THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action you should take, you are recommended to seek your own financial advice immediately from your stockbroker, bank manager, fund manager, solicitor, accountant or other appropriate independent financial adviser who is authorised under the Financial Services and Markets Act 2000.

If you sell or transfer or have sold or transferred all your Shares in Liontrust Asset Management, please forward this document, and the accompanying form of proxy, as soon as possible to the purchaser or transferee or to the stockbroker, bank or other agent through or to whom the sale or transfer was effected for delivery to the purchaser or transferee. If you sell or have sold or otherwise transferred only part of your holding of Shares, you should retain this document and the accompanying form of proxy and you should consult with the stockbroker, bank or other agent through whom the sale or transfer was effected.

Any person (including, without limitation, custodians, nominees, and trustees) who may have a contractual or legal obligation or may otherwise intend to forward this document to any jurisdiction outside the United Kingdom should seek appropriate advice before taking any such action. The distribution of this document and any accompanying documents into jurisdictions other than the United Kingdom may be restricted by law. Any person not in the United Kingdom into whose possession this document and any accompanying documents come, should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Panmure Gordon, which is authorised and regulated by the Financial Conduct Authority, is acting as financial adviser to Liontrust Asset Management and for no one else in relation to the proposed acquisition of each of Architas Multi-Manager Limited and Architas Advisory Services Limited and will not be responsible to anyone other than Liontrust Asset Management for providing the protections afforded to customers of Panmure Gordon or for providing advice in relation to the proposed acquisition, the contents of this document or any transaction, arrangement or other matter referred to in this document. However, nothing in this paragraph shall serve to limit or exclude any of the responsibilities and liabilities, if any, which may be imposed on Panmure Gordon by FSMA or the regulatory regime established thereunder. This document is not a prospectus, but a shareholder circular, and it does not constitute or form part of any offer or invitation to purchase, acquire, subscribe for, sell, dispose of or issue, or any solicitation of an offer to sell, dispose of, issue, purchase, acquire or subscribe for, any security. This document is a circular which has been prepared in accordance with the Listing Rules and approved by the FCA.

LIONTRUST ASSET MANAGEMENT PLC

(incorporated and registered in England and Wales under registered number 02954692)

Proposed Acquisition of Architas Multi-Manager Limited and Architas Advisory Services Limited

and

Notice of General Meeting

A letter from the Chairman of Liontrust Asset Management is set out on pages 7 to 14 of this document. This document should be read as a whole, including any of the documents (or parts thereof) incorporated herein by reference. Your attention is also drawn to Part 2 (*Risk Factors*) of this document for a discussion of certain factors which should be taken into account in considering the matters referred to in this document.

Notice of a General Meeting of Liontrust Asset Management to be held at 2:30 pm on 30 September 2020 in the Boardroom, Liontrust Asset Management Plc, 2 Savoy Court, London WC2R 0EZ is set out at the end of this document. A Form of Proxy for use at the General Meeting is enclosed.

To be valid, the accompanying Form of Proxy for use at the General Meeting should be completed, signed and returned in accordance with the instructions printed on it to Link Asset Services at PXS, 34 Beckenham Road, Kent BR3 4TU, as soon as possible and, in any event, so as to arrive not later than 2.30 p.m. on 28 September 2020. Forms of Proxy received after this time will be invalid. **Please do not attend the meeting in person (see paragraph 9 of Part 1 below for further details). Anyone seeking to attend the meeting in person (other than those forming the quorum) will be refused entry.**

As an alternative to completing the Form of Proxy, shareholders can appoint proxies electronically via www.signalshares.com so that it is received by Link Asset Services by no later than 2.30 p.m. on 28 September 2020. CREST, members can also appoint proxies by using the CREST electronic proxy appointment service and transmitting a CREST Proxy Instruction (in accordance with the procedures set out in CREST Manual so that it is received by Link Asset Services (under CREST participant RA10) by no later than 2.30 p.m. on 28 September 2020. The time of receipt will be taken to be the time from which Link Asset Services is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. Please refer to the notes in the Notice of General Meeting for further details on appointing a proxy.

In light of the social distancing measures imposed by the UK government as a result of the current COVID-19 pandemic, any proxy you appoint other than the Chairman will be refused entry to the meeting.

PRESENTATION OF INFORMATION

Forward-looking statements

This document includes statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements can be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "anticipates", "aims", "continues", "expects", "intends", "may", "will", "would" or "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding the Group's and/or the Directors' intentions, beliefs or current expectations concerning, among other things, the Group's results, operations, financial condition, prospects, growth strategies and the markets in which the Group operates. By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. A number of factors could cause actual results and developments to differ materially from those expressed or implied by the forward-looking statements, including without limitation: conditions in the markets, the market position of the Group, earnings, financial position, return on capital, anticipated investments and capital expenditure, changing business or other market conditions and general economic conditions. These and other factors could adversely affect the outcome and financial effects of the events described herein and the Group. Forward-looking statements contained in this document based on these trends or activities should not be taken as a representation that such trends or activities will continue in the future. This section does not serve to qualify the working capital statement in Part 7 (*Additional Information*) of this document.

