Dividend per share (pence)



Dividend policy

- ✦ Targets progressive and sustainable dividend growth in line with trend in profitability
- ✦ Targets annual ordinary payout ratio between 70% - 90% of EPS
- ✦ No change to policy over last 3 years – strong and consistent history of dividend payments



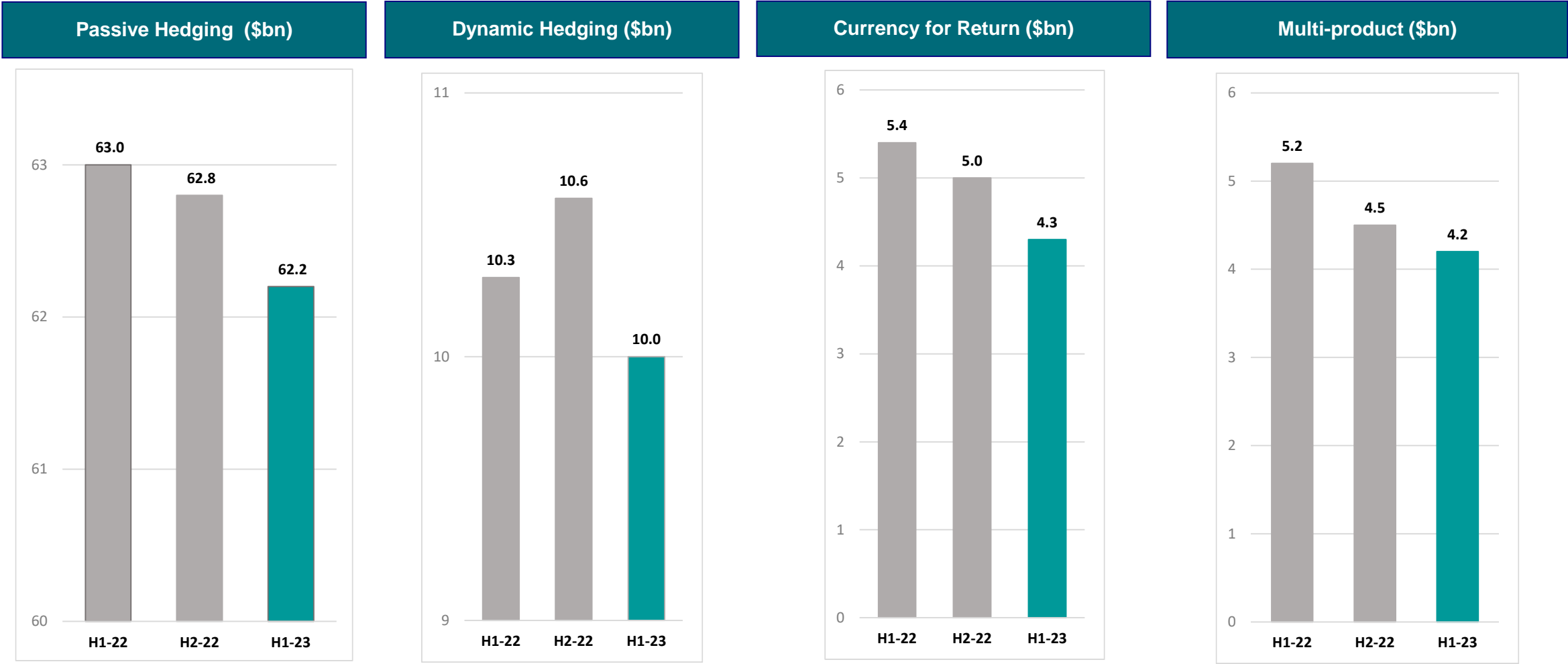
Financials

AUME movement

AUME bridge for the 6 month period ended 30 September 2022 (\$bn)



AUME by product



Financials

Cost analysis

| | H1-22 £m | H2-22 £m | H1-23 £m |
|---|-------------|-------------|-------------|
| Personnel (excluding Group Profit Share) | 5.0 | 5.8 | 6.3 |
| Non-personnel cost | 2.9 | 4.3 | 4.5 |
| Administrative expenditure excluding Group Profit Share | 7.9 | 10.1 | 10.8 |
| Group Profit Share | 2.8 | 2.9 | 3.8 |
| Total administrative expenditure | 10.7 | 13.0 | 14.6 |
| Other income and expenditure | 0.3 | 0.1 | 0.0 |
| Total expenditure | 11.0 | 13.1 | 14.6 |

