Premier Miton Group plc

Interim Report 2022

What we stand for

Our purpose

To actively and responsibly manage our clients' investments for a better future.

Premier Miton recognises that we are part of a larger investment community and a broader society. We believe in acting responsibly and leading by example by championing high standards of investment and behaviour.

www.premiermiton.com

2022 Interim highlights

Product and performance

80%

of funds and investment trusts are first or second quartile at 31 March 2022 since launch/tenure [1]

49

products managed at 31 March 2022

Assets under Management ('AuM')

£12.8bn

closing AuM versus £12.6bn at 31 March 2021 [2]

Net outflows of

£(401)m

across the product range for the period (2021 HY: £359m inflows)

Results and profitability

Profit before tax

£9.9m

(2021 HY: £6.2m)

Adjusted profit before tax [2], amortisation, share-based payments, merger related costs and exceptional items

£14.6m

(2021 HY: £11.9m)

1 See footnote 8 on page 11
2 This is an Alternative Performance Measure ('APM'). See page 21 for further detail

OVERVIEW

FINANCIAL STATEMENTS

SHAREHOLDER INFORMATION

Company overview

What we do

Premier Miton provides a broad suite of products powered by active, independent minds that are designed to meet the needs of today's investors.

The objectives of our products are clearly defined.

Our fund managers' objectives are aligned with those of our clients.

We focus on our core strengths.

Investing can also have an impact on wider society, this means we have a responsibility, not only to perform well, but also to behave well.

Who we are

We are a UK based fund management group with a range of UK domiciled funds that are distributed primarily to UK investors.

The Group is passionate about delivering durable returns over the long term and is dedicated to exceptional levels of customer service.

We believe investment can make a significant difference to individual lives. In the long term, a successful investment strategy can help people to secure their futures and realise their ambitions.

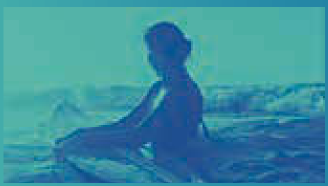
Our values

Dedicated

We put **clients' interests at the heart** of everything we do. We never forget we are managing other people's money and are **dedicated to helping clients achieve** their investment objectives.

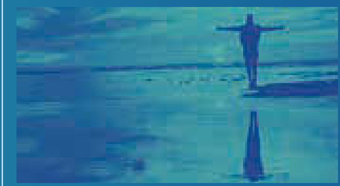
Collegiate

We work **collaboratively for the benefit of our clients**, within teams and across teams. Each and every one of us assists in **building a sense of inclusion and belonging,** ensuring a respectful working environment.



Independent

Our bright minds don't think alike. Our investment teams pursue an **enlightened, collaborative approach** but, importantly, are **not constrained by a 'house view'.** All of us **think independently** and challenge the status quo.



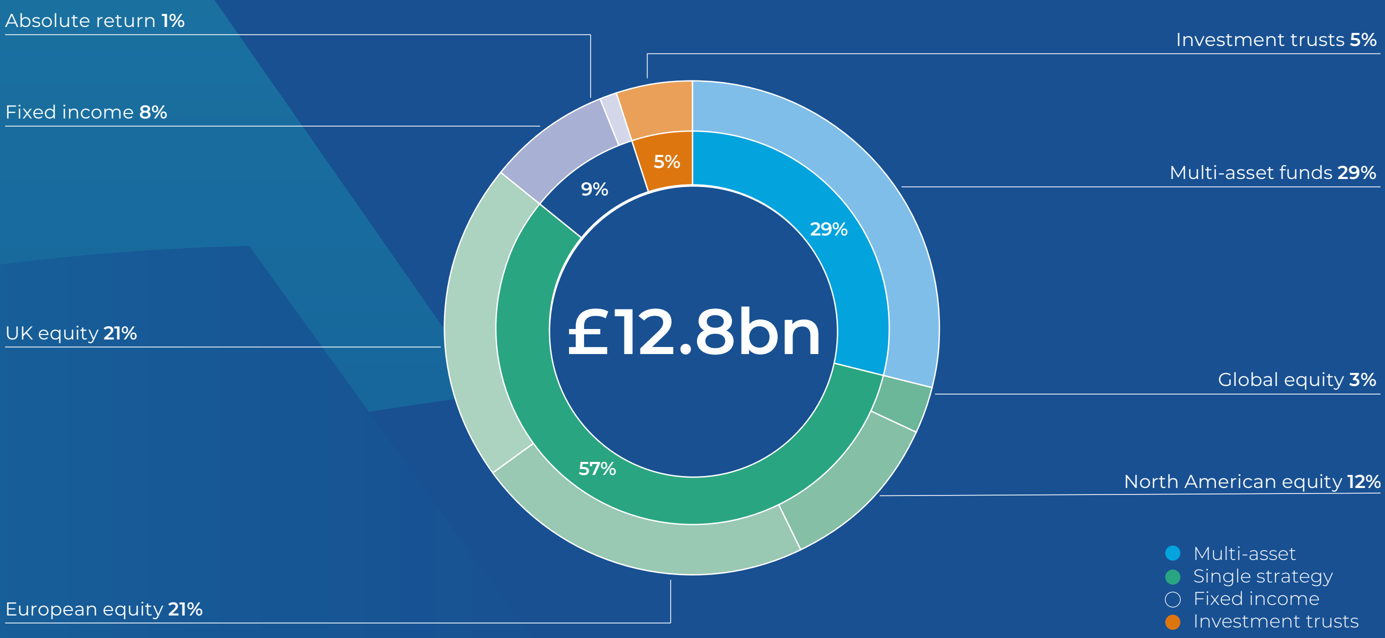
Passionate

We are passionate about active investing and **meeting the needs of clients.** To do that, our fund managers have a genuinely **active, high-conviction investment approach.** All of us are **passionate in the way we work together** – striving to achieve excellence.

Responsible

We steward our clients' assets carefully and responsibly and actively engage with the companies we invest in. We are **responsible in the way we manage our business, our people, our environmental impact and our impact on wider society.**

Diversified investment expertise



As at 31 March 2022:

Equity funds

£7.4bn

Multi-asset funds

£3.7bn

Investment trusts

£0.6bn

Fixed income funds

£1.1bn

Total:

£12.8bn

Chairman's statement

Actively and responsibly managing our clients' investments.

We have a clear purpose in managing our funds as well as we can for the benefit of our clients, and a strategy designed to provide for their needs and ambitions as well as those of our people and shareholders.

Robert Colthorpe
Chairman

Investment markets by their nature are subject in good and bad ways to commercial and political events and it is not surprising that we have experienced a tough first half to the year. However, our business has demonstrated its strength and we are continuing with our medium-term growth plans.

Our financial performance has been affected by market turbulence with our Assets under Management ('AuM') ending the period at £12.8 billion, however, our adjusted profit before tax was £14.6 million, representing an increase of 22% on the comparative period.

We have a clear purpose in managing our funds as well as we can for the benefit of our clients, and a strategy designed to provide for their needs and ambitions as well as those of our people and shareholders.

During the period, the Board held a strategy day to review this in detail and I am pleased to say we reaffirmed our objectives and plans to achieve these. We looked carefully at key aspects of our own business and resources, as well as reviewing our markets and competitors, to ensure we are rigorous in our self-examination as well as clear sighted in considering the terrain we have to traverse.

The broad savings market is large and ever changing, containing a diverse range of participants and importantly has long term structural growth. We are confident that there is an attractive space for high performing genuinely active asset management here in the UK as well as in other international markets, and properly tackled this should allow us to grow our business and create shareholder value.

Strong fund performance is critical in our industry as is an energetic yet disciplined approach to managing our own business to improve our overall performance. We believe that our diversified product offering benefits our business and contributes to our resilience. We actively manage our portfolio of funds as well as regularly consider changes to reflect evolving market demands and areas of future growth which should in time contribute to shareholder value.

The business now has a range of funds and investment performance which would be attractive to the institutional market, alongside our traditional distribution channels in the UK IFA and wealth management sectors. Following the recent appointment of a Head of Business Development (Institutional), we are starting carefully to invest in creating a proposition in what we see as a market with considerable potential for us.

We continue to pursue organic, tactical and strategic growth and value opportunities where we believe they are in the interests of the business. We will remain disciplined in our approach and shareholders will have noted that we stepped away from one potential public market transaction during the period. I am confident that the Board made the right decision here and I know that our management team were thorough and robust throughout the process.

Our industry is likely to present a range of opportunities over the coming period and I feel comfortable that we can actively participate in these conversations from a position of strength as a highly credible potential new partner for high quality individuals, teams and even other businesses.

At meetings I have with our shareholders and third parties, I am frequently asked about the culture of Premier Miton and how we manage this. Culture is crucial to success or failure in our industry and the Board ensures that we keep a close watch on this. The Board and management team seek to demonstrate the right tone from the top and we use formal surveys and informal feedback to foster an inclusive and accountable culture and demonstrate our values. We want and expect to be doing the right things, in the right way and for the right reasons, with a focus on looking after our clients. There are always things we can adjust yet I believe we have a strong and healthy culture for our business to support our strategic ambitions.