These forward-looking statements are further qualified by risk factors disclosed in this document that could cause actual results to differ materially from those in the forward-looking statements. See Part 2 (*Risk Factors*) of this document. These forward-looking statements speak only as at the date of this document. Except as required by the Listing Rules, the Disclosure Guidance and Transparency Rules and any applicable law, Liontrust and/or the Directors, do not have any obligation to update or revise publicly any forward-looking statement, whether as a result of new information, further events or otherwise. Except as required by the Listing Rules, the Disclosure Guidance and Transparency Rules and any applicable law, the Company and the Directors expressly disclaim any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement contained herein to reflect any change in Liontrust's and/or the Directors' expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this document might not occur. Shareholders should note that the contents of these paragraphs relating to forward looking statements are not intended to qualify the statements made as to the sufficiency of working capital in this document.

Target historical financial information

The historical financial information of the Architas UK Investment Business set out in Part 3 has been prepared in accordance with IFRS, as adopted by the EU except for certain accounting conventions commonly used for the preparation of historical financial information for inclusion in investment circulars as described in the Annexure to SIR 2000 *Standards for Investment Reporting applicable to public reporting engagements on historical financial information*, issued by the UK Auditing Practices Board, which have been applied. This document includes unaudited non-IFRS financial measures that are not defined or recognised under IFRS or any other generally accepted accounting principles (GAAP), including adjusted operating profit. Adjusted operating profit is reconciled to IFRS measures in note 6 to the historical financial information. Shareholders should not consider these non-IFRS financial measures as alternatives to measures reflected in the historical financial statements of the Architas UK Investment Business. In particular, prospective investors should not consider such measures as alternatives to profit after tax, operating profit or any other performance measures derived in accordance with IFRS or as an alternative to cash flow from operating activities as a measure of the Architas UK Investment Business' activities.

Except for the possible effects of the matter described in the basis for qualified opinion in the Accountant's Report in Part 3 the historical financial information gives, for the purposes of the Circular, a true and fair view of the state of affairs of the Architas UK Investment Business as at the dates stated. The basis of the qualified opinion being that the audit evidence available with respect to the carve out adjustments made to administration expenses for the years ended 31 December 2017, 31 December 2018 and 31 December 2019 was limited.

Presentation of currencies

Unless otherwise indicated, all references to "GBP", "£", "pounds", "sterling", or "pounds sterling" are to the lawful currency of the United Kingdom.

Market, economic and industry data

Market, economic and industry data used throughout this document is derived from various industry and other independent sources. The Company and the Directors confirm that such data has been accurately reproduced and, so far as they are aware and are able to ascertain from information published from such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Rounding

Percentages in tables have been rounded and accordingly may not add up to 100 per cent. Certain financial data have also been rounded. As a result of this rounding, the totals of data presented in this document may vary slightly from the actual arithmetic totals of such data.

Definitions

Certain terms used in this document, including capitalised terms and certain technical terms, are defined and explained in the section headed "Definitions".

Incorporation by reference

Certain information in relation to the Company is incorporated by reference into this document. Further information is set out in Part 6 (*Documents incorporated by reference*). Without limitation, unless expressly stated herein, the contents of the websites of the Group, and any links accessible through the websites of the Group, do not form part of this document.

No profit forecast or estimates

Unless otherwise stated, no statement in this document is intended as a profit forecast or estimate for any period and no statement in this document should be interpreted to mean that earnings, earnings per share or income, cash flow from operations or free cash flow for the Group or the Enlarged Group, as appropriate, for the current or future financial years would necessarily match or exceed the historical published earnings, earnings per share or income, cash flow from operations or free cash flow for the Group or the Enlarged Group, as appropriate.

No offer or solicitation

This document is not a prospectus and it does not constitute or form part of any offer or invitation to purchase, acquire, subscribe for, sell, dispose of or issue, or any solicitation of any offer to sell, dispose of, purchase, acquire or subscribe for, any security.

This document is dated 11 September 2020.

CONTENTS

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Event	*Time/date*
Latest time and date for receipt of Forms of Proxy, CREST proxy instructions	2.30 p.m. 28 September 2020
Record time for entitlement to vote at the General Meeting	2.30 p.m. 28 September 2020
General Meeting	2.30 p.m. 30 September 2020
Class 1 Condition Longstop Date	15 October 2020
Expected date of completion of the Acquisition	30 October 2020
Longstop date for completion of the Acquisition	1 April 2021

DIRECTORS, COMPANY SECRETARY, REGISTERED OFFICE AND ADVISERS

Directors	Alastair Barbour	*(Non-executive Chairman)*
	John Ions	*(Chief Executive)*
	Vinay Abrol	*(Chief Financial Officer & Chief Operating Officer)*
	Michael Bishop	*(Senior Independent Director & Chairman of the Nomination Committee)*
	Mandy Donald	*(Non-executive Director & Chairman of the Audit & Risk Committee)*
	Sophia Tickell	*(Non-executive Director)*
	George Yeandle	*(Non-executive Director & Chairman of the Remuneration Committee)*
Company Secretary	Mark Jackson	
Registered office	2 Savoy Court London WC2R 0EZ	
Sponsor and Broker	Panmure Gordon (UK) Limited One New Change London EC4M 9AF	
Reporting Accountants	RSM Corporate Finance LLP 25 Farringdon Street London EC4A 4AB	
Auditors	PricewaterhouseCoopers LLP 7 More London Riverside London SE1 2RT	
Legal Advisers to the Company	Simmons & Simmons LLP CityPoint One Ropemaker Street London EC2Y 9SS	
Registrar	Link Asset Services PXS 34 Beckenham Road Kent BR3 4TU	

