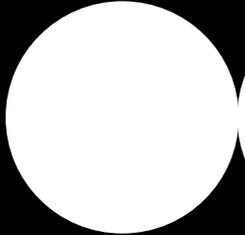
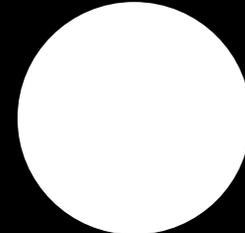
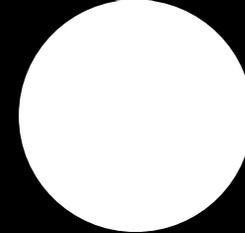
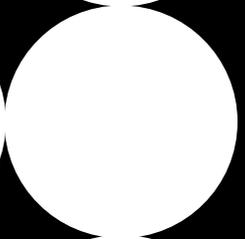
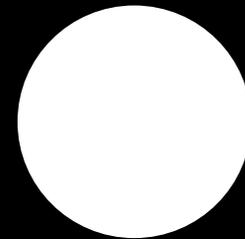
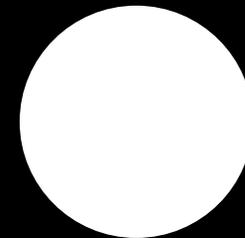
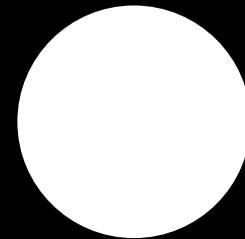
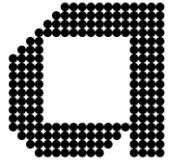




abrdn plc
Half year results 2024

06 August 2024

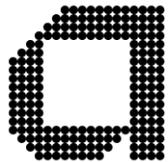




Delivering better performance

Jason Windsor





Agenda:

Jason Windsor

- Initial observations and our key priorities
- Update on group performance

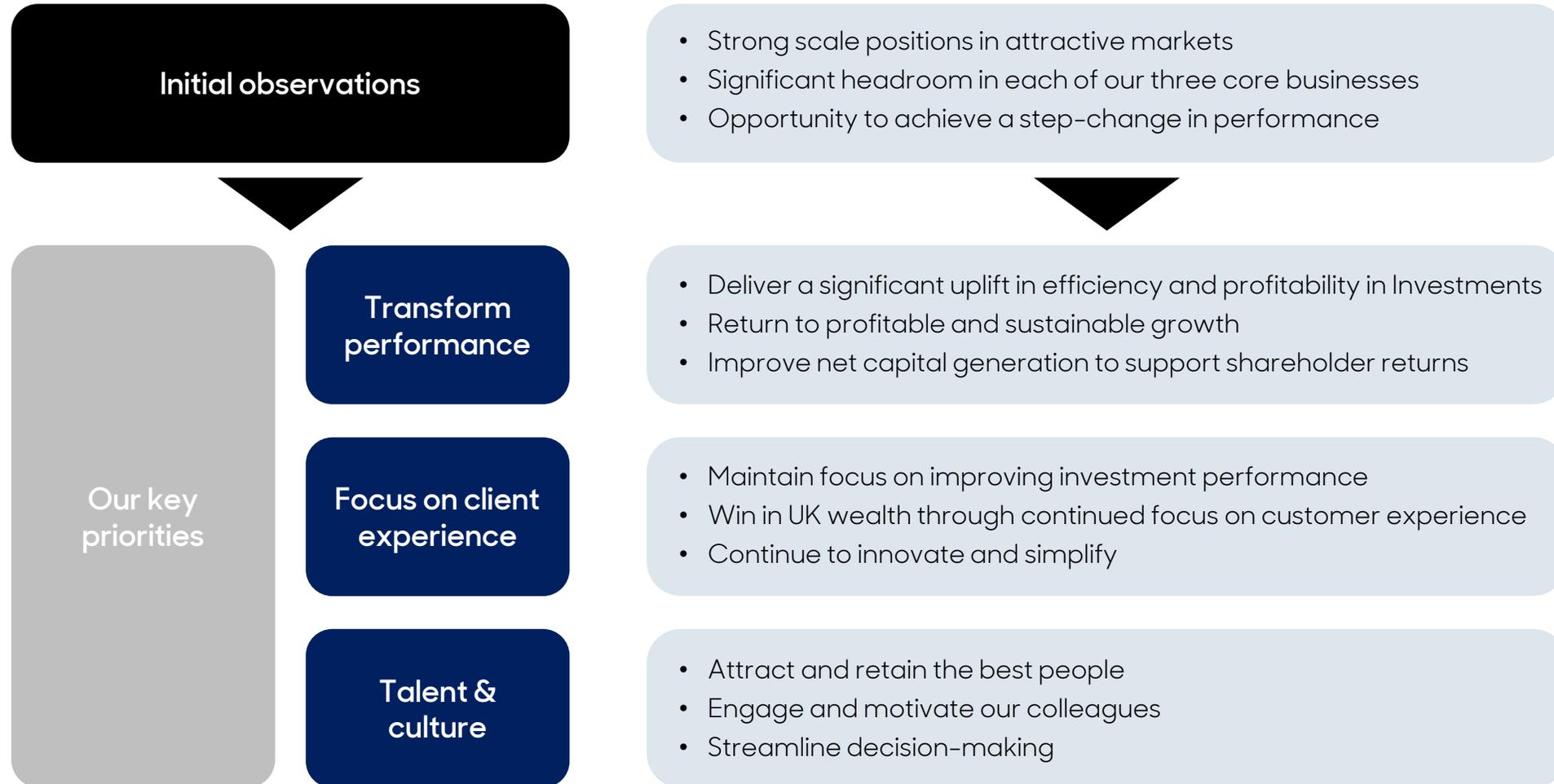
Ian Jenkins

- H1 2024 financial highlights

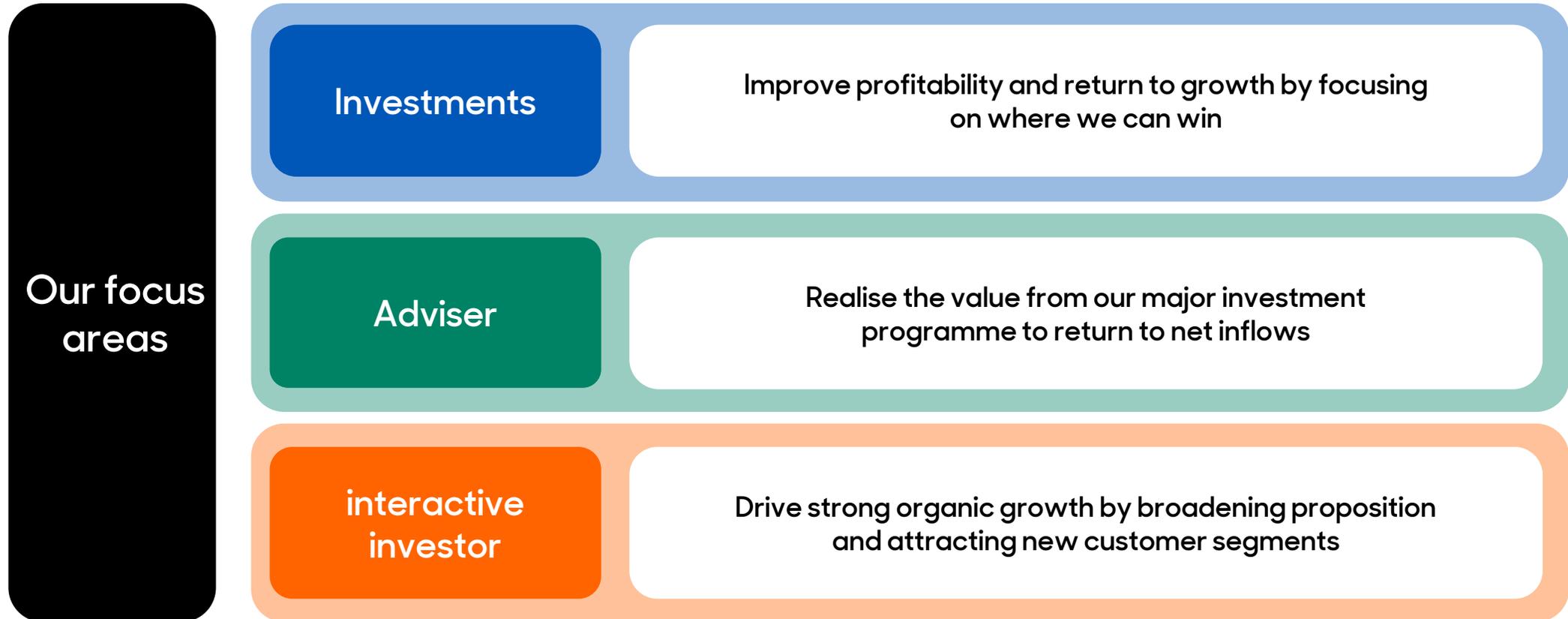
Q&A session



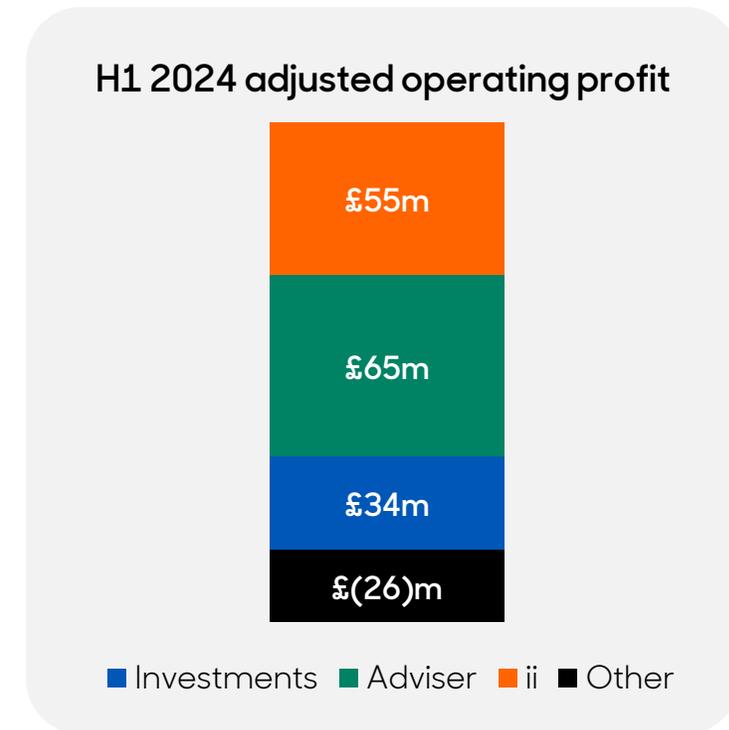
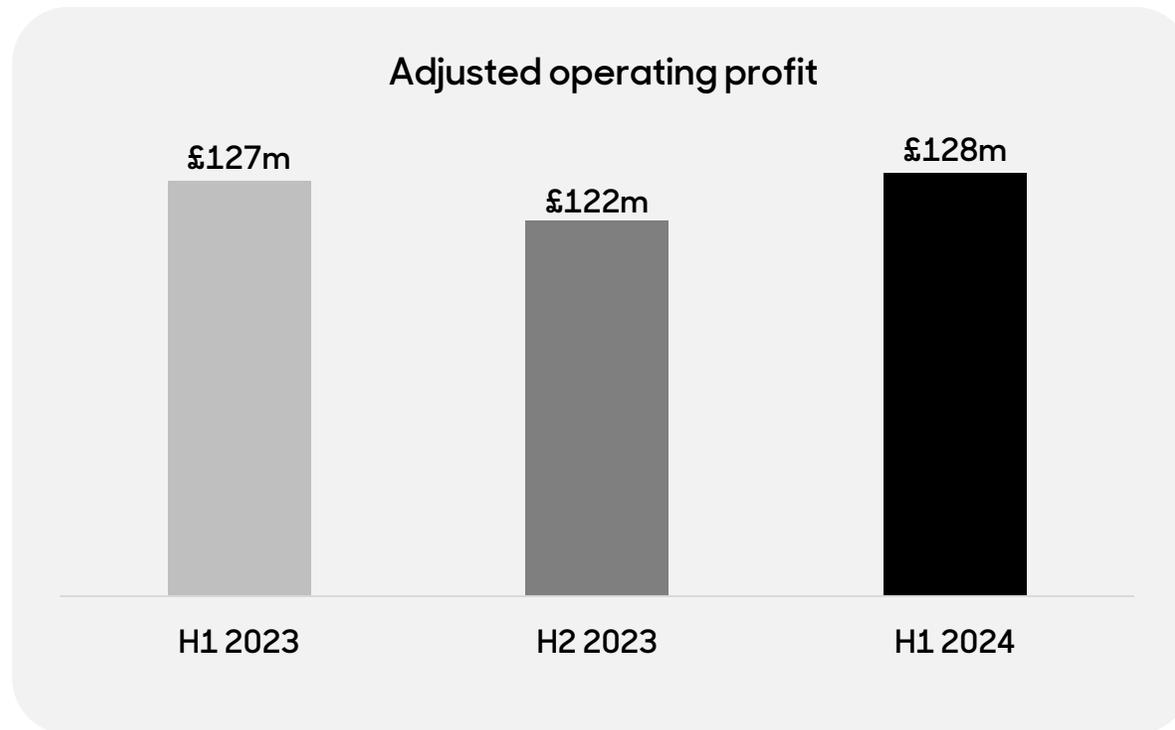
Initial observations and our key priorities



Realising the potential of our businesses



Stable performance in Investments, with Adviser and ii continuing to contribute significantly



Adjusted capital generation of £144m (H1 2023: £142m) with dividend cover of 1.11 times
Increasing focus on net capital generation, which more than doubled to £104m

Investments – focus on flows and performance

Net flows	H1 2024 £bn	H2 2023 £bn	H1 2023 £bn
Equities	(4.0)	(4.1)	(3.1)
Fixed income	1.2	(2.6)	(1.4)
Multi-asset	(0.8)	(1.7)	(1.5)
Private equity	-	-	(0.4)
Real assets	(0.6)	(0.1)	(0.2)
Alternative investment solutions	0.1	(0.3)	0.1
Quantitative	2.1	0.5	0.6
Liquidity	2.4	(2.9)	(0.8)
Institutional/Retail Wealth	0.4	(11.2)	(6.7)
Insurance Partners	(1.4)	(1.3)	0.2
Total	(1.0)	(12.5)	(6.5)

+£11.6bn

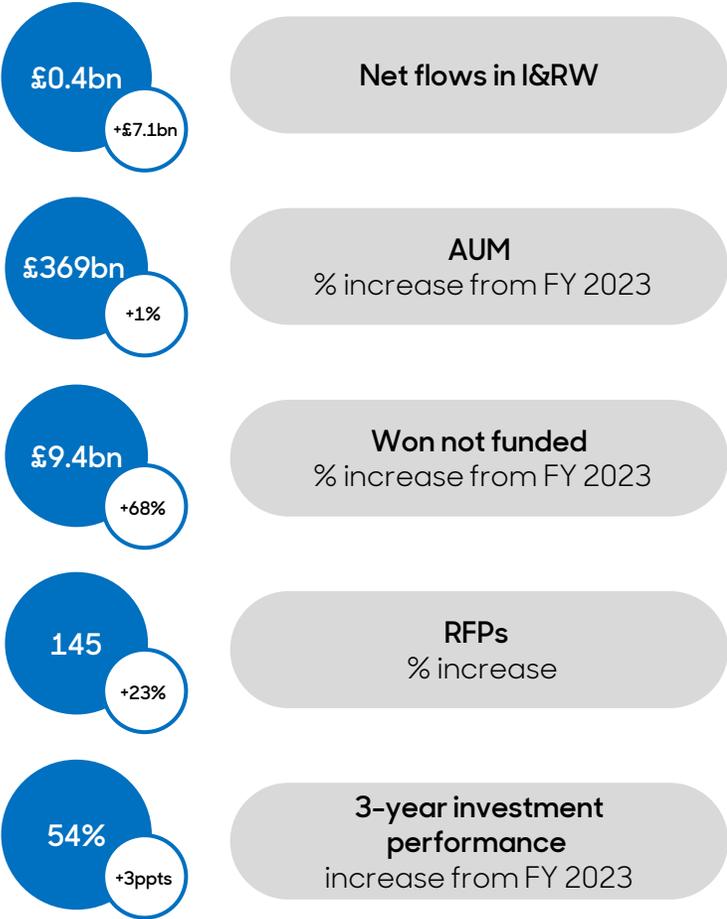
Investment performance ¹	3-year	1-year
Equities	14%	23%
Fixed income	79%	89%
Multi-asset	27%	65%
Real assets	42%	40%
Alternative investment solutions	100%	97%
Quantitative	90%	92%
Liquidity	96%	100%
Total	54%	70%