The commercial turbulence of the pandemic, along with current political and market strains, is testing for all of us and I am pleased how well our people are handling this within the business. We are assessing how we work and the changing attitudes of our people to make sure that we continue to provide an environment where individuals can flourish with a common and clear understanding of their responsibilities and requirements, and where decision making is achieved in a robust and defensible way.

We have a strong and well-regarded management team that we are keen to retain, motivate and reward appropriately, including for achieving our strategic objectives which include growing shareholder value. Following a review of the compensation framework for this group, we have now decided to deploy the LTIP which Premier established on its IPO in 2016 for this and future years. We believe the scheme has been designed to align the interests of our major stakeholders and has appropriate mechanisms and protections. Further details will be communicated in the next Annual Report. The Board is confident that this is in the best interests of all our stakeholders.

In uncertain times our financial position is a source of strength and reassurance. We have a range of potential demands on our capital and cash, including of course maintaining a suitable level of regulatory capital. A lot of thought and effort goes into deciding on this. In line with our ambitions and strategy, we are seeking to invest in future growth areas, for example by hiring individuals and teams, or developing our business model in a careful way.

It is important to us that we seek to provide an attractive return for our shareholders, including cash returns underpinned by our dividend policy. The interim dividend of 3.7p reflects our confidence in the resilience of the business and the board will continue to monitor our capital allocation approach to ensure we are balancing prudence with investment in the long term growth of the business and adequate cash returns to shareholders.

The asset management industry is expected to play an increasingly important role in dealing with climate change concerns. We are a responsible firm and keen to do not only what we must but what we should; it is simply a matter of good business. Of course, our main investment responsibility is to generate returns for our clients on a basis consistent with their expectations and we note that for many these increasingly include low/zero carbon alignment.

This is a rapidly evolving and complex area of expertise and we are making sure that the Board is fully aware of the issues and challenges involved so we are in a position to exercise appropriate oversight and governance in making good strategic choices, especially as regards to commitments made by the business.

Outlook

In my statement in the last Annual Report, I commented that we are an ambitious and growing business, that markets were showing signs of strain and material volatility, with an uncertain political and regulatory environment adding to our challenges.

The war in Ukraine has added to this list. I also said that the long-term prospects for the savings markets are attractive and we continue to believe this. I have a high level of confidence in the quality and attitude of our people and in the resilience and potential of our business. We will continue to work hard through these challenging times for a better future for all of our stakeholders.

Robert Colthorpe
Chairman
26 May 2022

Chief Executive Officer's statement

Focused on delivering strong outcomes for our investors.

I am proud of how the team at Premier Miton has responded to recent challenges and their commitment to deliver good investment results for our clients through our clear and consistent approach to genuinely active management.

Mike O'Shea
Chief Executive Officer

The half year ended 31 March 2022 was a more challenging period for the Group. Recent geopolitical events, as well as worries about inflation, introduced additional uncertainty for our clients. As a result we have seen a much tougher environment for UK retail fund flows across the industry and we have not been immune to this.

Overall, investors made net withdrawals of £303 million from our open-ended funds during the period. This represents around 2% of our opening Assets under Management ('AuM').

Inevitably, the falls in markets we have seen of late have impacted on our total AuM which stood at £12.8 billion at the end of March, down some 8% on the position on 1 October 2021. However, we are long term investors both for our clients and for our business and recognise that there will be many fluctuations in markets as we build for the future.

Our business remains strong with good cash reserves and an exciting and diversified portfolio of actively managed funds that we believe will become increasingly attractive to investors seeking strong investment performance in the new environment we face over the coming years. With this in mind, we are continuing to develop our business by adding new investment capabilities and through developing new distribution channels for our funds.

I am proud of how the team at Premier Miton has responded to recent challenges and their commitment to deliver good investment results for our clients through our clear and consistent approach to genuinely active management.

At 31 March 2022, 62% of our funds by number were ranked in the first quartile of our funds' relevant sectors since fund manager start date, and 80% of our funds had performed above median in their respective Investment Association ('IA') sectors over the same period [1].

1 See footnote 8 on page 11

Gross inflows

£1.7bn

2021 HY: £2.6 billion

Net outflows

£(0.4)bn

2021 HY: £0.4 billion inflows

It is our belief that the conditions created by a period of reducing interest rates and deflation seen since the financial crisis of 2008 will now make way for a different reflationary environment.

Our proposition of genuinely active management managed by very high-quality investment teams is well suited to produce long term value for clients in these conditions.

Business performance

The Group's average AuM was £13.5 billion versus £11.8 billion for the comparative period, an increase of 14%.

Net outflows for the period from our open-ended funds were £303 million (2021 HY: £14 million inflow). We have seen investor redemptions predominantly from out of favour areas for wealth managers and investment-led intermediaries, such as UK equities. We have continued to see redemptions from our multi-manager funds, although the rate of these redemptions has slowed and we are encouraged by the progress we are making to grow net flows and assets under management in our directly invested multi asset funds. Our range of six Diversified funds have strong performance records and are seeing good levels of new business from intermediaries, as well as ratings from highly regarded research agencies.

Pleasingly the business demonstrated robust profitability with adjusted profit before tax increasing by 22% against the comparative period to £14.6 million.

Following the arrival of our fixed income team in September 2020, we have continued to see strong net flows and an 11% increase in AuM to £1.1 billion. This includes the Group's existing corporate bond fund and two newly launched funds. Growing this franchise is a core priority and the team's highly active investment approach should be well suited to succeeding in more volatile markets.

In the past two years we have launched five new equity and bond funds. AuM in these funds has now reached a total of £413 million. These funds are run by talented investment teams who are establishing their important three-year track records within Premier Miton. When we look across that important three-year performance period for our more established funds, we see strong numbers across UK equities, European equities, global infrastructure, US equities, global sustainable equities, global equity income, multi-asset, pan European property, absolute return and fixed income. As ever, our primary focus is on ensuring that we deliver superior investment outcomes for investors in our funds. The combination of our new teams and our established managers coupled with our strong investment performance means we are optimistic about the long-term growth potential of the Group.

Product development

During the period the Group has continued to develop its product range. In March 2022 we introduced the Premier Miton Diversified Sustainable Growth Fund to our range of dedicated responsible and sustainable funds. This fund was previously known as the Premier Miton Balanced Multi Asset Fund and has been managed by Neil Birrell and the Diversified investment team since March 2021. The change better reflects the fund characteristics with a strong environmental, social and governance profile and long-term sustainable growth themes, as described in the fund's updated investment policy and investment strategy.

We now have a total of six funds that are dedicated to responsible and sustainable investing and the Premier Miton Diversified Sustainable Growth Fund is our first multi-asset fund in this category. Dedicated responsible and sustainable investing funds have been a significant area of demand from investors in the UK and elsewhere, and this is believed to be a significant, long-term trend. I am glad that the Group continues to develop strong offerings in this area, as well as the integration of responsible and sustainable factors in our wider investment approach. Raising assets in these dedicated responsible and sustainable investment strategies is a key business development focus.

Chief Executive Officer's statement

Continued

Investment performance of funds first or second quartile since manager tenure [1]

80%

Interim dividend per share

3.7p

2021 HY: 3.7p

I am pleased to be able to report that during the period, as well as launching new dedicated responsible and sustainable investing funds, we have also made good progress in integrating responsible and sustainable factors across our investment strategies. Importantly, we have continued to make good progress in the area of responsible investing, including initiating a Responsible Investing Oversight Committee to oversee our activities in this area, led by our Head of Responsible Investing.

We have also expanded our responsible investing team with a new hire and we are a signatory to the Financial Reporting Council's Stewardship Code and achieved a B- rating for our most recent CDP submission covering our environmental impacts, processes and plans. We have also partnered with Climate Action 100+, which is an investor-led initiative to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change, and we have engaged with many of the companies we invest in to participate in the CDP Non-Disclosure Campaign.

During the period, we have been informed that three of our funds have been shortlisted in three different multi-asset and flexible investment categories for this year's Investment Week Fund Manager of the Year Awards. The awards are designed to "honour fund managers and groups at the top of their game who have demonstrated consistently strong performance for investors and whom the judging panel believe have the potential to continue to outperform in the future."

The three funds are Premier Miton Defensive Multi Asset, Premier Miton Diversified Growth and Premier Miton Worldwide Opportunities. We were also pleased to learn that Premier Miton Defensive Multi Asset, Premier Miton Diversified Growth, Premier Miton Cautious Monthly Income and Premier Miton Multi-Asset Monthly Income have all been shortlisted for awards with Professional Adviser.

Distribution

Over the past year the Group has been assessing the opportunity to develop a presence in the institutional market, catering to the demands of institutional investors looking for high alpha investment strategies.