PART 1

LETTER FROM THE CHAIRMAN OF LIONTRUST ASSET MANAGEMENT

Liontrust Asset Management Plc

Incorporated and registered in England and Wales under registered number 02954692

Alastair Barbour	*(Non-executive Chairman)*	*Registered Office:*
John Ions	*(Chief Executive)*	2 Savoy Court
Vinay Abrol	*(Chief Financial Officer & Chief Operating Officer)*	London
Michael Bishop	*(Senior Independent Director & Chairman of the Nomination Committee)*	WC2R 0EZ
Mandy Donald	*(Non-executive Director & Chairman of the Audit & Risk Committee)*	
Sophia Tickell	*(Non-executive Director)*	
George Yeandle	*(Non-executive Director & Chairman of the Remuneration Committee)*	

11 September 2020

To the Shareholders and, for information only, to the holders of options under the Share Option Schemes.

Dear Shareholder,

Proposed Acquisition of Architas Multi-Manager Limited and Architas Advisory Services Limited

and

Notice of General Meeting

1. Introduction

Your Board announced on 1 July 2020 that it has entered into an Agreement to purchase the Architas UK Investment Business from Architas Limited (the "**Seller**") a subsidiary of AXA S.A. for a total consideration of up to £75 million.

In view of its size, the Proposed Acquisition constitutes a Class 1 transaction for the Company under the Listing Rules and therefore is conditional, amongst other things, on the approval of Shareholders. Accordingly, notice of a General Meeting ("**GM**") of Shareholders to be convened for 2.30 p.m. on 30 September 2020, is set out at the end of this document. The Resolution, being an ordinary resolution, must be passed by a simple majority of votes cast by Shareholders who vote at the GM. The Proposed Acquisition will not proceed if the Resolution is not approved.

The purpose of this document is to provide you with information on the Architas UK Investment Business, the terms of the Proposed Acquisition, to explain the background to and reasons for the Proposed Acquisition and why the Directors believe the Proposed Acquisition is in the best interests of Shareholders taken as a whole and to recommend that you vote in favour of the Resolution as the Directors intend to do in respect of the Shares they hold.

The Proposed Acquisition provides an opportunity for the Company to acquire an experienced investment team with a broad range of multi-manager funds and to create a significant multi-asset multi-manager proposition in the UK.

On Completion, the Architas UK fund management team headed by Sheldon Macdonald will merge with Liontrust's Multi-Asset investment team headed by John Husselbee. Sheldon Macdonald will become Deputy Head of Multi-Asset, and the enlarged Liontrust Multi-Asset investment team, will manage the following risk profiled and non-risk profiled funds:

1. Architas Multi-Asset ("**MA**") Passive Risk Profiled Funds (7 funds)
2. Architas MA Blended Risk Profiled Funds (5 funds)
3. Architas MA Active Risk Profiled Funds (6 funds)
4. Architas Specialist Funds (4 funds)
5. Architas Income Generating Funds (3 funds)

(collectively the "**Funds**") and provide investment advisory services ("**IAS**"). These funds will be rebranded under the Liontrust name.

In addition to the Funds, the Architas UK Investment Business manages the Architas Protector and Architas Birthstar funds, which are not significant and management of which is outsourced.

2. Background to and reasons for the Proposed Acquisition

Buying the Architas UK Investment Business is part of Liontrust's stated strategic goal of using acquisitions to diversify its product range and complement and accelerate its growth.

The Architas UK Investment Business has developed a substantial presence in the adviser market, attracting around 1,200 IFAs to its investor roadshows last year and generating net inflows of £277 million in 2019 and £165 million in the year to 31 July 2020[1].

Acquiring the Architas UK Investment Business will bolster Liontrust's existing multi-asset offering and make Liontrust a significant provider of multi-asset multi-manager investments in the UK. The enlarged scale of the business will allow Liontrust to continue to invest in client servicing (particularly digital), investment management resource and products benefiting advisers and their clients.

The Proposed Acquisition will increase the choice of investment solutions that Liontrust can offer its clients through the addition of risk profiled and non-risk profiled funds. The Architas UK Investment Business has a broad range of funds to meet investors' different requirements in terms of risk, active, passive, blended, growth and income. These complement the target risk portfolios managed by the Liontrust Multi-Asset investment team headed by John Husselbee and expand the Group's provision of investment products, distribution and potential client base.

The Architas UK Fund Management Team consisting of Sheldon Macdonald, Mayank Markanday, Shayan Ratnasingam, Nathan Sweeny and Jen Causton will join the Group and merge with the Liontrust Multi-Asset investment team. They and the multi-manager funds, which will be rebranded as Liontrust, will benefit from the strong sales and marketing capability that the Group can provide, including the power of the Liontrust brand. Clients will benefit from consistency and despite rebranding, there will be no change to the investment objectives of the Funds and IAS. Liontrust aims to replicate the success of prior acquisitions and offers a strong platform from which to grow the AuMA of the Funds over the next few years.

Ongoing measures are being carried out to transfer any non-UK businesses managed from the Architas UK Investment Business to other AXA entities prior to the completion of the Proposed Acquisition. The reorganisation programme comprises five distinct groups of assets/services managed from the UK which needs to be transferred. Following this reorganisation there are not intended to be remaining non-UK liabilities within the Architas UK Investment Business which the Group will be acquiring.