Strong flows and investment performance in Fixed income, Liquidity and Quants

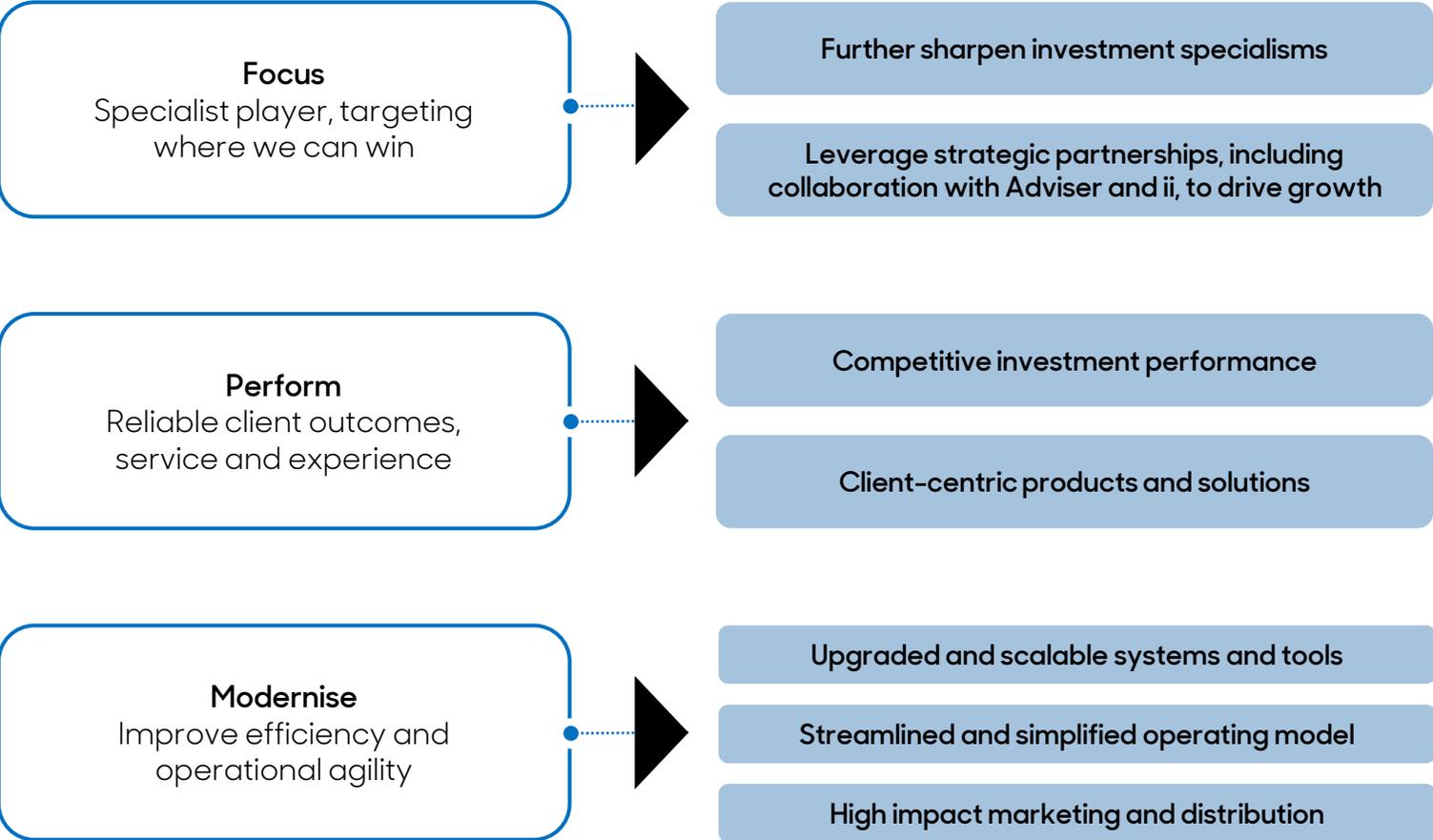
Committed to Quality investment style in Equities with continuous focus on investment performance