In April 2022 we welcomed a new Head of Business Development – Institutional who will be responsible for building, maintaining, and developing relationships with institutional investors and investment consultants. Our strategy in this new growth channel will complement our already successful UK wholesale-focused business, with the intention of growing AuM and diversifying our client base.

Our marketing team continues to focus on a broad range of activities to build awareness of the Premier Miton brand and familiarity across our investment range, as well as keeping our clients informed. This work has included organising digital content, including webinars, videos, infographics, e-marketing, advertising, social media, and virtual events, aimed at both existing and potential investors.

The marketing team have continued to develop the Group's new and improved website, launched in March 2021, to ensure it continues to provide easy access to up-to-date, relevant information for different client types and products.

1 See footnote 8 on page 11

Ukraine crisis

At the time of writing, we continue to hear harrowing stories of the widescale impact the war has had on Ukrainians and their country. As a Group we have made a corporate donation to the DEC Ukraine Humanitarian Appeal, and we extend our solidarity to those who have been displaced by the awfulness of the violence.

From an investment point of view, we know that all of our funds continue to be expertly and actively managed by our investment teams. We are long term investors, but this period of volatility and uncertainty for economies, markets and investing needs to be carefully managed. We keep our clients informed, including through regular fund manager commentaries, client meetings with fund managers, videos, webinars and articles. The economic, market and investment implications of the crisis formed a key part of the virtual event we held in March on our Diversified funds for investment-led intermediaries, featuring eight fund managers covering different asset classes.

We took the decision during the period to exclude Russian investments from our portfolios. Our directly invested funds moved to exclude Russian Sovereign debt, corporate debt instruments and equities listed on a Russian exchange or issued by a company incorporated in Russia or Belarus. Outside of our directly invested funds, including in our range of multi-manager funds which invest in Collective Investment Schemes, we have a policy to exclude Russian domiciled funds and to ensure that managers of external schemes intend to fully comply with sanctions issued against Russia and other relevant countries.

River & Mercantile

In November it was announced that we had approached the board of River & Mercantile ('RMG') about a possible acquisition of their residual fund management business following the sale of their solution business to Schroders. In January our Board concluded that there were insufficient commercial merits for our shareholders to make a formal proposal for the acquisition of RMG and thereafter we withdrew from the process.

We are extremely well placed as a stand-alone business and we will continue to focus on delivering outstanding returns for our investors and on our own organic growth plans. However, we will continue to look at possible strategic acquisitions where we believe they can accelerate this growth path and create value for our shareholders.

Outlook

The last decade or so has been dominated by quantitative easing, falling bond yields, and falling inflation. This has had the effect of 'raising all boats' across asset classes and reducing the dispersion of returns within major indices.

As we look forward, the long-term implications of current events remain unclear. Investors are pondering issues such as energy security, global supply chains, energy transition, increased defence spending and the end of quantitative easing. Above all, a generation of investors has never had to worry about investing in an inflationary era.

Irrespective of whether these issues turn out to be permanent or more transitory in nature, they will create opportunities for genuinely active managers who have the courage of their convictions to run long term, focused portfolios. Not only through good investment performance but through the active and positive role we play in the capital allocation process. Taken together, these factors represent good opportunities for our business to grow significantly.

We expect strong demand for clearly differentiated, high performing, actively and responsibly managed investment products as investors recognise their investments have to work harder to achieve their financial objectives.

Alongside our core active investment proposition, we have a strong, ongoing focus on delivering good client service, improving the efficiency of our business processes and maintaining a working environment that makes Premier Miton a really good place to work. With this focus I am confident we can deliver for our clients, our shareholders, our employees and society over the long term.

Mike O'Shea
Chief Executive Officer
26 May 2022

Product overview

Strategy	AuM 30 Sept 2020 £m	AuM 31 Mar 2021 £m	AuM 30 Sept 2021 £m	**AuM 31 Mar 2022 £m**	Fund manager(s)	Year of launch/ tenure	Quartile [8]
Equity funds							
Premier Miton UK Multi Cap Income Fund	837	935	1,166	**990**	G Williams/M Turner	2011	1
Premier Miton UK Smaller Companies Fund	66	234	141	**110**	G Williams/M Turner	2012	1
Premier Miton US Opportunities Fund	834	1,089	1,290	**1,336**	N Ford/H Grieves	2013	2
Premier Miton US Smaller Companies Fund	219	349	347	**234**	N Ford/H Grieves	2018	1
Premier Miton UK Value Opportunities Fund	347	623	724	**596**	A Jackson	2016	1
Premier Miton European Opportunities Fund	1,897	2,416	2,903	**2,484**	C Moreno/T Brown	2015	1
Premier Miton Global Infrastructure Income Fund	43	49	92	**118**	J Wright	2017	2
Premier Miton Worldwide Opportunities Fund	44	56	58	**47**	N Greenwood	2003	2
Premier Miton Income Fund	184	192	186	**187**	E Mogford	2020	3
Premier Miton Monthly Income Fund	250	258	262	**259**	E Mogford	2020	3
Premier Miton Optimum Income Fund	56	62	62	**67**	E Mogford/G Kirk	2020	3
Premier Miton Responsible UK Equity Fund [1]	160	209	252	**213**	J Hudson/B Dawes	2019	1
Premier Miton UK Growth Fund	132	219	299	**261**	J Hudson/B Dawes	2017	1
Premier Miton Pan European Property Share Fund	176	173	178	**174**	A Ross	2005	n/a
Premier Miton Global Sustainable Growth Fund	101	111	116	**116**	D Goodwin	2020	1
Premier Global Infrastructure Income Fund [2]	43	41					
Premier Miton Global Sustainable Optimum Income Fund	15	17	21	**25**	D Goodwin/G Kirk	2020	1
Premier Miton Global Smaller Companies Fund		15	41	**49**	A Rowsell/I Harris	2021	3
Premier Miton European Sustainable Leaders Fund			76	**88**	C Moreno/T Brown	2021	4
Premier Miton European Equity Income Fund			9	**23**	W James	2021	1
	5,404	7,048	8,223	**7,377**			
Fixed income funds							
Premier Miton Corporate Bond Monthly Income Fund	82	136	159	**157**	L Harris/S Prior	2020	1
Premier Miton UK Money Market Fund [3]	185	165	201	**210**	L Harris/H Wan	2019	4
Premier Miton Financials Capital Securities Fund	64	73	79	**76**	L Harris/R James	2020	n/a
Premier Miton Strategic Monthly Income Bond Fund	55	72	77	**177**	L Harris/S Prior	2020	1
Premier Miton Defensive Growth Fund	100	74	78	**88**	R Willis/D Hughes	2019	n/a
	486	520	594	**708**			
Investment trusts							
The Diverse Income Trust plc	322	396	423	**396**	G Williams/M Turner	2011	1
MIGO Opportunities Trust plc [4]	71	88	100	**95**	N Greenwood	2003	2
Miton UK MicroCap Trust plc	70	107	106	**97**	G Williams/M Turner	2015	2
Acorn Income Fund Limited [5]	81	93	102				
Premier Miton Global Renewables Trust plc	55	47	53	**53**	J Smith	2012	1
	599	731	784	**641**			
Segregated mandates							
Quilter Investors Corporate Bond Fund		230	263	**254**			
Quilter Investors Diversified Bond Fund		136	148	**145**			
		366	411	**399**			

Strategy	AuM 30 Sept 2020 £m	AuM 31 Mar 2021 £m	AuM 30 Sept 2021 £m	**AuM 31 Mar 2022 £m**	Fund manager(s)	Year of launch/ tenure	Quartile [8]
Multi-asset funds							
Premier Miton Cautious Multi Asset Fund	431	377	383	**367**	Macro thematic team	2014	1
Premier Miton Defensive Multi Asset Fund	56	124	181	**163**	Macro thematic team	2014	1
Premier Miton Cautious Monthly Income Fund [3]	200	124	124	**126**	Macro thematic team	2011	1
Premier Miton Multi-Asset Growth & Income Fund	657	618	570	**517**	Macro thematic team	2021	3
Premier Miton Multi-Asset Conservative Growth Fund [6]	112	88					
Premier Miton Multi-Asset Absolute Return Fund	146	138	137	**139**	Multi-manager team	2009	n/a
Premier Miton Multi-Asset Monthly Income Fund	560	552	542	**496**	Multi-manager team	2009	1
Premier Miton Multi-Asset Distribution Fund	1,165	1,052	1,015	**924**	Multi-manager team	1999	2
Premier Miton Multi-Asset Global Growth Fund	156	127	130	**120**	Multi-manager team	2012	1
Premier Miton Liberation No. IV Fund	121	111	106	**94**	Multi-manager team	2012	n/a
Premier Miton Liberation No. V Fund	144	138	127	**111**	Multi-manager team	2012	n/a
Premier Miton Liberation No. VI Fund	71	70	67	**61**	Multi-manager team	2012	n/a
Premier Miton Liberation No. VII Fund	31	32	32	**28**	Multi-manager team	2012	n/a
Premier Miton Diversified Growth Fund	185	245	330	**374**	Diversified team	2013	1
Premier Miton Diversified Income Fund	29	34	40	**48**	Diversified team	2017	1
Premier Miton Diversified Balanced Growth Fund	16	29	42	**52**	Diversified team	2019	2
Premier Miton Diversified Cautious Growth Fund	16	33	42	**45**	Diversified team	2019	1
Premier Miton Diversified Dynamic Growth Fund	18	39	44	**47**	Diversified team	2019	1
Premier Miton Diversified Sustainable Growth Fund [7]	2	3	5	**8**	Diversified team	2021	1
Premier Miton Managed Index Balanced Fund	1	1	1	**1**	Wayne Nutland	2019	3
Premier Portfolio Management Service	2	2	1	**1**	PPMS Investment Committee		
	4,119	3,937	3,919	**3,722**			
Total AuM	10,608	12,602	13,931	**12,847**			