1 Source: Architas.

3. Financial effects of the Proposed Acquisition

Financial and operational highlights of the Proposed Acquisition include

- The Group's AuMA will increase by £5.7 billion[2] [3] ;
- The Proposed Acquisition, before transaction and re-organisation costs, is expected to be broadly neutral with regards to adjusted diluted earnings per share for the financial year ending 31 March 2021 and earnings enhancing in future years;
- The Proposed Acquisition will create a significant multi-asset, multi-manager proposition in the UK market by product range and AuMA[4] which will benefit from both enhanced scale and a broader product offering;
- The Architas UK Investment Business' proposition has a well-established position among financial advisers, with net inflows (in 2019 and year to 8 September 2020), and in future, will benefit from the power and engagement of the Liontrust brand;
- The enlarged multi-asset proposition will have a broad range of both target risk portfolios and multiple ranges of risk profiled and non-risk profiled UK authorised funds;
- The Proposed Acquisition will enable the Group to broaden its distribution and client base among UK financial advisers who use investment solutions;
- The enlarged resources are expected to enhance the Group's client service;
- The Directors believe that the Proposed Acquisition will create one of the most experienced and highly regarded multi-asset multi-manager investment teams in the UK market;
- The increased scale offered to the Group by the Proposed Acquisition will allow the Group to increase investment in digital client servicing and propositions; and
- The Liontrust brand will be used for all the UK Architas funds.

The value of the gross assets of the Architas UK Investment Business as at 31 December 2019 was £64.7 million (as extracted without material adjustment from the historical financial information relating to the Architas UK Investment Business set out in Part 3), which includes fund dealing related trade receivables. The profit before tax for the Architas UK Investment Business for the year ended 31 December 2019 was £7.4 million (as extracted without material adjustment from the historical financial information relating to the Architas UK Investment Business set out in Part 3).

The consideration (together with integration and reorganisation costs) will be satisfied from existing Company cash resources, including the proceeds of a non pre-emptive placing of 5.09 million new Shares at 1,300 pence per share (the "Placing") carried out on 1 July 2020. The Placing was not conditional on Completion, and raised gross proceeds of £66.17 million.

The Proposed Acquisition and subsequent integration of the Architas UK Investment Business will require the Company to incur transaction costs of approximately £5.0 million and re-organisation costs of approximately £9.0 million (including the costs of separating the Architas UK Investment Business from the Seller's group) which will be treated as exceptional items to be incurred in the financial years ending 31 March 2021 and 31 March 2022.

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2 Architas UK Investment Business AuMA as at close of business on 31 July 2020 was £5.7 billion (source: Architas Multi-Manager Limited).

3 Liontrust's AuMA, excluding the Architas UK Investment Business AuMA, as at close of business on 31 July 2020 was £19.7 billion (source: the Company).

4 Liontrust Multi Asset investment team AuMA as at close of business on 31 July 2020 was £934 million (source: the Company).

4. Information on Architas Multi-Manager Limited and Architas Advisory Services Limited

Established in 2008, the Architas UK Investment Business is an award-winning UK multi-manager specialist which provides a broad product range, including active, passive and blended funds, that addresses the full risk spectrum. The business aims to provide a robust centralised investment proposition to enhance advisers' offerings, giving them greater choice in financial planning for their clients and allowing them to focus on their clients' requirements through:

- Providing risk-profiled funds, income generating funds and specialist funds;
- Similar to Liontrust, providing an open architecture investment process relying on rigorous analysis, review and challenge of manager convictions; and
- Aiming to provide greater resilience to market shifts, more balanced exposure to risk and a more consistent return with the Architas UK Fund management teams taking responsibility for strategic and tactical asset allocation decisions.

The Architas UK Investment Business' AuMA relating to the Funds and the IAS as at close of business on 31 August 2020 (being the latest practicable date prior to the date of this document) was £5,714 million, broken down as follows:

Fund grouping	Number of funds	AuMA (£m)
Architas MA Passive Risk Profiled Funds	7	2,098
Architas MA Blended Risk Profiled Funds	5	1,540
Architas MA Active Risk Profiled Funds	6	771
Architas Specialist Funds	4	444
Architas Income Generating Funds	3	86
Investment Advisory Services	n/a	776
Total AuMA	25	5,714

Source: Morningstar and Architas. AuMA for Architas Protector and Birthstar funds (total £47 million as at close of business 31 August 2020) are excluded as the investment management is outsourced to external investment managers.

The weighted Architas UK Investment Business AuMA as at 31 July being the last practical date when performance data was available in the 1st or 2nd relevant Investment Association quartile for the funds within the relevant fund grouping is:

Fund grouping	AuMA in 1st or 2nd Quartile over 5 years	AuMA in 1st or 2nd Quartile over 3 years	AuMA in 1st or 2nd Quartile over 1 year	AuMA in 1st or 2nd Quartile over YTD
Architas MA Active Risk Profiled Funds (6 funds)	78%	85%	87%	87%
Architas Specialist Funds (4 funds)	100%	100%	100%	100%
Architas Income Generating Funds (3 funds)	0%	4%	4%	4%

Source: Morningstar to 8 September 2020 as at 6 August 2020, bid-bid, total return, net of fees, based on the IA quartile ranking of the primary share classes. Past performance is not a guide to future performance, investments can result in total loss of capital. The above funds are all UK authorised ICVCs (primary share class).

Quartile rankings for the Architas MA Passive Risk Profiled Funds and the Architas MA Blended Risk Profiled Funds are not applicable as these funds are in the IA Volatility Managed sector which contains funds with different risk grade objectives. Architas Protector and Birthstar funds are excluded as the investment management is outsourced.