Investments – improve profitability and return to growth

H1 2024 Highlights



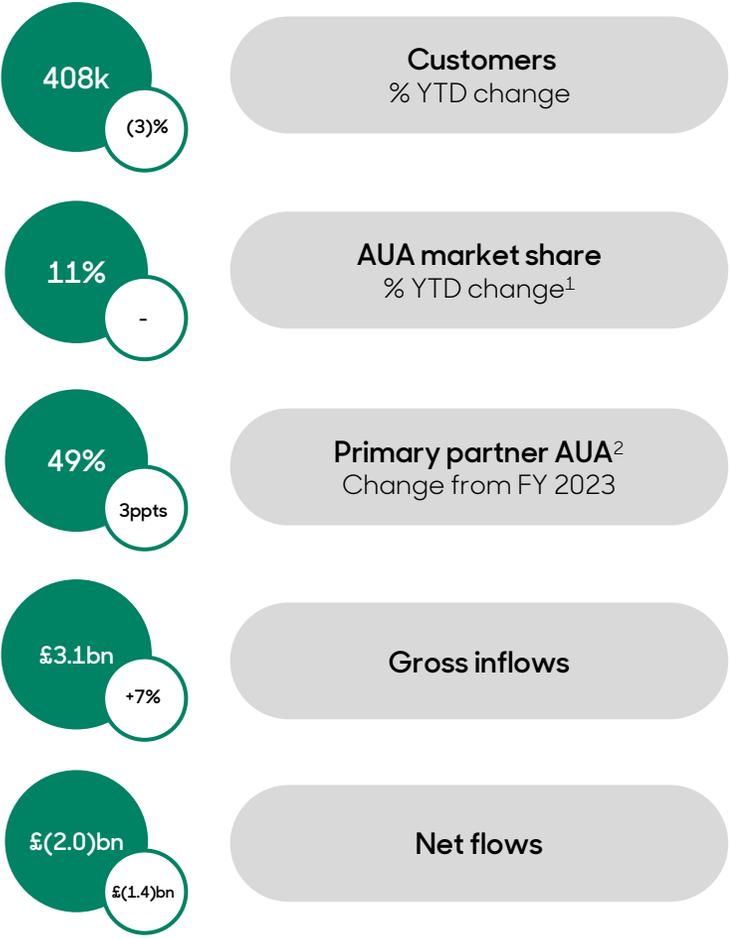
Key priorities



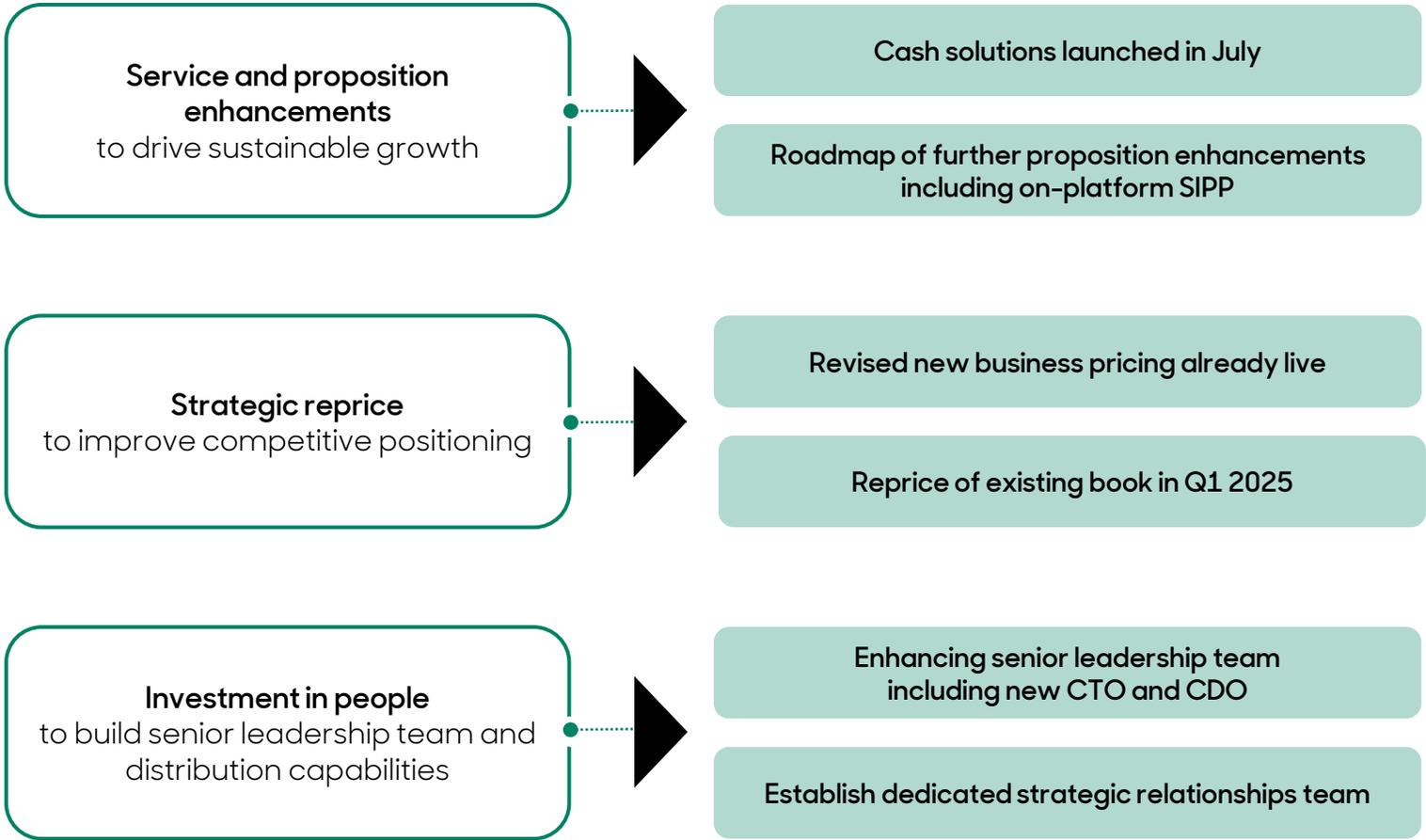
Note: All data as at 30 June 2024 and all movements vs H1 2023, unless otherwise stated. ¹ Calculations for investment performance use a closing AUM weighting basis and are made gross of fees except where the stated comparator is net of fees. The scope of the investment performance calculation has been extended to cover all funds that aim to track or outperform a benchmark, with certain assets excluded where this measure of performance is not appropriate or expected. 2023 comparative has been restated. As at 30 June 2024, 77% (31 December 2023 restated: 75%) of AUM is covered by this metric.

Adviser – focus on return to net inflows

H1 2024 Highlights



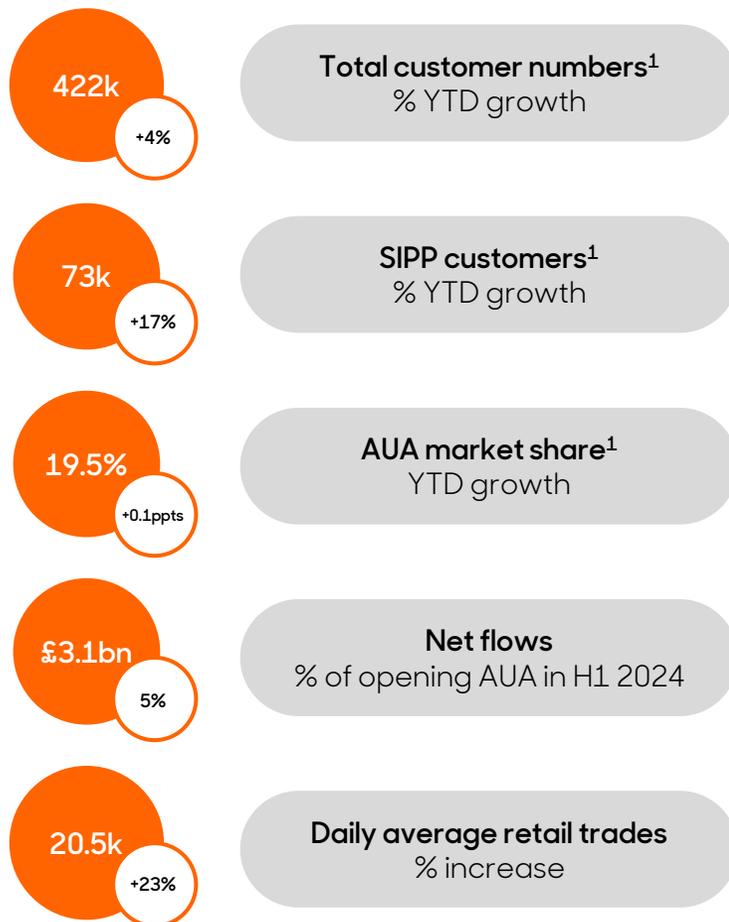
Key priorities



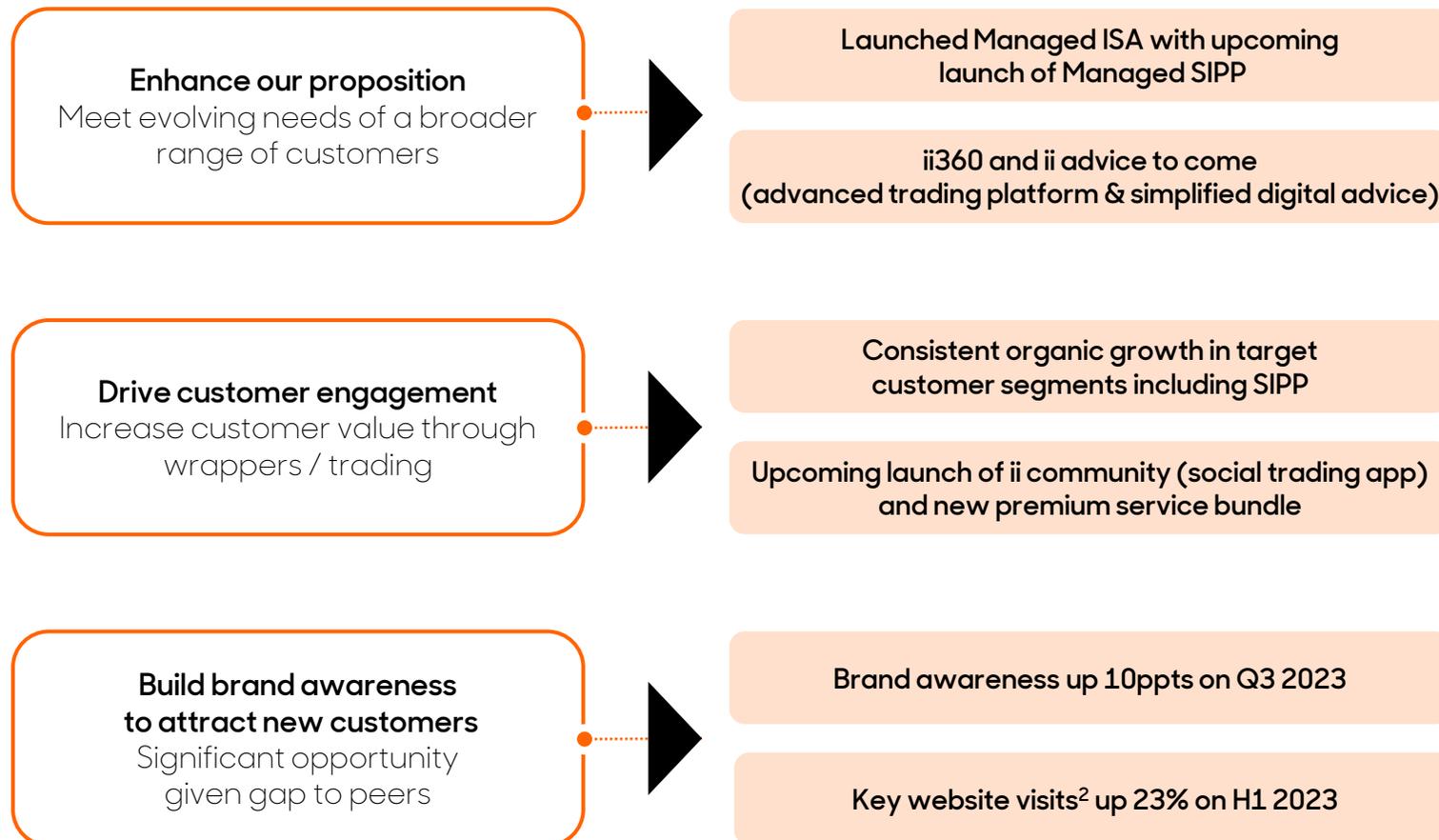
Note: All data as at 30 June 2024 and all movements vs H1 2023, unless otherwise stated. ¹ Fundscape market share data as at Q1 2024 vs Q3 2023. Market share movement normalised for inclusion of Curtis. Banks in Q1 2024. ² Share of AUA with primary partners.