AuM is presented after the removal of AuM invested in other funds managed by the Group

1 Premier Miton Ethical Fund changed its name to Premier Miton Responsible UK Equity Fund on 14 December 2021
2 Premier Global Infrastructure Income Fund merged into the Premier Miton Global Infrastructure Income Fund on 24 September 2021
3 Denotes a unit trust
4 Miton Global Opportunities Trust plc changed its name to MIGO Opportunities Trust plc on 7 December 2021
5 Acorn Income Fund Limited was placed into members' voluntary liquidation on 13 October 2021
6 Premier Miton Multi-Asset Conservative Growth Fund merged into the Premier Miton Defensive Multi Asset Fund on 18 June 2021
7 Premier Miton Balanced Multi Asset Fund changed to Premier Diversified Sustainable Growth Fund on 1 March 2022
8 The quartile performance rankings are based on Investment Association sector classifications where applicable, with data sourced from FE Analytics FinXL using the main representative post-RDR share class, based on a total return, UK sterling, mid-to-mid basis for OEIC funds and bid-to-bid for unit trusts (Premier Miton Cautious Monthly Income Fund and Premier UK Money Market Fund). All data is as at 31 March 2022 and the performance period relates to when the fund launched or the assumed tenure of the fund manager(s). Performance for investment trusts is calculated on Net Asset Value ('NAV'), ranked against the relevant Association of Investment Companies ('AIC') sector, apart from the Premier Miton Global Renewables Trust plc which is ranked according to its relevant Morningstar category, sourced from Morningstar Direct. Performance for MIGO Opportunities Trust plc is quoted over ten years

Environmental, Social and Governance ('ESG')

We demonstrate our responsibility in the way we manage our business, people and impact on the environment and wider society.

Over the last six months we have emerged from the COVID-19 pandemic and headed towards significant geopolitical uncertainty. The United Nations ('UN') led COP26 conference came and went with news that the world remains off track to avert climate crisis. Accelerating megatrends of energy transition and disruptive technology continued, making environmental, social and governance ('ESG') related considerations not simply aspirational but necessary for businesses and investors. Despite these events, our purpose remains constant: to actively manage our clients' investments for a better financial future. Acting responsibly is inextricably linked to our future success and our aim is to lead by example, championing high standards of practice.

Looking ahead

1. Assess the merits and consequences of any commitments such as the Net Zero Asset Managers initiative;
2. Extend the data coverage and disclosures in bonds, collective investment schemes, alternative investments and smaller companies to support ESG integration;
3. Develop our five engagement themes on carbon reporting, executive committee diversity, social metrics, companies with poor ESG ratings and UN Sustainable Development Goals ('SDGs') revenue alignment disclosure;
4. Work with initiatives such as Climate Action 100+ and the Investor Forum to increase the positive outcomes from our active investing approach; and
5. Continue to grow the assets being managed in our range of dedicated responsible and sustainable funds.

We take our stewardship responsibilities seriously, during the period our fund managers attended over

1,529

meetings with companies

We believe it is important that we offer responsible and sustainable investment products to our clients and, as part of this, to actively and responsibly consider ESG issues with the companies we invest in.

ESG
Continued

Responsible investing at Premier Miton Investors

Responsible investing and active stewardship are embedded in our business and future plans. One of our core values is to be responsible stewards of capital by considering ESG related factors alongside financial factors in our investment decision making and actively engaging with companies to improve our knowledge of their operations and where possible become a positive influence. This includes ongoing dialogue with company management on ESG alongside strategy and voting at company meetings when we have the opportunity. This approach is employed in a way that is appropriate for and proportionate to each investment strategy to deliver good financial outcomes to clients.

We are firm believers that there is a clear correlation between good stewardship and good financial performance. Indeed, we believe one helps to drive the other and that is why we integrate ESG analysis into a number of our investment strategies. We are pleased that of the 32 Premier Miton funds that were rated by MSCI, 11 funds received the highest 'AAA' ESG rating, 14 funds received the 'AA' rating and 5 received the 'A' rating. Of the 36 funds that were rated by Morningstar, 4 funds received the highest '5 Globes' sustainability rating, 10 funds received the '4 Globes' rating and 12 funds received the '3 Globes' rating.

Strengthening our range of responsible and sustainable investment products

Assets under management across our six responsible and sustainable investment products was £503 million as at 31 March 2022.

On 1 March 2022 the Premier Miton Diversified Sustainable Growth Fund became our first **'sustainable'** multi-asset fund. The fund is mandated to select investments across different asset classes that feature strong environmental, social and governance profiles and reflect long term sustainable growth themes. These themes are **Food Productivity & Safety, Health & Wellbeing, Education, Energy Transition, Financial Inclusion, Infrastructure, Circular Economy and Sustainable Cities & Communities.**

% of the Group's responsible and sustainable funds aligned to each UN Sustainable Development Goal as at 31 December 2021 [1]

SUSTAINABLE DEVELOPMENT GOALS

1 NO POVERTY	0.0%
2 ZERO HUNGER	2.6%
3 GOOD HEALTH AND WELL-BEING	14.6%
4 QUALITY EDUCATION	0.6%
5 GENDER EQUALITY	0.0%
6 CLEAN WATER AND SANITATION	0.3%
7 AFFORDABLE AND CLEAN ENERGY	10.4%
8 DECENT WORK AND ECONOMIC GROWTH	7.1%
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	11.6%
10 REDUCED INEQUALITIES	1.0%
11 SUSTAINABLE CITIES AND COMMUNITIES	3.9%
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	5.2%
13 CLIMATE ACTION	0.0%
14 LIFE BELOW WATER	0.0%
15 LIFE ON LAND	0.0%
16 PEACE, JUSTICE AND STRONG INSTITUTIONS	1.1%
17 PARTNERSHIPS FOR THE GOALS	0.6%

1 These figures are run on a six monthly basis as at end June and end December for the non-financial objective reports of our responsible and sustainable funds.

We updated the name of the Premier Miton Ethical Fund to the Premier Miton Responsible UK Equity Fund and amended its investment policy to include reference to its focus on companies that act responsibly and have strong ESG profiles. The fund managers will aim to invest in companies that have a positive impact on society and the environment and are aligned with the following long term themes: **Health & Education, Protecting the Planet and Enhancing Society.**

We acknowledge the need to evidence how we meet the non-financial objectives of our responsible and sustainable funds. One way is to map the revenues of underlying investee companies to the UN Sustainable Development Goals using analysis from our bespoke ESG research provider Ethical Screening. This can be seen in the non-financial objective reports for these funds which are available on our website.

Expanding the resources available to support our fund managers with their ESG integration

We expanded the resources available to all our fund managers through the addition of a dedicated Responsible Investment Analyst to support our Head of Responsible Investing as well as increased the ESG data and research. Coverage from our bespoke ESG research provider Ethical Screening was extended to include more of the holdings in our responsible and sustainable funds and we subscribed to two additional datasets from Institutional Shareholder Services ('ISS'). **ISS Norms Based Research** identifies corporate controversies that have adverse impacts on society and the environment and assesses how companies manage them. **ISS Energy and Extractives** provides analysis on companies' involvement in fossil fuel production, distribution and extraction.

We continue to facilitate relevant discussions and share best practice on responsible investing and ESG integration activities at Premier Miton through the Responsible Investing Forum. This has included internal discussions on ESG reporting practices, collaborative engagement themes, key voting opportunities and the latest updates on regulations and market trends. We have also invited external specialists to brief the investment team on financially material ESG matters such as Goldman Sachs on green capital expenditure, Carbon Tracker on peak oil and the energy transition as well as RBC on carbon capture and storage.

Genuinely active stewardship

We believe that engagement with the companies in which we invest typically gives us a greater understanding of their business activities and ESG characteristics, which can both be key factors in the potential returns that may be generated from any investment, and therefore our ability to meet the investment objectives of the funds. These meetings are also an opportunity to engage in the pursuit of improved management of ESG risks and opportunities as well as business strategy.