Further financial information on the Architas UK Investment Business is set out in Part 3 of this document.

5. Synergy benefits

The Board expects, following completion of the integration of the Architas UK Investment Business and extraction of the anticipated cost synergies from across the Enlarged Group, the Architas UK Investment Business to have the potential to contribute to the Enlarged Group at an Adjusted

Operating Margin which is broadly in line with the Group's Adjusted Operating Margin for the financial year ended 31 March 2020.

The Board currently expects that through moving to the Company's target operating model, an improvement in the operating margin of the Architas UK Investment Business can be delivered without adversely affecting the Group's existing operating margin. Any such improvement is contingent on the timely execution of integration plans and in particular on there being no material delay in completion of the integration as a result of any operational disruption caused by COVID-19. Whilst at present the expected timeline for integration and the realisation of cost synergies remains unchanged from the time of the announcement of the Proposed Acquisition, both could be delayed further or experience prolonged disruption as a result of the pandemic.

The financial benefits and cost synergies of the Proposed Acquisition are expected to be £3.4 million per annum, recurring. They are expected to be fully realised within twelve months following Completion during which the full integration of the Architas UK Investment Business is expected to occur. The potential efficiency savings have been calculated using the latest available management information.

Through experience with previous acquisitions and integrations, the Group has a detailed and well-designed plan to integrate the Architas UK Investment Business, with a focus on the limitation of disruption and maintaining a positive experience throughout for clients of both the Group and the Architas UK Investment Business.

The Group expects synergies to be derived from three principal areas

- A reduction of the property footprint of the Enlarged Group;
- Elimination of duplication in business administration; and
- Operating the Architas UK Investment Business through the Group's established operating platform

The Group aims to run the Architas UK Investment Business predominately from its 2 Savoy Court, London office and staff working from home ("**WFH**") on the first business day following Completion. Through reducing the property footprint, the Group anticipates making savings of £0.5 million per annum.

The Group's directors and senior management will assume responsibility for managing the Architas UK Investment Business which we expect to remove the need for duplication in business administration expenses and resources. Through redundancy, savings are expected to be £0.6 million per annum.

By operating on the Group's well invested and scalable operating platform with Bank of New York Mellon, the Group, through rationalising the Enlarged Group's workforce, expects to be able to reduce duplication and deliver savings of £2.3 million.

To facilitate the delivery of these synergies, the governance and leadership of the integration of the Architas UK Investment Business into the Group's business has already been established, and will be overseen by a highly experienced integration project team, led by the Vinay Abrol, Chief Financial Officer and Chief Operating Officer, supported by Alpha Financial Markets UK Plc, where necessary.

In arriving at the estimate of the potential efficiency savings and associated non-recurring costs to achieve such savings, the Company has made a number of key assumptions, including that:

- Completion will occur in the third quarter of the financial year ending 31 March 2021;
- by the time of Completion, there will be no material operational impediments resulting from COVID-19 and measures to contain the pandemic that prevent the timely execution of management's integration plans;

- there will be (i) no further material change to macro-economic or political conditions (subsequent to the material changes which have been experienced since March 2020 as a result of COVID-19) and (ii) no material change to regulatory, tax or legal conditions, in each case in the markets or regions in which the Enlarged Group will operate that will materially impact the implementation of the revised operating model.

The anticipated financial benefits and cost synergies referred to above reflect both the beneficial elements and relevant costs. Such anticipated financial benefits and cost synergies are contingent on Completion of the Proposed Acquisition and could not be achieved independently.

6. Principal terms and conditions of the Proposed Acquisition

The Company has conditionally agreed to acquire the entire issued share capital of the Architas UK Investment Business for an aggregate cash consideration consisting of:

- 2.2 times eligible net revenues[5] of the Architas UK Investment Business; and
- £20 million for the Architas UK Investment Business' NAV
- payable in cash on Completion;
- plus/minus an adjustment, on a £-for-£ basis, to the extent that Architas UK Investment Business' NAV on Completion is more (resulting in a further payment from the Company to the Seller) or less (resulting in a payment from the Seller to the Company) than £20 million.

The aggregate consideration shall not exceed £75 million.

By way of illustration, based on eligible net revenues of £22.0 million for the Architas UK Investment Business for the financial year ended December 2019, the consideration would have been £48.4 million plus £20.0 million therefore £68.4 million in total.

The consideration, transaction and reorganisation costs will be satisfied from existing Company cash resources, including the net proceeds of the non-pre-emptive placing of 5.09 million new ordinary shares of 1 pence each in the capital of the Company (the "Placing") completed on 1 July 2020. The Placing was not conditional upon Completion.

The Acquisition is conditional on the approval of Shareholders. If Shareholders do not approve the Proposed Acquisition at the General Meeting, the Company has agreed to pay the Seller £2.0 million (including any applicable taxes) for costs and expenses incurred by the Seller and the Seller's group in connection with the Proposed Acquisition. In this event, the Group will also retain the proceeds of the Placing for future strategic initiatives.

Completion is also conditional upon the Agreement in respect of the Proposed Acquisition becoming unconditional in all respects and not having been terminated in accordance with its terms prior to Completion. The approval of Shareholders must be obtained by 15 October 2020 and the condition in the Agreement must be satisfied by 1 April 2021, or the Agreement will lapse and will not proceed to Completion, the FCA has given its consent to the change of control of the Architas UK Investment Business. Accordingly, assuming Shareholders vote in favour of the Proposed Acquisition at the General Meeting, Completion is expected to take place on 30 October 2020.