interactive investor – driving profitable organic growth

H1 2024 Highlights



Key priorities



Talent & culture – creating foundations to sustain future success

Our priorities and key principles

Consistent framework and principles group-wide

Local delivery based on client needs with leaner corporate centre

Streamlined processes

Investing in our people and bench strength of leadership teams

Achieve the Group's Sustainability and DEI targets



Target outcomes

Faster decision-making and delivery for clients

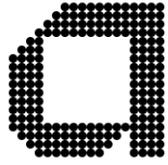
Improved efficiency, prioritising automation and risk management

Increased pace of execution with rigorous performance management

Culture in which colleagues are motivated and engaged

Ability to attract and retain top talent





Performance benefiting from continued cost focus

Ian Jenkins



Improved profitability driven by cost efficiencies

	H1 2024	H2 2023	H1 2023	Change (H1 2024 vs. H1 2023)
Net operating revenue	£667m	£677m	£721m	(7)%
Adjusted operating expenses	£(539)m	£(555)m	£(594)m	9%
Adjusted operating profit	£128m	£122m	£127m	1%
IFRS profit/(loss) before tax	£187m	£163m	£(169)m	N/A
Adjusted diluted earnings per share	6.8p	7.7p	6.2p	10%
Adjusted capital generation	£144m	£157m	£142m	1%
Net capital generation	£104m	£128m	£50m	>100%

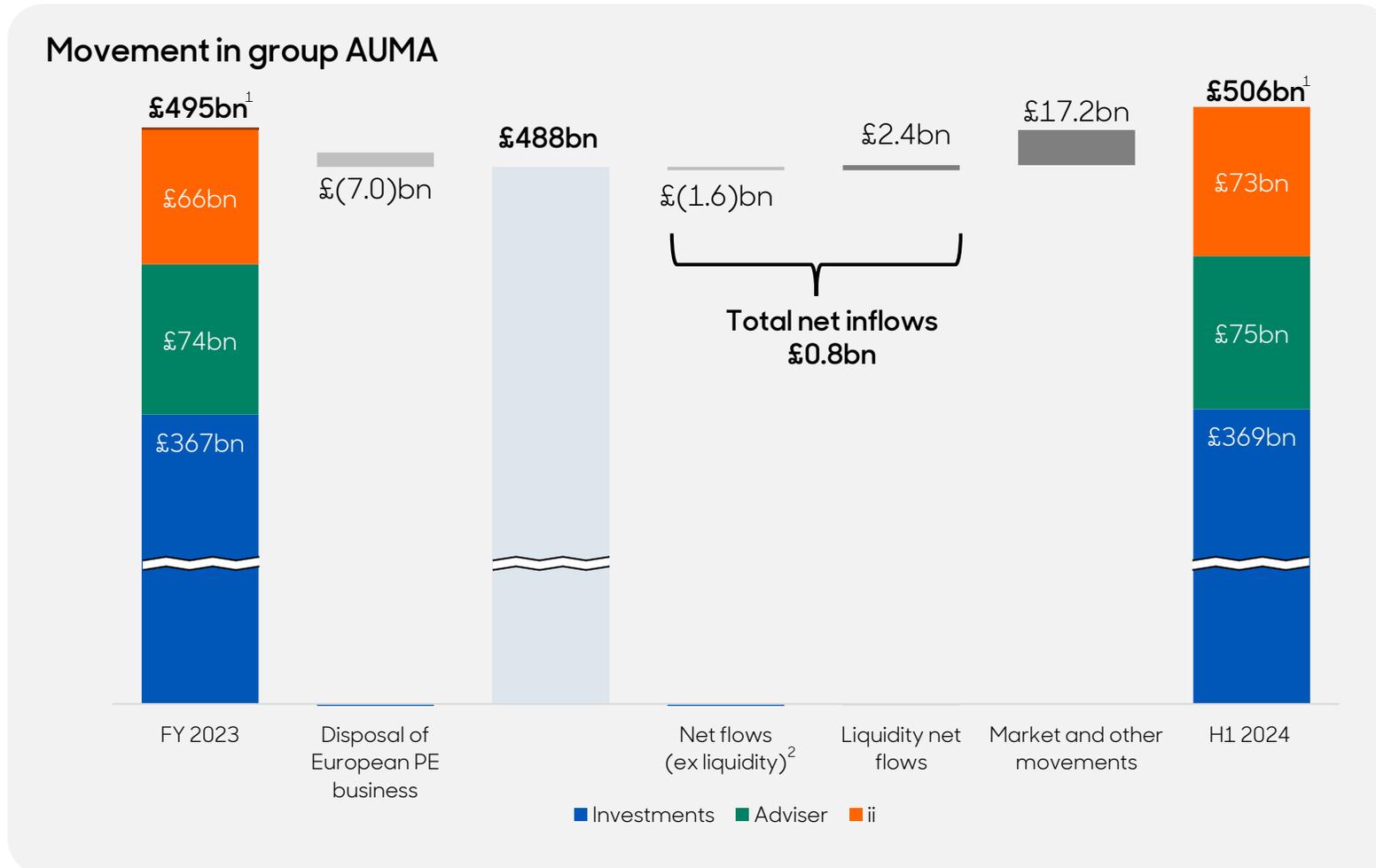
Adjusted operating profit benefits from progress in achieving efficiency savings

Lower revenue reflects net outflows from higher margin products and disposals

IFRS profit benefits from gain on sale, with H1 2023 impacted by losses on significant listed investments

Stable interim dividend of 7.3p per share in line with policy

Increased AUMA benefiting from positive markets



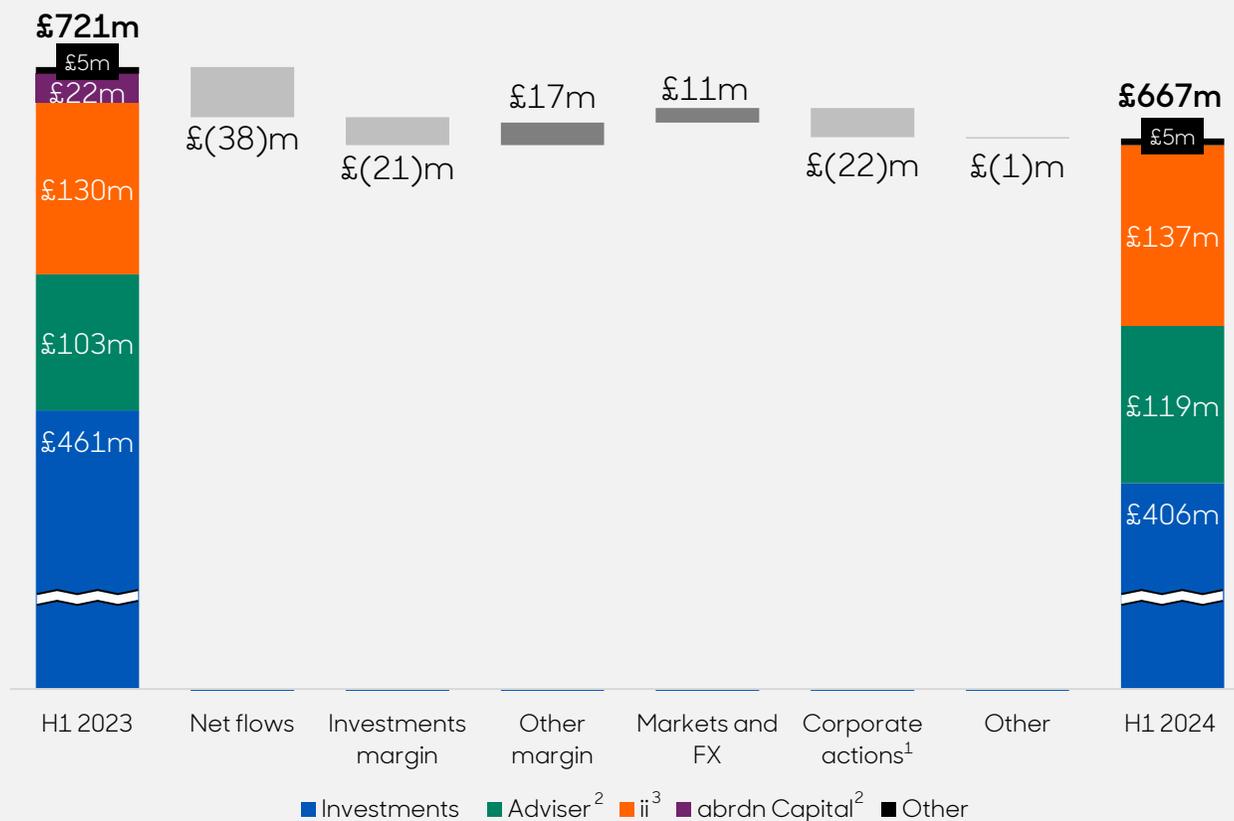
Positive market movements benefiting all three businesses