Over the period our investment team attended 1,529 company meetings discussing a broad variety of business, financial and ESG topics including energy transition, gender diversity, company refinancing, dividend strategy, remuneration, board structure and ESG reporting. 60% of these meetings included discussions on ESG related matters.

We actively vote at company meetings on corporate resolutions as it is an important part of our stewardship activities. We receive voting recommendations from ISS Proxy Voting Services, a company which also facilitates voting decisions on our behalf. Our fund managers are able to review their recommendations before issuing final voting instructions. Over the period we had the opportunity to vote at 341 shareholder meetings on 3,141 resolutions. We voted on 97% of all votable resolutions.

Engaging collaboratively on ESG matters

Over the period we joined the Climate Action 100+, Investor Forum, Rathbones' Votes Against Slavery and FAIRR's Sustainable Aquaculture initiatives, which allows us to work with other investors on corporate engagement.

CDP
DISCLOSURE INSIGHT ACTION

A proud participant of:
Climate Action 100+
Global Investors Driving Business Transition

THE INVESTOR FORUM

ESG
Continued

Communicating on responsible investing activities
We continue to strengthen client communication on responsible investing with our dedicated 'Responsible Investing' section of the Premier Miton website. This offers the latest information on our approach and hosts our suite of policies, reports, disclosures and our 'Responsible Thinking' blog.

We have organised a series of video interviews and masterclasses with our Head of Responsible Investing, Chief Investment Officer and dedicated responsible and sustainable fund managers, designed to provide clients with a greater insight into the types of companies which we invest in on their behalf. We also produce educational webinars, videos and insight notes covering key ESG related issues.

This has included the following:
- Responsible Investing Masterclass;
- Introduction to Responsible Investing;
- International Women's Day with Helene Winch; and
- Making the case for sustainable investing by Duncan Goodwin.

Formation of a net zero working group
We are working towards committing to a net zero carbon target and have established a Net Zero Working Group comprising senior representatives from the Investment, Finance, Risk and Marketing departments. We are assessing the merits and consequences of any commitments such as the Net Zero Asset Managers ('NZAM') initiative, which involves a commitment to support the goal of net zero greenhouse gas emissions by 2050 in line with global efforts to limit warming to 1.5° Celsius. The initiative is part of the UN climate framework established ahead of COP26.

Responsible investing oversight and process assurance
The reporting, monitoring, oversight and internal assurance of our responsible investing activities is now overseen by our newly formed Responsible Investing Oversight Committee ('RIOC'), which meets four times each year and includes senior representatives from Investment, Risk, Compliance and Marketing departments.

Looking ahead

Net zero ambitions
Assess the merits and consequences of any commitments such as the Net Zero Asset Managers initiative.

Strengthening ESG data, research and disclosure
Extend the data coverage and disclosure in bonds, collective investment schemes, alternative investments and smaller companies to support ESG integration.

Focusing on engagement themes
Develop our five engagement themes on carbon reporting, executive committee diversity, social metrics, companies with poor ESG ratings and SDG revenue alignment disclosure.

Collaboration
Work with initiatives such as Climate Action 100+ and the Investor Forum to increase the positive outcomes from our active investing approach.

Net zero ambitions

Assess the merits and consequences of any commitments such as the Net Zero Asset Managers initiative.

Financial review

Continuing to invest in our platform and talent.

Against a backdrop of geopolitical uncertainty the Group has delivered solid financial results in the period. We continue to undertake targeted investment designed to deliver long-term growth for our clients and shareholders.

Piers Harrison
Chief Financial Officer

Profit before tax
£9.9m
2021 HY: £6.2m

Group cash balance
£36.0m
2021 HY: £34.4m

Adjusted earnings per share *
8.10p
2021 HY: 6.60p

Financial performance

Profit before tax increased by 60% to £9.9 million (2021 HY: £6.2 million). The increase in profitability for the period was primarily driven by a higher average level of assets being managed by the Group when compared to the comparative period, detailed below. In addition to this, the comparative period includes non-recurring costs associated with the completion of the operational aspects of the merger totalling £1.2 million.

Adjusted profit before tax *, which is stated before amortisation, share-based payments, merger related costs and exceptional costs increased to £14.6 million (2021 HY: £11.9 million).

Adjusted profit and profit before tax

	Unaudited six months to 31 March 2022 £m	Unaudited six months to 31 March 2021 £m	% Change
Net revenue	43.7	38.5	13.5
Administrative expenses	(29.1)	(26.6)	9.4
Adjusted profit before tax *	14.6	11.9	22.7
Amortisation	(2.4)	(2.4)	
Share-based payments	(2.2)	(2.1)	
Merger related costs	–	(1.2)	
Exceptional costs	–	(0.1)	
Profit before tax	9.9	6.2	59.7

Assets under Management * ('AuM')

AuM ended the period at £12,847 million (2021 HY: £12,602 million) representing an 8% fall from the opening position of £13,931 million on 1 October 2021. Despite this, the Group's average AuM increased by 14% over the comparative period to £13,453 million (2021 HY: £11,819 million).

Geopolitical events created a challenging period for markets and this was reflected in the Group's AuM. Despite strong relative investment performance the Group saw negative market returns of £683 million.

Net outflows for the period from open ended funds were £303 million (2021 HY: £14 million net inflows), these were primarily from UK equity funds and the multi-asset multi-manager funds where there was weaker client demand. The outflows were partially offset by inflows into the fixed income funds and the Diversified multi-asset funds.

Movement in AuM by asset class

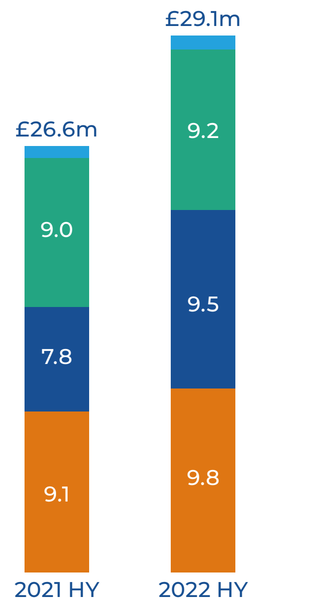
	Audited 30 September 2021 £m	Net flows £m	Market / investment performance £m	Unaudited 31 March 2022 £m
Equity funds	8,223	(279)	(567)	7,377
Multi-asset funds	3,919	(159)	(38)	3,722
Fixed income funds	594	135	(21)	708
Investment trusts	784	(101)	(42)	641
Segregated mandates	411	3	(15)	399
	13,931	(401)	(683)	12,847

* These are Alternative Performance Measures ('APMs'). See page 21 for further detail

Financial review

Continued

Administration expenses



Net revenue

	Unaudited six months to 31 March 2022 £m	Unaudited six months to 31 March 2021 £m	% Change
Management fees	48.5	43.3	12.0
Fees and commission expenses	(4.8)	(5.4)	11.1
Net management fees [1] *	43.7	37.9	15.3
Other income	–	0.6	
Net revenue	**43.7**	38.5	13.5
Average AuM [2] *	13,453	11,819	13.8
Net management fee margin [3] * (bps)	**65.1**	64.2	1.4

1 Being management fee income less trail/rebate expenses and the cost of any external Authorised Corporate Director ('ACD') fees
2 Calculated using the daily AuM adjusted for the monthly closing AuM invested in other funds managed by the Group
3 Net management fee margin represents annualised net management fees divided by the average AuM
* These are Alternative Performance Measures ('APMs'). See page 21 for further detail

The Group's revenue represents management fees generated on the assets being managed by the Group. The net management fee margin for the period was 65.1 basis points. The increase from the comparative period reflects the alignment of the operating model completed on 27 November 2020 with all open-ended funds being on the in-house ACD platform from that date.

Net management fees increased to £43.7 million (2021 HY: £37.9 million) representing a 15% increase reflecting the higher level of average AuM compared to the comparative period.

Administration expenses

Administration expenses for the period (excluding share-based payments) totalled £29.1 million (2021 HY: £26.6 million), an increase of 9%.

Staff costs continue to be the largest component of administration expenses, consisting of both fixed and variable elements.

The fixed staff costs, which includes salaries and associated National Insurance, employers' pension contributions and other indirect costs of employment increased to £9.8 million (2021 HY: £9.1 million). The average headcount for the period increased to 163 (2021 HY: 150) reflecting further hires predominantly in the investment team in the second half of 2021 and continued investment in the current financial period.

Variable staff costs totalled £9.5 million (2021 HY: £7.8 million). Included within this are general discretionary bonuses, sales bonuses and bonuses in respect of the fund management teams, plus associated employers' national insurance. These costs move in line with the net revenues of the Group and the adjusted profit before tax.

Overheads and other costs totalled £9.2 million (2021 HY: £9.0 million) being 21.1% of net revenues (2021 HY: 23.4%).