Further details of the Agreement are set out in Part 5 of this document.

7. Current trading, trends and prospects

Liontrust delivered record net positive inflows of £2.7 billion for the 12 months to 31 March 2020, and in the most recent quarter, which ended on 30 June 2020 achieved further net inflows of £971 million taking AuMA to £19.3 billion as at close of business on 30 June 2020. Since then,

5 For further details of eligible net revenues please refer to Part 5 of this document.

through further net inflows and market/investment performance AuMA has further increased to £19.7 billion as at close of business on 31 July 2020.

This success led to Liontrust having the 6th highest net retail sales in the UK in 2019 and having the 5th and 3rd highest in the first and second quarters of 2020 respectively, according to the Pridham Report.

Liontrust has assembled a strong range of funds and portfolios across equities, fixed income, multi-asset and sustainable, and focuses on robust and repeatable investment processes to enable the Group to meet investor expectations.

In particular, the excellent fund performance and increasing profile of the Liontrust Sustainable Investment team means the Group can continue to benefit from the growing demand for sustainable investing over the next few years.

The expansion of the Group's investment solutions is continuing through its Multi-Asset target risk portfolios, sustainable managed and equity income funds. This is another part of the market where the Group expects increasing growth in demand among financial advisers.

Liontrust is also benefiting from the loyalty of clients because of the power of the brand, excellent service and communications, and robust administration. This all gives the Directors confidence that Liontrust will maintain the positive momentum it has demonstrated over recent financial years.

In March and April 2020, in common with the asset management industry as a whole, the Group and the Architas UK Investment Business faced challenging investment market conditions, largely brought about by the global COVID-19 pandemic. This led to significant volatility and a broad based decline in global financial markets and asset values. However, markets have subsequently rebounded while volatility has decreased limiting any long-term impact on the profitability of the Group and Architas UK Investment Business arising as a result of the declines in AuMA seen at the end of the first quarter and beginning of the second.

The Group and the Architas UK Investment Business have successfully navigated the COVID-19 related move to "WFH", with both having a number of employees, including fund managers doing so successfully for a number of years. The Group and the Architas UK Investment Business continue to monitor closely all developments relating to the COVID-19 pandemic and its impact on working patterns, employees, members and key service providers, with the principal aim of ensuring the welfare of the Enlarged Group's employees and members and on the continuity of the Enlarged Group's business and maintenance of high standards of service for the Enlarged Group's clients.

Group AuMA and Flows

The Group's AUMA increased from £16.1 billion as at March 2020 to £19.3 billion as at 30 June 2020, with a significant amount of the increase due to market and investment performance, but also with a significant contribution from net inflows of £971 million in the quarter. This positive outcome has continued with further net inflows in July 2020 and AuMA increasing to £19.7 billion as at 31 July 2020.

Architas UK Investment Business AuMA and Flows

Despite a dip in March and April 2020 when the Architas UK Investment Business saw AuMA decline by circa 10% in common with global financial markets and the asset management industry in general, AUMA at 31 July 2020 was broadly the same as at 31 December 2019 at £5.7 billion boosted by net inflows of £165 million.

Prospects

The Group and the Architas UK Investment Business both continue to see net inflows, adding to overall AuMA which, when combined with overall positive market and investment performance across asset classes, has had a positive impact on revenues in the Period. Revenue margin (i.e. the fees earned on AuMA) has not materially changed, administration expenses where linked to revenues have increased broadly in line with revenues and other administration expenses have increased in line with the Group being a larger business (as compared to other administration expenses incurred in the last financial year). For the Architas UK Investment Business other administration expenses are broadly in line with the last financial year.

8. Risk factors

Your attention is drawn to the risk factors set out in Part 2 of this document. Shareholders should read the whole of this document and not rely solely on the information in this letter.

9. General meeting

A General Meeting of the Company to consider and, if thought fit, approve the Proposed Acquisition has been convened to be held at 2.30 p.m. on 30 September 2020, in the Boardroom, Liontrust Asset Management Plc, 2 Savoy Court, London, WC2R 0EZ. The notice convening the meeting is set out at the end of this document.

Given the ongoing COVID-19 pandemic, and in accordance with measures currently imposed by the UK Government, the Board has decided to put in place contingency arrangements that mean that the GM will not follow its usual format. Only the statutory formal business (consisting of voting on the resolutions set out below) to meet the minimum legal requirements will be conducted and only those shareholders nominated by the Board (expected to be two directors) to form the minimum quorum to hold the meeting will be permitted to attend. The meeting will be facilitated by the Company in line with the Government's social distancing guidelines. **Please do not attend the meeting in person. Anyone seeking to attend the meeting in person (other than those forming the quorum) will be refused entry.**

If you have a question in relation to the business of the meeting or a question for the Board that you had been planning to ask at the GM, please send it by email to CompanySecretary@liontrust.co.uk. We will, to the extent appropriate and not already covered in publicly available materials, respond to them in due course. Please note all questions should be submitted by 2.30 p.m. on 28 September 2020.

You will find enclosed with this document a Form of Proxy for use at the GM. This should be completed in accordance with the instructions thereon and returned as soon as possible and, in any event, so as to be received by Link Asset Services at PXS, 34 Beckenham Road, Kent BR3 4TU not later than 2.30 p.m. on 28 September 2020.