Positive flows in interactive investor, Fixed income, Quants and Liquidity

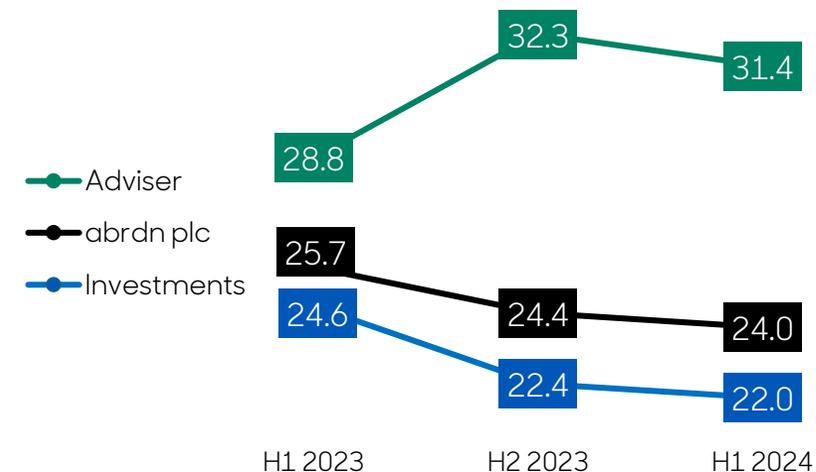
Actions underway to address outflows in Adviser and performance in Equities

Revenue impacted by net outflows and corporate actions

Movement in group net operating revenue



Net operating revenue margin (bps) trend



Investments revenue margin impacted by changes to asset mix

Adviser reflects revision to SIPP distribution arrangement with Phoenix in H2 2023

9% reduction in costs, principally benefiting Investments

Movement in group adjusted operating expenses



Continued progress on transforming our cost base

Increased investment in interactive investor to drive organic growth

Corporate actions primarily relate to sale of abrdn Capital

Performance benefiting from continued cost focus

Investments

Net operating revenue

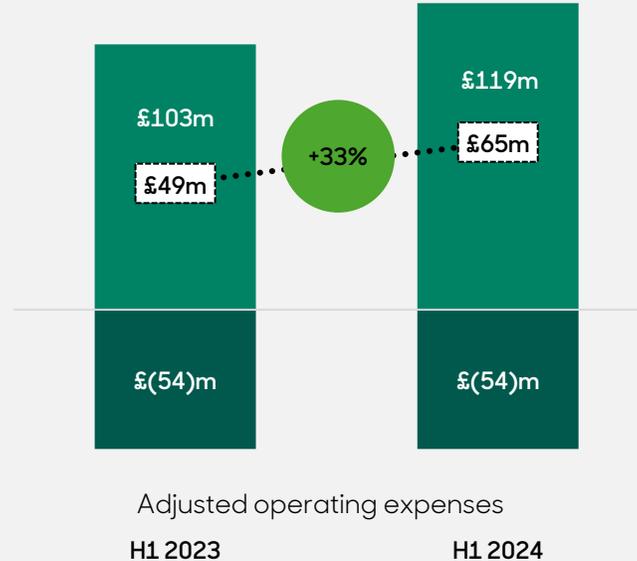


Revenue 12% lower due to net outflows and changes to the asset mix

Expenses benefited from actions to transform the cost base

Adviser¹

Net operating revenue

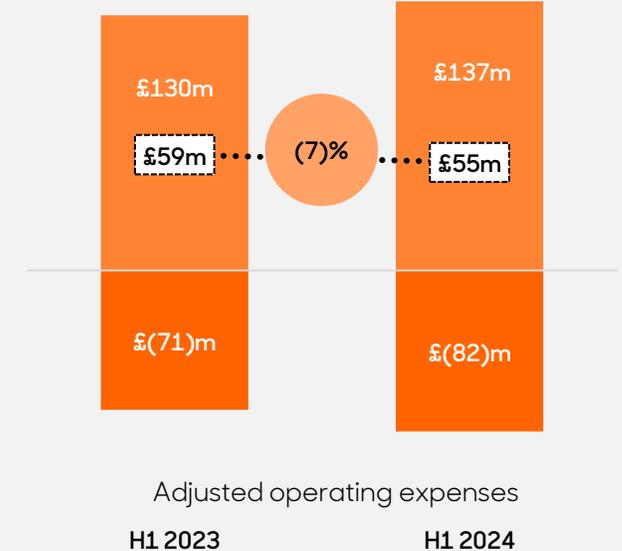


Higher revenue driven by revised distribution arrangement with Phoenix relating to SIPP product

Expenses include third-party outsourcing discount which will cease with the delivery of abrdrn SIPP

interactive investor²

Net operating revenue



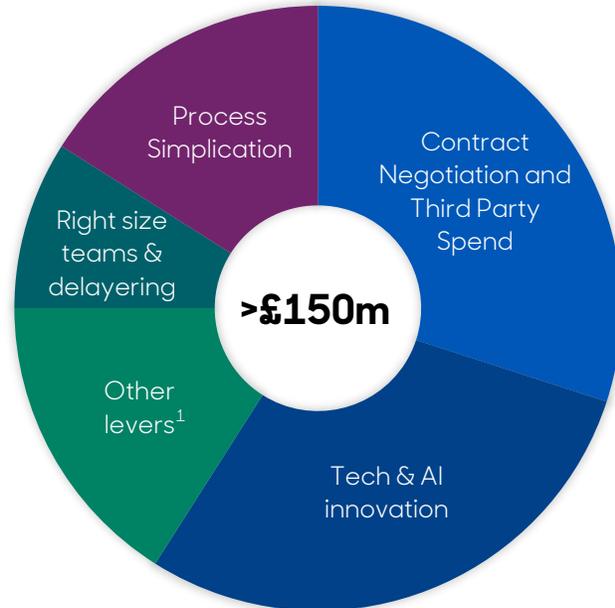
Revenue improved 5%, benefiting from higher trading and FX fees

Expenses reflect increased investment in marketing, proposition development and staff costs to create capacity for future growth

 Adjusted operating profit

Transformation – creating a more efficient and client-centric business

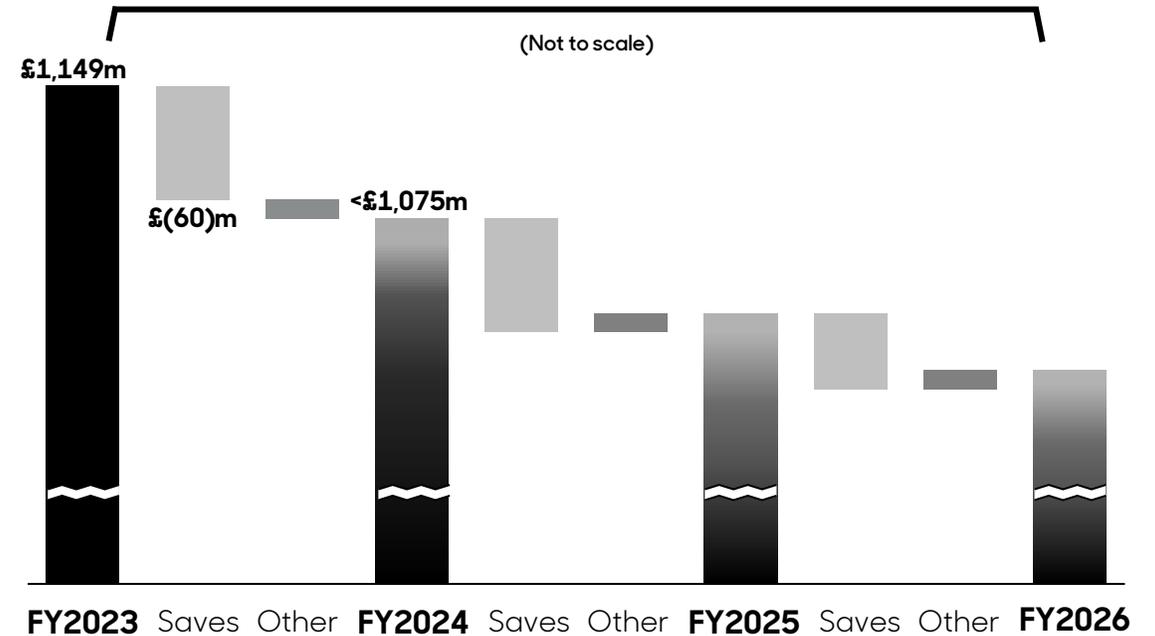
Identified sources of savings



c.75% of targeted savings from process simplification, tech and AI, and reduced third party spend