Administration expenses

	Unaudited six months to 31 March 2022 £m	Unaudited six months to 31 March 2021 £m	% Change
Fixed staff costs	9.8	9.1	7.7
Variable staff costs	9.5	7.8	21.8
Overheads and other costs	9.2	9.0	2.2
Depreciation – fixed assets	0.3	0.4	(25.0)
Depreciation – leases	0.3	0.3	–
Administration expenses	**29.1**	26.6	9.4

Share-based payments

The share-based payment charge for the period was £2.2 million (2021 HY: £2.1 million).

At 31 March 2022 the Group's Employee Benefit Trusts ('EBTs') held 12,692,553 ordinary shares representing 8.0% of the issued ordinary share capital (2021 HY: 10,421,565 shares).

At the period end the outstanding awards totalled 12,486,827 (2021 HY: 13,213,920).

During the period 1,902,500 awards were issued (2021 HY: 3,980,000). See note 12 for further detail.

Balance sheet, capital management and dividends

Total shareholders' equity as at 31 March 2022 was £127.7 million (2021 HY: £129.5 million).

At the period end the cash balances of the Group totalled £36.0 million (2021 HY: £34.4 million). The Group has no external bank debt.

Dividends totalling £9.3 million were paid in the period (2021 HY: £6.7 million).

The Board is recommending an interim dividend payment of 3.7p per share (2021 HY: 3.7p). The interim dividend will be paid on 5 August 2022 to shareholders on the register at the close of business on 8 July 2022.

The Group's dividend policy is to target an annual ordinary dividend pay-out of approximately 50 to 65% of profit after tax, adjusted for exceptional costs, merger related costs, share-based payments and amortisation.

Piers Harrison
Chief Financial Officer
26 May 2022

Alternative Performance Measures ('APMs')

APM	Unit	Definition	Purpose	Reconciliation
Adjusted profit before tax	£	Profit before interest, taxation, amortisation, share-based payments, merger related costs and exceptional costs.	Except for the noted costs, this encompasses all operating expenses in the business, including fixed and variable staff cash costs. Provides a proxy for cash generated and is the key measure of profitability for management decision making.	Page 19
AuM	£	The value of external assets that are managed by the Group.	Management fee income is calculated based on the level of AuM managed. The AuM managed by the Group is used to measure the Group's relative size against the industry peer group.	Page 19
Net management fee	£	The net revenue of the Group. Calculated as gross management fee income, less the cost of fund accounting, external ACDs, OCF caps and any enhanced fee arrangements.	Provides a consistent measure of the profitability of the Group and its ability to grow and retain clients, after removing amounts paid to third parties.	Page 20
Net management fee margin	bps	Net management fees divided by average AuM.	A measure used to demonstrate the blended fee rate earned from the AuM managed by the Group. A basis point ('bps') represents one hundredth of a percent, this measure is used within the asset management sector and provides comparability of the Group's net revenue generation.	Page 20
Adjusted earnings per share (basic)	p	Profit after tax excluding amortisation, share-based payments, merger related costs and exceptional costs, divided by the weighted average number of shares in issue in the period.	Provides a clear measure to shareholders of the profitability of the Group from its underlying operations. The exclusion of amortisation, share-based payments, merger related costs and exceptional items provides a consistent basis for comparability of results period on period.	Page 29

Independent review report to Premier Miton Group plc

Conclusion

We have been engaged by the Company to review the condensed set of financial statements in the half-yearly report for the six months ended 31 March 2022 which comprises the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow 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 report for the six months ended 31 March 2022 is not prepared, in all material respects, in accordance with IAS 34 'Interim Financial Reporting' as adopted by the UK and the AIM Rules.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Auditing Practices Board 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 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.

Directors' responsibilities

The half-yearly report is the responsibility of, and has been approved by, the Directors. The Directors are responsible for preparing the half-yearly report in accordance with the AIM Rules.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards as adopted by the UK. 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 by the UK.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly report based on our review.

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. 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.

Alison Allen
for and on behalf of KPMG LLP
Chartered Accountants
15 Canada Square
London E14 5GL
26 May 2022

Unaudited Condensed Consolidated Statement of Comprehensive Income

for the six months ended 31 March 2022

	Notes	Unaudited six months to 31 March 2022 £000	Unaudited six months to 31 March 2021 £000	Audited year to 30 September 2021 £000
Revenue	4	48,503	43,878	94,726
Fees and commission expenses		(4,789)	(5,386)	(10,248)
Net revenue		43,714	38,492	84,478
Administration expenses		(29,140)	(26,573)	(55,832)
Share-based payment expense	12	(2,240)	(2,067)	(4,528)
Amortisation of intangible assets	8	(2,424)	(2,379)	(5,117)
Merger related costs	5	(25)	(1,213)	(1,350)
Exceptional items	5	–	(64)	(126)
Operating profit		9,885	6,196	17,525
Finance expense		(7)	–	–
Profit for the period before taxation		9,878	6,196	17,525
Taxation	6	(4,062)	(1,041)	(3,496)
Profit for the period after taxation attributable to equity holders of the Parent		5,816	5,155	14,029

		pence	pence	pence
Basic earnings per share	7(a)	3.97	3.48	9.53
Diluted basic earnings per share	7(a)	3.71	3.30	8.96

No other comprehensive income was recognised during 2022 or 2021. Therefore, the profit for the period is also the total comprehensive income.

All of the amounts relate to continuing operations.

The notes on pages 27 to 32 form an integral part of these unaudited Condensed Consolidated Interim Financial Statements.

Unaudited Condensed Consolidated Statement of Changes in Equity

for the six months ended 31 March 2022

	Notes	Share capital £000	Merger reserve £000	Employee Benefit Trust £000	Capital redemption reserve £000	Retained earnings £000	Total £000
At 1 October 2021		60	94,312	(15,790)	4,532	49,110	132,224
Profit for the period		–	–	–	–	5,816	5,816
Purchase of own shares held by an EBT	12(a)	–	–	(3,222)	–	–	(3,222)
Exercise of options		–	–	393	–	(393)	–
Share-based payment expense	12	–	–	–	–	2,240	2,240
Deferred tax direct to equity		–	–	–	–	(103)	(103)
Equity dividends paid	3	–	–	–	–	(9,269)	(9,269)
At 31 March 2022 (Unaudited half year)		60	94,312	(18,619)	4,532	47,401	127,686
At 1 October 2020		60	94,312	(14,649)	4,532	45,439	129,694
Profit for the period		–	–	–	–	5,155	5,155
Purchase of own shares held by an EBT	12(a)	–	–	(724)	–	–	(724)
Share-based payment expense	12	–	–	–	–	2,067	2,067
Other amounts direct to equity		–	–	–	–	(134)	(134)
Deferred tax direct to equity		–	–	–	–	70	70
Equity dividends paid	3	–	–	–	–	(6,660)	(6,660)
At 31 March 2021 (Unaudited half year)		60	94,312	(15,373)	4,532	45,937	129,468
At 1 October 2020		60	94,312	(14,649)	4,532	45,439	129,694
Profit for the year		–	–	–	–	14,029	14,029
Purchase of own shares held by an EBT		–	–	(4,101)	–	–	(4,101)
Exercise of options		–	–	2,960	–	(2,960)	–
Share-based payment expense		–	–	–	–	4,528	4,528
Other amounts direct to equity		–	–	–	–	(134)	(134)
Deferred tax direct to equity		–	–	–	–	305	305
Equity dividends paid		–	–	–	–	(12,097)	(12,097)
At 30 September 2021 (Audited)		60	94,312	(15,790)	4,532	49,110	132,224

The notes on pages 27 to 32 form an integral part of these unaudited Condensed Consolidated Interim Financial Statements.

Unaudited Condensed Consolidated Statement of Financial Position

as at 31 March 2022

	Notes	Unaudited 31 March 2022 £000	Unaudited 31 March 2021 £000	Audited 30 September 2021 £000
Non-current assets				
Goodwill	8	70,688	70,948	70,688
Intangible assets	8	24,953	29,855	27,377
Other investments		100	100	100
Property and equipment		1,561	2,021	1,737
Right-of-use assets		1,411	2,091	1,751
Deferred tax asset		2,431	1,400	2,166
Trade and other receivables		803	791	971
		101,947	107,206	104,790
Current assets				
Financial assets at fair value through profit and loss		3,458	3,319	3,529
Trade and other receivables		114,395	167,816	146,084
Cash and cash equivalents	9	36,038	34,402	47,675
		153,891	205,537	197,288
Total assets		255,838	312,743	302,078
Current liabilities				
Trade and other payables		(120,241)	(175,169)	(163,208)
Current tax liabilities		–	(1,471)	–
Provisions	10	–	–	(15)
Lease liabilities		(868)	(871)	(870)
		(121,109)	(177,511)	(164,093)
Non-current liabilities				
Provisions	10	(374)	(389)	(374)
Deferred tax liability		(5,958)	(3,793)	(4,237)
Lease liabilities		(711)	(1,582)	(1,150)
Total liabilities		(128,152)	(183,275)	(169,854)
Net assets		127,686	129,468	132,224
Equity				
Share capital	11	60	60	60
Merger reserve		94,312	94,312	94,312
Own shares held by an Employee Benefit Trust	12	(18,619)	(15,373)	(15,790)
Capital redemption reserve		4,532	4,532	4,532
Retained earnings		47,401	45,937	49,110
Total equity shareholders' funds		127,686	129,468	132,224

Mike O'Shea
Chief Executive Officer
26 May 2022

The notes on pages 27 to 32 form an integral part of these unaudited Condensed Consolidated Interim Financial Statements.