As an alternative to completing the hard copy Form of Proxy, you can appoint proxies electronically via www.signalshares.com, to be received by Link Asset Services by no later than 2.30 p.m. on 28 September 2020. CREST members can also appoint proxies by using the CREST electronic proxy appointment service and transmitting a CREST Proxy Instruction in accordance with the procedures set out in the CREST Manual so that it is received by the Registrar (under CREST participant RA10) by no later than 2.30 p.m. on 28 September 2020. The time of receipt will be taken to be the time from which Link Asset Services is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

In light of the social distancing measures imposed by the UK government as a result of the current COVID-19 pandemic, any proxy you appoint other than the Chairman will be refused entry to the meeting.

10. Further information

Your attention is drawn to the further information set out in Parts 2 to 7 of this document. In particular your attention is drawn to the risk factors set out in Part 2. This letter is not, and does not purport to be, a summary of this document and therefore should not be regarded as a substitute for reading this document. You should read the whole of this document and the documents incorporated herein by reference and not rely solely on the information set out in this Part 1.

11. Recommendation

Your Directors consider that the Proposed Acquisition is in the best interests of the Shareholders as a whole and, accordingly, unanimously recommend Shareholders to vote in favour of the Resolution to be proposed at the General Meeting, as they intend to do in respect of their own beneficial holdings which amount in total to 1,886,570 Shares, representing approximately 3.1 per cent of the issued share capital of the Company.

Yours sincerely

Alastair Barbour
Non-executive Chairman

PART 2

RISK FACTORS

Prior to making any decision to vote in favour of the Resolution at the General Meeting. Shareholders should carefully consider, together with all other information contained in this document, the specific factors and risks described below.

The Directors consider the following to be the material risk factors for Shareholders to consider relating to the Proposed Acquisition, or relating to the Enlarged Group following the Proposed Acquisition, either as a result of new risks resulting from the Architas UK Investment Business or as a result of the impact of the Proposed Acquisition on the Enlarged Group. The risks described below do not necessarily comprise all of those associated with the Architas UK Investment Business or the Group or the Enlarged Group following Completion and are not set out in any particular order of priority. If any, or a combination, of the following risks actually materialise, the business, results of operations, financial condition, share price and prospects of the Group and, following Completion, the Enlarged Group could be materially adversely affected and potential investors may lose all or part of their investment. There may be other risks of which the Board is not aware or which it believes to be immaterial which may have an adverse effect on the business, financial condition, results or future prospects of the Enlarged Group after the Proposed Acquisition.

RISK FACTORS RELATING TO THE PROPOSED ACQUISITION

There is a risk the Proposed Acquisition will not be implemented on a timely basis or at all, the Proposed Acquisition is subject to the approval of the Proposed Acquisition at the General Meeting

The implementation of the Proposed Acquisition is subject to the approval of the Proposed Acquisition at the General Meeting.

In the event the Proposed Acquisition is not approved and does not complete, funds raised by the unconditional placing carried out by the Company to part fund the proposed Acquisition may be deployed for other acquisitions. No assertion can be made as to the strategic or financial attractiveness of any such alternative acquisitions, nor whether shareholder approval will be required to proceed with them.

If the Proposed Acquisition does not proceed to Completion, there may be an adverse impact on the reputation and brand of the Group, for example, as a result of negative media scrutiny arising in connection with failure to complete.

The due diligence conducted in connection with the Proposed Acquisition may not have revealed all relevant considerations, liabilities or regulatory and conduct issues

The due diligence conducted by the Group in connection with the Proposed Acquisition may not have revealed all relevant considerations, liabilities or regulatory and conduct issues in relation to the Proposed Acquisition, including the existence of facts that may otherwise have impacted the decision to proceed with the Proposed Acquisition, the determination of the consideration payable or the formulation of a business strategy for the Group, the Architas UK Investment Business or the Enlarged Group after Completion. In addition, information provided during the due diligence process may have been incomplete, inadequate or inaccurate. The Group and, following Completion, the Enlarged Group may also be subject to legacy conduct and other exposures with respect to the Architas UK Investment Business which were not identified through due diligence. If any of the aforementioned occur, the Group could suffer reputational damage and may be liable for losses suffered by an affected party, each of which could have a material adverse effect on the business, reputation and brand, sales, results of operations, financial condition and/or prospects of the Group and, following Completion, the Enlarged Group.

The value of the Architas UK Investment Business may be less than the consideration paid under the Acquisition Agreement

Notwithstanding a fairly assessed price, the consideration amount payable for the Architas UK Investment Business may turn out to exceed the value to the Enlarged Group that the Architas UK Investment Business has.

Losses incurred by the Company in connection with the Proposed Acquisition may not be recoverable under the Acquisition Agreement

The Agreement may not provide for the Company to recover all types of losses which it could suffer in connection with the Proposed Acquisition or the Agreement or the Architas UK Investment Business, whether because such losses are not covered by provisions of the Agreement or are excluded by its provisions, in particular by the application of any time limitations on claims or financial limitations on liability set out in the Agreement.