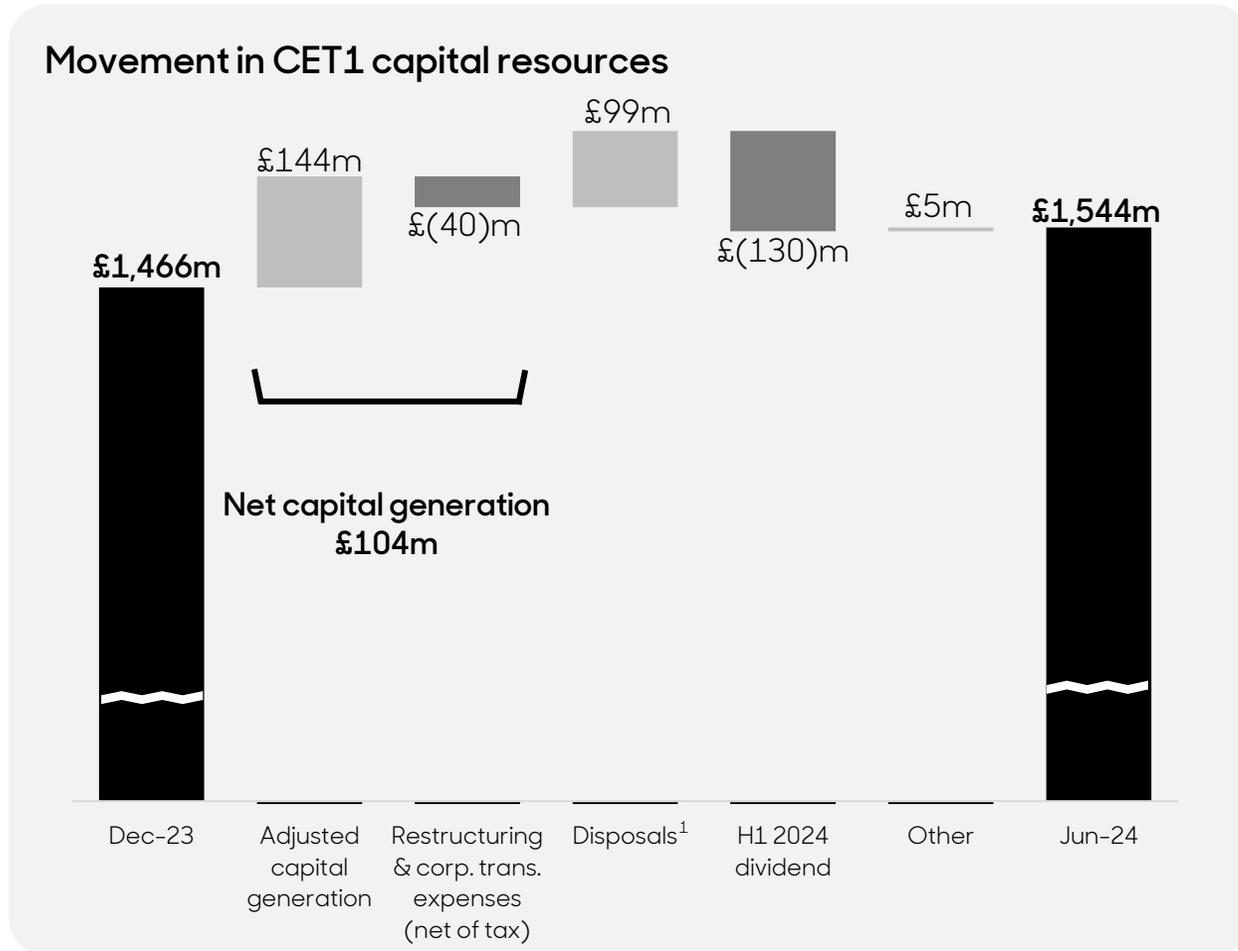
Movement in group adjusted operating expenses

>£150m of annualised cost savings by the end of 2025



Supported by the Group's strong balance sheet, risk management and control environment

Improving our net capital generation is a priority



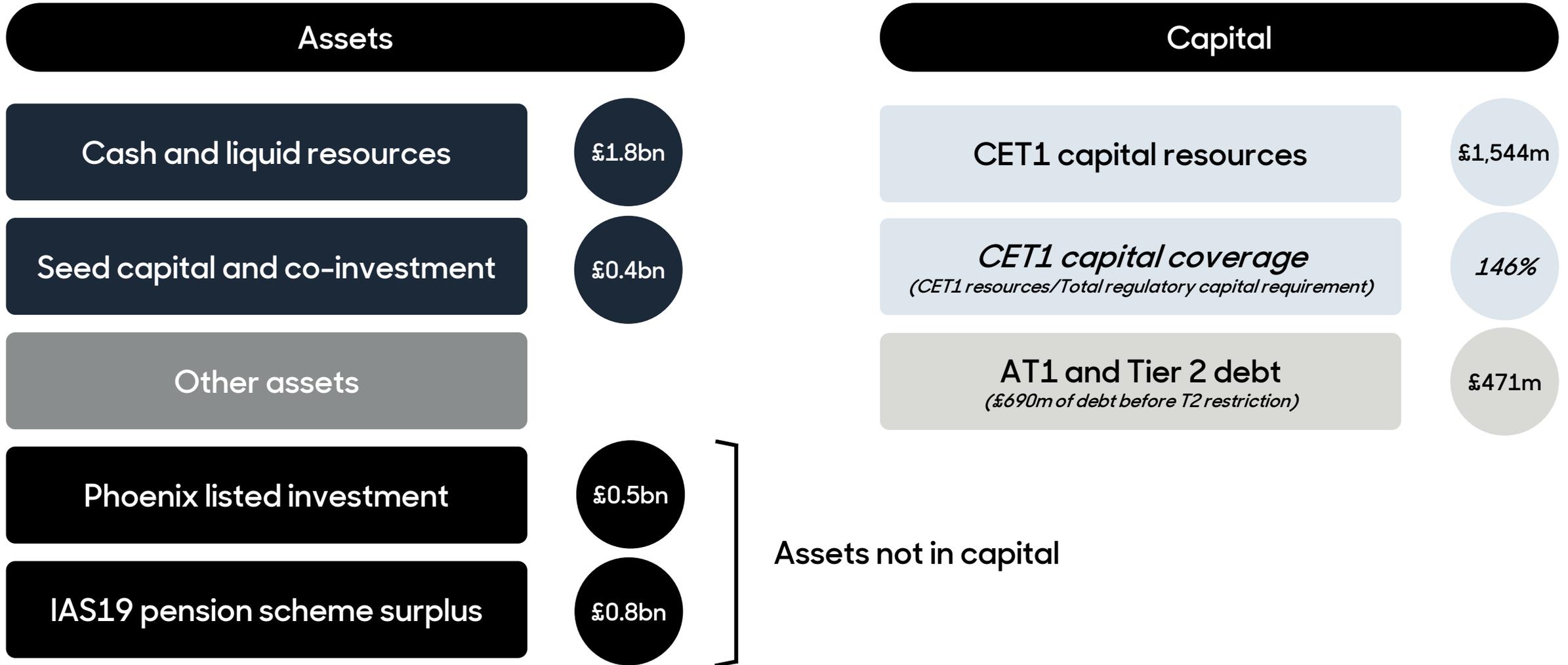
Adjusted capital generation up 1% driven by higher adjusted profit after tax