Financials

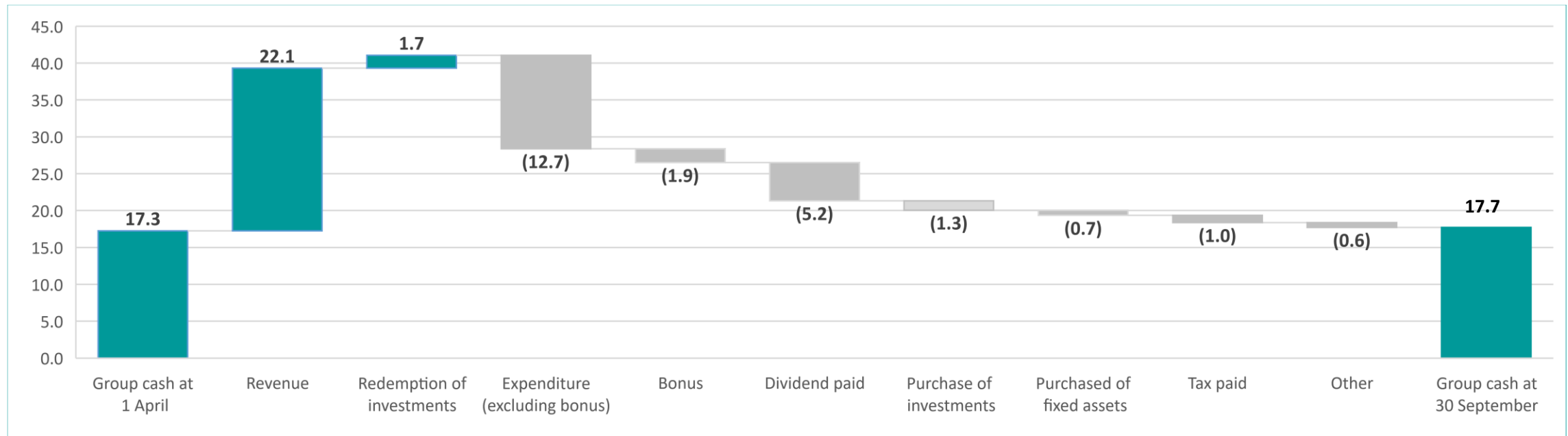
Balance sheet

| | H1-22 £m | H2-22 £m | H1-23 £m |
|-------------------------------------|--------------|--------------|--------------|
| Fixed assets | 0.9 | 1.0 | 1.4 |
| Right to use assets | 0.4 | 1.4 | 1.2 |
| Other investments | 3.2 | 3.4 | 3.6 |
| Deferred tax | 0.5 | 0.3 | 0.2 |
| Non-current assets | 5.0 | 6.1 | 6.4 |
| Trade and other receivables | 8.8 | 9.9 | 12.2 |
| Derivative financial assets | 0.0 | 0.0 | 0.0 |
| Money market instruments > 3 months | 5.9 | 13.9 | 0.0 |
| Cash and cash equivalents | 11.4 | 3.3 | 17.7 |
| Current assets | 26.1 | 27.1 | 29.9 |
| Current liabilities | (5.8) | (6.2) | (7.4) |
| Net current assets | 20.3 | 20.9 | 22.5 |
| Lease liability | 0.0 | (1.0) | (0.8) |
| Other non current liabilities | (0.1) | (0.1) | (0.1) |
| Net assets | 25.2 | 25.9 | 28.0 |
| Shareholders' equity | 25.2 | 25.9 | 28.0 |
| Non-controlling interest | 0.0 | 0.0 | 0.0 |
| Total equity | 25.2 | 25.9 | 28.0 |

Financials

Cash

CASH BRIDGE FOR THE YEAR ENDED 30 SEPTEMBER 2022 (£m)



- ✦ The Group's cash management strategy employs a variety of treasury management instruments including cash, money market deposits and treasury bills with maturities of up to 1 year. Whilst the Group manages and considers all of these instruments as cash (which is subject to its own internal cash management process), not all of these instruments are classified as cash or cash equivalents under IFRS.