Unaudited Condensed Consolidated Statement of Cash Flows

for the six months ended 31 March 2022

	Notes	Unaudited six months to 31 March 2022 £000	Unaudited six months to 31 March 2021 £000	Audited year to 30 September 2021 £000
Cash flows from operating activities:				
Profit after taxation		5,816	5,155	14,029
Adjustments to reconcile profit to net cash flow from operating activities:				
– Tax on continuing operations	6	4,062	1,041	3,496
– Finance expense		7	–	–
– Interest payable on leases		34	51	94
– Depreciation – fixed assets		282	371	688
– Depreciation – leases		337	285	625
– Loss/(gain) on revaluation of financial assets at fair value through profit and loss		18	(242)	(407)
– Loss on disposal of property and equipment		–	–	28
– Increase in employee benefits liability		3,905	970	970
– Purchase of plan assets (held for employee benefits liability)		(3,905)	(970)	(970)
– Amortisation of intangible assets	8	2,424	2,379	5,117
– Share-based payment expense	12	2,240	2,067	4,528
– Decrease/(increase) in trade and other receivables		32,157	(123,967)	(101,769)
– (Decrease)/increase in trade and other payables		(42,980)	122,123	110,162
Cash generated from operations		4,397	9,263	36,591
Income tax paid		(3,008)	(2,607)	(7,267)
Net cash flow from operating activities		1,389	6,656	29,324
Cash flows from investing activities:				
Interest paid		(7)	–	–
Acquisition of assets at fair value through profit and loss		(55)	(1,216)	(1,261)
Proceeds from disposal of assets at fair value through profit and loss		107	836	836
Purchase of property and equipment		(106)	(7)	(68)
Net cash flow from investing activities		(61)	(387)	(493)
Cash flows from financing activities:				
Lease payments		(474)	(475)	(950)
Purchase of own shares held by an EBT	12(a)	(3,222)	(724)	(4,101)
Equity dividends paid	3	(9,269)	(6,660)	(12,097)
Net cash flow from financing activities		(12,965)	(7,859)	(17,148)
(Decrease)/increase in cash and cash equivalents		(11,637)	(1,590)	11,683
Opening cash and cash equivalents		47,675	35,992	35,992
Closing cash and cash equivalents	9	36,038	34,402	47,675

Notes to the unaudited Condensed Consolidated Financial Statements

for the six months ended 31 March 2022

1. Basis of accounting

These interim unaudited Condensed Consolidated Financial Statements do not constitute statutory accounts within the meaning of section 435 of the Companies Act 2006. They have been prepared on the basis of the accounting policies as set out in the Group's Annual Report for the year ended 30 September 2021.

The interim unaudited Condensed Consolidated Financial Statements to 31 March 2022 have been prepared in accordance with IAS 34 'Interim Financial Reporting' and the Listing Rules of the Financial Conduct Authority.

Premier Miton Group plc (the 'Group') is the Parent Company of a group of companies which provide a range of investment management services in the United Kingdom and Channel Islands.

The Group's 2021 Annual Report is prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the United Kingdom, and is available on the Premier Miton Group plc website (www.premiermiton.com).

The Group has considerable financial resources and ongoing investment management contracts. As a consequence, the Directors believe that the Group demonstrates the financial resilience required to manage its business risks successfully. The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for a period of at least 12 months after the date the interim financial statements are signed. Thus, the Directors continue to adopt the going concern basis of accounting in preparing the interim unaudited Condensed Consolidated Financial Statements. The Directors note that the Group has no external borrowings and maintains significant levels of cash reserves. The Group has conducted financial modelling at materially lower levels of AuM with the business remaining cash generative. The Directors have also reviewed and examined the financial stress testing inherent in the Internal Capital Adequacy Assessment Process ('ICAAP').

These interim unaudited Condensed Consolidated Financial Statements were approved and authorised for issue by the Board acting through a duly authorised committee of the Board of Directors on 26 May 2022.

The full-year accounts to 30 September 2021 were approved by the Board of Directors on 6 December 2021 and have been delivered to the Registrar of Companies. The report of the auditor on those accounts was unqualified, did not contain an emphasis of matter paragraph and did not contain any statement under section 498 of the Companies Act 2006. The figures for the six months ended 31 March 2022 and the six months ended 31 March 2021 have not been audited.

The interim unaudited Condensed Consolidated Financial Statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except where otherwise indicated.

Forward looking statements

These interim unaudited Condensed Consolidated Financial Statements are made by the Directors in good faith based on information available to them at the time of their approval of the accounts. Forward looking statements should be treated with caution due to the inherent uncertainties, including economic, regulatory and business risk factors underlying any such statement. The Directors undertake no obligation to update any forward looking statement whether as a result of new information, future events or otherwise. The interim unaudited Condensed Consolidated Financial Statements have been prepared to provide information to the Group's shareholders and should not be relied upon by any other party or for any other purpose.

2. Segmental reporting

The Group has only one business operating segment, asset management for reporting and control purposes.

IFRS 8 'Operating Segments' requires disclosures to reflect the information which the Group's management uses for evaluating performance and the allocation of resources. The Group is managed as a single asset management business and as such, there are no additional operating segments to disclose. Under IFRS 8, the Group is also required to make disclosures by geographical segments. As Group operations are solely in the UK and Channel Islands, there are no additional geographical segments to disclose.

3. Dividend

The final dividend for the year ended 30 September 2021 of 6.3p per share was paid on 11 February 2022 resulting in a distribution of £9,268,748. This is reflected in the unaudited Condensed Consolidated Statement of Changes in Equity (2021 HY: £6,659,616).

Notes to the unaudited Condensed Consolidated Financial Statements Continued

for the six months ended 31 March 2022

4. Revenue

Revenue recognised in the unaudited Condensed Consolidated Statement of Comprehensive Income is analysed as follows:

	Unaudited six months to 31 March 2022 £000	Unaudited six months to 31 March 2021 £000	Audited year to 30 September 2021 £000
Management fees	48,516	43,306	93,171
Commissions	2	267	1,075
Other income	(15)	305	480
Total revenue	48,503	43,878	94,726

All revenue is derived from the United Kingdom and Channel Islands.

5. Exceptional items and merger related costs

Recognised in arriving at operating profit from continuing operations:

	Unaudited six months to 31 March 2022 £000	Unaudited six months to 31 March 2021 £000	Audited year to 30 September 2021 £000
Connect development costs	–	64	126
Total exceptional costs	–	64	126
Merger related costs	25	667	822
Merger employment restructuring costs	–	546	528
Total merger related costs	25	1,213	1,350

Exceptional items are those items of income or expenditure that are considered significant in size and/or nature to merit separate disclosure and which are non-recurring.

There were £25,496 of merger related legal and professional costs in the period (2021 HY: £667,026, of which, £25,496 represented legal and professional fees associated with the merger with Miton Group plc and merger integration costs of £641,530).

There were no employment restructuring costs arising as a result of the merger (2021 HY: £546,057).

6. Taxation

	Unaudited six months to 31 March 2022 £000	Unaudited six months to 31 March 2021 £000	Audited year to 30 September 2021 £000
Corporation tax charge	2,708	1,130	3,674
Deferred tax liability arising on historic business combination	2,066	–	–
Deferred tax credit	(712)	(89)	(178)
Tax charge reported in the unaudited Condensed Consolidated Statement of Comprehensive Income	4,062	1,041	3,496

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25% from 19%. This was subsequently enacted on 24 May 2021. The deferred tax balances included within the Consolidated Financial Statements have been calculated with reference to the rate of 25% to the relevant balances from 1 April 2023.

At 31 March 2022, a deferred tax liability of £2,066,253 has been included in relation to a temporary difference on an intangible asset held on the balance sheet acquired in a business combination in 2007. Management has assessed this adjustment to be not material (on both quantitative and qualitative bases) to require restating comparatives, and as such the deferred tax liability has been recognised in this Unaudited Condensed Consolidated Statement of Financial position via current period tax charge.

7. Earnings per share

Basic earnings per share is calculated by dividing the profit for the period attributable to ordinary equity shareholders of the Parent Company by the weighted average number of ordinary shares outstanding during the period.