Restructuring costs primarily relate to transformation programme and platform enhancements

Disposals primarily relate to sale of European private equity business

H1 2024 dividend covered 1.11 times by adjusted capital generation

Strong balance sheet reinforces resilience



Outlook and financial guidance

Outlook

Broadly stable rate environment in 2024

Market conditions to remain challenging for active asset managers

Long-term structural growth in UK savings and wealth

Financial guidance

Investments

Revenue margins to continue to reflect changes to asset mix in 2024
– expect below 22bps for FY 2024

Expenses to benefit from Transformation savings

Adviser

Cash margin expected to be broadly stable in 2024

2025 will reflect platform repricing and end of third-party outsourcing discount

interactive investor

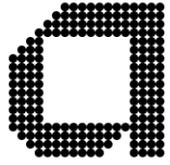
Cash margin expected to be broadly stable in 2024

Investment has created increased capacity for organic growth

Group

Cost guidance for FY 2024 <£1,075m

At least £150m of annualised cost savings by the end of 2025



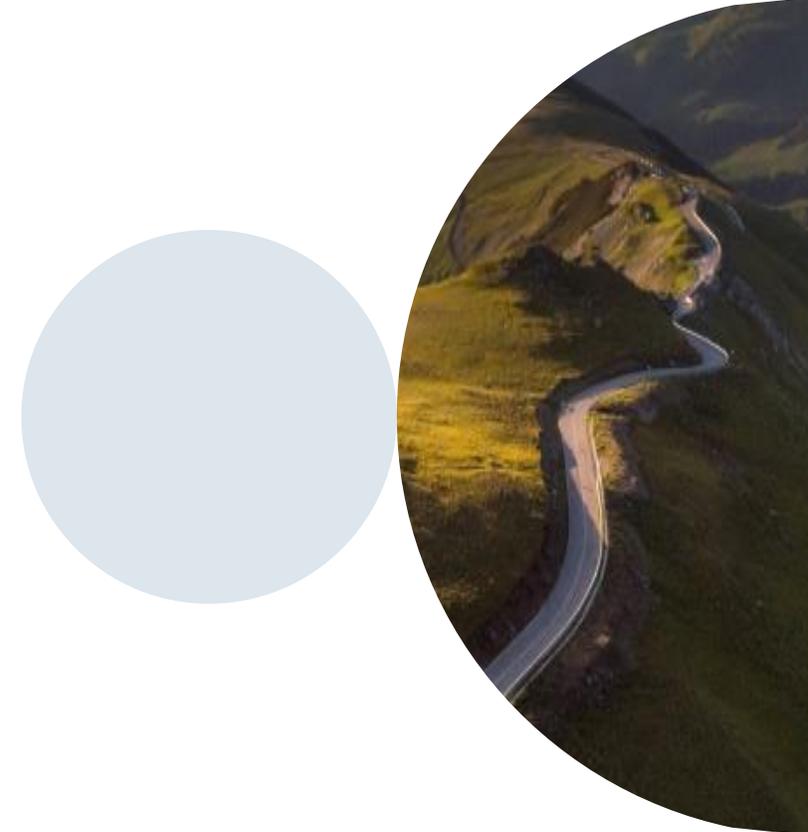
Delivering better performance

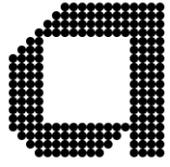
Jason Windsor



Key messages

- **Significant headroom in each of our three core businesses**
- **Transformation programme on track**, positioning group for sustainable profitability and delivering improved outcomes for clients and colleagues
- **Strong balance sheet** supporting investment in our businesses to improve sustainable net capital generation
- **Our priorities:**
 - Transform performance
 - Improve client experience
 - Strengthen our talent & culture





Q&A



Forward-looking statements

This document may contain certain 'forward-looking statements' with respect to the financial condition, performance, results, strategies, targets (including ESG targets), objectives, plans, goals and expectations of the Company and its affiliates. These forward-looking statements can be identified by the fact that they do not relate only to historical or current facts.

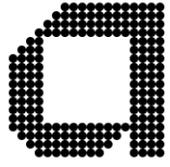
Forward-looking statements are prospective in nature and are not based on historical or current facts, but rather on current expectations, assumptions and projections of management of the abrdn Group about future events, and are therefore subject to known and unknown risks and uncertainties which could cause actual results to differ materially from the future results expressed or implied by the forward-looking statements.

For example but without limitation, statements containing words such as 'may', 'will', 'should', 'could', 'continues', 'aims', 'estimates', 'projects', 'believes', 'intends', 'expects', 'hopes', 'plans', 'pursues', 'ensure', 'seeks', 'targets' and 'anticipates', and words of similar meaning (including the negative of these terms), may be forward-looking. These statements are based on assumptions and assessments made by the Company in light of its experience and its perception of historical trends, current conditions, future developments and other factors it believes appropriate.

By their nature, all forward-looking statements involve risk and uncertainty because they are based on information available at the time they are made, including current expectations and assumptions, and relate to future events and/or depend on circumstances which may be or are beyond the Group's control, including, among other things: UK domestic and global political, economic and business conditions (such as the UK's exit from the EU, the ongoing conflict between Russia and Ukraine and the ongoing conflicts in the Middle East); market related risks such as fluctuations in interest rates and exchange rates, and the performance of financial markets generally; the impact of inflation and deflation; the impact of competition; the timing, impact and other uncertainties associated with future acquisitions, disposals or combinations undertaken by the Company or its affiliates and/or within relevant industries; experience in particular with regard to mortality and morbidity trends, lapse rates and policy renewal rates; the value of and earnings from the Group's strategic investments and ongoing commercial relationships; default by counterparties; information technology or data security breaches (including the Group being subject to cyberattacks);

operational information technology risks, including the Group's operations being highly dependent on its information technology systems (both internal and outsourced); natural or man-made catastrophic events; the impact of pandemics; climate change and a transition to a low-carbon economy (including the risk that the Group may not achieve its relevant ESG targets); exposure to third-party risks including as a result of outsourcing; the failure to attract or retain necessary key personnel; the policies and actions of regulatory authorities and the impact of changes in capital, solvency or accounting standards, ESG disclosure and reporting requirements, and tax and other legislation and regulations (including changes to the regulatory capital requirements) that the Group is subject to in the jurisdictions in which the Company and its affiliates operate. As a result, the Group's actual future financial condition, performance and results may differ materially from the plans, goals, objectives and expectations set forth in the forward-looking statements.

Neither the Company, nor any of its associates, directors, officers or advisers, provides any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this document will actually occur. Persons receiving this document should not place reliance on forward-looking statements. All forward-looking statements contained in this document are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Each forward-looking statement speaks only as at the date of the particular statement. Neither the Company nor its affiliates assume any obligation to update or correct any of the forward-looking statements contained in this document or any other forward-looking statements it or they may make (whether as a result of new information, future events or otherwise), except as required by law. Past performance is not an indicator of future results and the results of the Company and its affiliates in this document may not be indicative of, and are not an estimate, forecast or projection of, the Company's or its affiliates' future results.



Appendix

Analysis of profit

	H1 2024 £m	H1 2023 £m	Change
Net operating revenue	667	721	(7)%
Adjusted operating expenses	(539)	(594)	9%
Adjusted operating profit	128	127	1%
Adjusted net financing costs and investment return	42	24	75%
Adjusted profit before tax	170	151	13%
Restructuring and corporate transaction expenses	(51)	(113)	55%
Amortisation and impairment of intangibles	(64)	(102)	37%
Profit on disposal of subsidiaries and other operations	88	-	>100%
Profit on disposal of interests in joint ventures	11	-	>100%
Change in fair value of significant listed investments	(15)	(181)	92%
Dividends from significant listed investments	28	37	(24)%
Share of profit or loss from associates and joint ventures	21	4	>100%
Other	(1)	35	<(100)%
Total adjusting items including results of associates and joint ventures	17	(320)	>100%
IFRS profit/(loss) before tax	187	(169)	>100%
Tax (expense)/credit	(16)	24	<(100)%
IFRS profit/(loss) for the period	171	(145)	>100%

abrdn plc is registered in Scotland (SC286832) at
1 George Street, Edinburgh, EH2 2LL
www.abrdn.com
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