Financials

Concentration

| | AUME \$bn | Management Fees | |
|---------------|--------------|-----------------|-------------|
| | | £m | % |
| Clients 1-10 | 44.7 | 14.7 | 77% |
| Clients 11-20 | 23.1 | 3.1 | 17% |
| Other | 13.0 | 1.2 | 6% |
| Total | 80.8 | 19.0 | 100% |

Hedging mandates

Underlying asset allocation

| | Equity | Fixed Income | Other |
|----------------------------|--------|--------------|-------|
| Passive Hedging | 21% | 29% | 50% |
| Dynamic Hedging | 90% | - | 10% |
| Currency for return & Cash | - | - | 100% |

Disclaimer (1)

This presentation includes forward-looking statements that involve known and unknown risks and uncertainties, many of which are beyond the Company's control and all of which are based on the directors' beliefs and expectations about future events. These forward-looking statements include statements concerning plans, objectives, goals, strategies, future events or performance, and underlying assumptions, predictions and other statements, which are other than statements of historical facts. The words "believe," "expect," "anticipate," "intends," "estimate," "forecast," "project," "will," "may," "should", "shall", "could", "risk", "aims", "plans", "predicts", "continues", "assumes", "positioned" and similar expressions or the negative thereof identify certain of the forward-looking statements. Forward-looking statements include statements regarding: strategies, outlook and growth prospects; future plans and potential for future growth; liquidity, capital resources and capital expenditures; growth in demand for products; economic outlook and industry trends; developments of markets; the impact of regulatory initiatives; and the strength of competitors. The forward-looking statements in this presentation are based upon various assumptions and predictions, many of which are based, in turn, upon further assumptions and predictions, including, without limitation, management's examination of historical trends, data contained in the Company's records and other data available from third parties. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant uncertainties and contingencies which are difficult or impossible to predict and are beyond its control, and the Company may not achieve or accomplish these expectations, beliefs or projections. Many factors could cause the actual results to differ materially from those contained in predictions or forward-looking statements of the Company, including, among others, general economic conditions, the competitive environment, rapid technological, regulatory and market change in the industries in which the Company operates, as well as other risks specifically related to the Company and its operations. Past performance should not be taken as an indication or guarantee of future results, and no representation or warranty, express or implied, is made regarding future performance. Neither the Company, nor any of its agents, employees or advisors intend or have any duty or obligation to supplement, amend, update or revise any of the forward-looking statements contained in this presentation. to reflect any change in their expectations or any change in events, conditions or circumstances on which such statements are based.

Disclaimer (2)

Nothing in this presentation constitutes an offer, invitation, recommendation to purchase, sell or subscribe for any securities in any jurisdiction or solicitation of any offer to purchase, sell or subscribe for any securities in any jurisdiction and neither the issue of the information nor anything contained herein shall form the basis of or be relied upon in connection with, or act as any inducement to enter into, any investment activity.

To the extent available, the industry, market and competitive position data contained in this presentation come from official or third party sources. Third party industry publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. While the Company believes that each of these publications, studies and surveys has been prepared by a reputable source, the Company has not independently verified the data contained therein. In addition, certain of the industry, market and competitive position data contained in this presentation come from the Company's own internal research and estimates based on the knowledge and experience of the Company's management in the market in which the Company operates. While the Company believes that such research and estimates are reasonable and reliable, they, and their underlying methodology and assumptions, have not been verified by any independent source for accuracy or completeness and are subject to change without notice. Accordingly, undue reliance should not be placed on any of the industry, market or competitive position data contained in this presentation. The information contained in this presentation has not been independently verified. Neither the Company, any of its affiliates, subsidiaries or subsidiary undertakings nor any of their respective advisors or representatives makes any representation or warranty, express or implied, and no reliance should be placed on the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation. Percentages and certain amounts included in this presentation have been rounded for ease of presentation. Accordingly figures shown as totals in certain tables may not be the precise sum of the figures that precede them. Neither the Company, or any of its affiliates, advisors or representatives accepts any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any information contained in the presentation.



Registered Office

Record plc
Morgan House Madeira Walk
Windsor Berkshire SL4 1EP
United Kingdom

[recordfg.com](https://www.recordfg.com)