The weighted average of issued ordinary share capital of the Company is reduced by the weighted average number of shares held by the Group's Employee Benefit Trusts ('EBTs'). Dividend waivers are in place over shares held in the Group's EBTs.

In calculating diluted earnings per share, IAS 33 'Earnings Per Share' requires that the profit is divided by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares during the period.

(a) Reported earnings per share

Reported basic and diluted earnings per share has been calculated as follows:

	Unaudited six months to 31 March 2022 £000	Unaudited six months to 31 March 2021 £000	Audited year to 30 September 2021 £000
Profit attributable to ordinary equity shareholders of the Parent Company for basic earnings	**5,816**	5,155	14,029
	No.000	No.000	No.000
Issued ordinary shares at 1 October	**157,913**	157,913	157,913
– Effect of own shares held by an EBT	**(11,571)**	(9,928)	(10,641)
Weighted average shares in issue	**146,342**	147,985	147,272
– Effect of movement in share options	**10,259**	8,067	9,239
Weighted average shares in issue – diluted	**156,601**	156,052	156,511
Basic earnings per share (pence)	**3.97**	3.48	9.53
Diluted earnings per share (pence)	**3.71**	3.30	8.96

(b) Adjusted earnings per share

Adjusted earnings per share is based on adjusted profit after tax, where adjusted profit is stated after charging interest but before share-based payments, amortisation, merger related costs and exceptional items.

Adjusted profit for calculating adjusted earnings per share:

	Unaudited six months to 31 March 2022 £000	Unaudited six months to 31 March 2021 £000	Audited year to 30 September 2021 £000
Profit before taxation	**9,878**	6,196	17,525
Add back:			
– Share-based payment expense	**2,240**	2,067	4,528
– Amortisation of intangible assets	**2,424**	2,379	5,117
– Merger related costs	**25**	1,213	1,350
– Exceptional items	**–**	64	126
Adjusted profit before tax	**14,567**	11,919	28,646
Taxation:			
– Tax in the unaudited Condensed Consolidated Statement of Comprehensive Income	**(4,062)**	(1,041)	(3,496)
– Tax effect of adjustments	**1,344**	(1,118)	(914)
Adjusted profit after tax for the calculation of adjusted earnings per share	**11,849**	9,760	24,236

Notes to the unaudited Condensed Consolidated Financial Statements Continued

for the six months ended 31 March 2022

7. Earnings per share (continued)

(b) Adjusted earnings per share (continued)

Adjusted earnings per share was as follows using the number of shares calculated at note 7(a):

	Unaudited six months to 31 March 2022 pence	Unaudited six months to 31 March 2021 pence	Audited year to 30 September 2021 pence
Adjusted earnings per share	8.10	6.60	16.46
Diluted adjusted earnings per share	7.57	6.25	15.49

8. Goodwill and other intangible assets

Cost amortisation and net book value of intangible assets are as follows:

Goodwill	Unaudited six months to 31 March 2022 £000	Unaudited six months to 31 March 2021 £000	Audited year to 30 September 2021 £000
Cost:			
At 1 October	77,927	77,927	77,927
Additions	–	–	–
At 31 March/30 September	77,927	77,927	77,927
Amortisation and impairment:			
At 1 October	7,239	6,979	6,979
Impairment during the period	–	–	260
At 31 March/30 September	7,239	6,979	7,239
Carrying amount:			
At 31 March/30 September	70,688	70,948	70,688

Other intangible assets	Unaudited six months to 31 March 2022 £000	Unaudited six months to 31 March 2021 £000	Audited year to 30 September 2021 £000
Cost:			
At 1 October	81,025	81,025	81,025
Additions	–	–	–
At 31 March/30 September	81,025	81,025	81,025
Accumulated amortisation and impairment			
At 1 October	53,648	48,791	48,791
Amortisation during the period	2,424	2,379	4,857
At 31 March/30 September	56,072	51,170	53,648
Carrying amount:			
At 31 March/30 September	24,953	29,855	27,377

8. Goodwill and other intangible assets (continued)

Other intangible assets relate to the investment management agreements acquired in business combinations between the funds to which they were the investment manager and the value arising from the underlying client relationships.

The Group has determined that it has a single cash-generating unit ('CGU') for the purpose of assessing the carrying value of goodwill. Impairment testing is performed at least annually whereby the recoverable amount of the goodwill is analysed via the value-in-use method and compared to the respective carrying value. During the period no impairment was identified.

9. Cash and cash equivalents

	Unaudited six months to 31 March 2022 £000	Unaudited six months to 31 March 2021 £000	Audited year to 30 September 2021 £000
Cash at bank and in hand	36,038	34,402	47,675

10. Provisions

	£000
At 1 October 2021	389
Disposals	(15)
At 31 March 2022 (Unaudited)	**374**
Current	–
Non-current	374
	374
At 1 October 2020	389
Additions	–
At 31 March 2021 (Unaudited) and 30 September 2021 (Audited)	389

Provisions relate to dilapidations for the offices at 6th Floor, Paternoster House, London, the lease on this property runs to 28 November 2023 and the provision for dilapidations has been disclosed as non-current.

11. Share capital

Allotted, called up and fully paid: Number of shares	Ordinary shares 0.02 pence each Number	Deferred shares Number
At 1 October 2021	157,913,035	1
Issued	–	–
At 31 March 2022 (Unaudited)	**157,913,035**	**1**
At 1 October 2020	157,913,035	1
Issued	–	–
At 31 March 2021 (Unaudited) and 30 September 2021 (Audited)	157,913,035	1

Allotted, called up and fully paid: Value of shares	Ordinary shares 0.02 pence each £000	Deferred shares £000	Total £000
At 1 October 2021	31	29	60
Issued	–	–	–
At 31 March 2022 (Unaudited)	**31**	**29**	**60**
At 1 October 2020	31	29	60
Issued	–	–	–
At 31 March 2021 (Unaudited) and 30 September 2021 (Audited)	31	29	60

Notes to the unaudited Condensed Consolidated Financial Statements Continued

for the six months ended 31 March 2022

12. Share-based payment

The total expense recognised for share-based payments in respect of employee services received during the period to 31 March 2022 was £2,240,420 (2021 HY: £2,067,110).

During the period, 1,902,500 (2021 HY: 3,980,000) nil cost contingent share rights over ordinary shares of 0.02p in the Company were granted to 32 employees (2021 HY: 36 employees). Of the total award, 375,000 (2021 HY: 550,000) nil cost contingent share rights were awarded to Executive Directors. The awards will be satisfied from the Group's EBTs.

The share-based payment expense is calculated in accordance with the fair value of the contingent share rights on the date of grant. The price per right at the date of grant was £1.425 on 10 March 2022, resulting in a fair value of £2,711,063 to be expensed over the vesting period of three years.

The key features of the awards include: a three-year vesting term, automatic vesting at the relevant anniversary date with the delivery of the shares to the participant within 30 days of the relevant vesting date.

During the period, 157,035 nil cost contingent share rights over ordinary shares of 0.02p in the Company were exercised by three employees.

After the period end 622,916 nil cost contingent share rights over ordinary shares of 0.02p in the Company that vested on 16 April 2022, were exercised by 34 employees. On 23 April 2022, 848,333 nil cost contingent share rights over ordinary shares of 0.02p in the Company vested and were exercised by six employees; of the total 275,000 were exercised by an Executive Director.

(a) Employee Benefit Trusts ('EBTs')

Premier Miton Group plc established an EBT on 25 July 2016 to purchase ordinary shares in the Company to satisfy share awards to certain employees.

During the period, 1,902,500 (2021 HY: 500,000) shares were acquired and held by the Group's EBTs at a cost of £3,222,043 (2021 HY: £723,670).

At 31 March 2022, 12,692,553 (2021 HY: 10,421,565) shares are held by the Group's EBTs, 12,486,827 (2021 HY: 10,421,565) shares relate to outstanding awards.

At 31 March 2022, the cost of the shares held by the EBTs of £18,619,283 (2021 HY: £15,372,639) has been disclosed as own shares held by an EBT in the unaudited Condensed Consolidated Statement of Changes in Equity and the unaudited Condensed Consolidated Statement of Financial Position.

13. Subsequent events post balance sheet

At 26 May 2022, there were no subsequent events to report.

Shareholder information

Financial calendar

2022 full year results announced	December 2022
Annual General Meeting	February 2023
2023 half year results announced	May 2023
Closing share price on 31 March 2022	151.0p
Stock code	PMI
Listing details	The Company's ordinary shares are quoted on the Alternative Investment Market ('AIM') of the London Stock Exchange.

Corporate information

Directors
Robert Colthorpe, Non-Executive Chairman
Mike O'Shea, Chief Executive Officer
Piers Harrison, Chief Financial Officer
David Barron, Non-Executive Director
Alison Fleming, Non-Executive Director
Sarah Mussenden, Non-Executive Director
Will Smith, Senior Independent Director
Sarah Walton, Non-Executive Director

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Notes

Notes Continued

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