RISK FACTORS RELATING TO THE ENLARGED GROUP IN CONNECTION WITH THE ACQUISITION

The Group may fail to integrate the Architas UK Investment Business effectively and/or in a timely manner

The Group may experience difficulties in integrating the management and operation of the Architas UK Investment Business with the existing business carried on by the Group and the Enlarged Group may not realise, or it might take the Enlarged Group longer than expected to realise, certain or all of the anticipated benefits of the Proposed Acquisition. Integration of the cultures and philosophies of the Group and the Architas UK Investment Business is likely to be made more challenging to the extent that the current operational disruption resulting from the COVID-19 outbreak and the restrictions put in place by governments in the UK and elsewhere are continuing at the time of Completion, particularly if employees are still required to work from home.

The benefits of the Proposed Acquisition may fail to materialise or be lower than expected and/or integration costs may be higher

There is a risk that the benefits of the Proposed Acquisition anticipated by the Directors fail to materialise, that they are materially lower than have been estimated, take longer or cost more to achieve, or that the Architas UK Investment Business's business will fail to perform as expected. The expected synergies and cost savings are based upon Liontrust's assumptions about the Group's ability to integrate the Architas UK Investment Business in a timely fashion and within certain cost parameters. The Enlarged Group's ability to achieve targeted synergies and cost savings is dependent upon a significant number of factors, some of which may be beyond the Enlarged Group's control. If one or more of the underlying assumptions regarding any integration process proves to have been incorrect, these efforts could lead to substantially higher costs than planned and the Enlarged Group may not be able to realise fully, or in the anticipated time frame, the expected benefits of Liontrust's targeted synergies and cost savings. Also, synergies and cost savings may not be realised or sustained due to changes in customer needs, laws, difficulty of integrating employees or other variables. Until the Proposed Acquisition, the Group and the Architas UK Investment Business will have operated as separate businesses. The Proposed Acquisition will require the integration of the Architas UK Investment Business with the existing head office functions of Liontrust and the success of the Enlarged Group will depend, in part, on the effectiveness of the integration process and the ability of the Enlarged Group to realise the anticipated benefits without adding significant back office overhead or other costs. If the Enlarged Group is unable to realise expected benefits, or these benefits take longer to achieve, or cost more than planned, this could have a significant impact on the profitability of the Enlarged Group going forward and a material adverse effect on the Enlarged Group's business, financial condition, prospects and/or results of operations.

Synergy benefits resulting from the Proposed Acquisition may fail to materialise or take longer to realise than anticipated

The synergy benefits of the Proposed Acquisition which are expected may fail to materialise as a result of unanticipated events, integration challenges or other issues which could result in the integration being more costly, more time-consuming, more difficult or complex than anticipated.

The Group may fail to successfully integrate the cultures and philosophies of the Architas UK Investment Business and integration may be made more difficult by the COVID-19 outbreak, which may change the expected timeline for or success of integration and the realisation of cost synergies.

The COVID-19 outbreak and measures to contain the outbreak may result in material operational impediments that prevent the timely execution of management's integration plans.

Third parties, including clients and distribution partners, may not be supportive of the Proposed Acquisition and the strategic and business priorities of the Enlarged Group and the transition of the branding of the Architas UK Investment Business products may cause client confusion

The transition of Architas UK Investment Business products to the Liontrust brand may cause client confusion. There is a risk of client confusion and/or decreased market recognition of the Architas UK Investment Business and Liontrust brands during the transition period and beyond, which may have a material adverse effect on the business, reputation and brand, sales, results of operations, financial condition and/or prospects of the Enlarged Group.

The ability of the Group and the Architas UK Investment Business to retain and grow the combined business and realise the other anticipated benefits and synergies is dependent on third parties such as clients, distribution partners and other third parties being supportive of both the Proposed Acquisition and the strategic and business priorities of the Enlarged Group. Clients and distribution partners may elect to reduce or terminate their exposure to products managed by the Enlarged Group in response to the Proposed Acquisition, particularly in light of the aggregation of holdings and clients across the Group and the Architas UK Investment Business, or to defer investment or maintain rather than grow their current exposure pending further clarity on the effects of the Proposed Acquisition. Similarly, investment may be deferred if distribution partners make neutral or unfavourable recommendations regarding products of the Enlarged Group, or put products "on hold", as a consequence of the Proposed Acquisition.

Risk of executing the Proposed Acquisition could cause the market price of the ordinary shares in the Company to decline or become more volatile

The market price of the Liontrust Ordinary Shares may decline or become more volatile as a result of the Proposed Acquisition if, among other reasons the expected benefits of the Proposed Acquisition are not realised in a timely manner, the Proposed Acquisition does not complete in a timely manner, the integration is delayed or unsuccessful, the effect of the Proposed Acquisition on the Enlarged Group's financial results is not consistent with the expectation of investors, or Shareholders sell a significant number of Ordinary Shares after Completion.

The Proposed Acquisition may impact the ability of the Group to attract and retain key fund managers, directors, senior management and other employees

The Group's and, following Completion, the Enlarged Group's continued success depends on its ability to attract and retain talented fund managers, as well as experienced directors, senior management and other key employees. The risk of the Group's key individuals leaving may be increased as a result of the Proposed Acquisition. There will be a period of uncertainty for individuals until the "end state" business and operating model and synergies are achieved which could impact employee morale and retention Any inability of the Enlarged Group to attract and retain key fund managers, directors, senior management and other employees could also impair the ability of the Enlarged Group to properly execute the integration of the Architas UK Investment

Business with the Group or achieve the expected synergies from the Proposed Acquisition which may have a material adverse effect on the business, reputation and brand, results of operations, financial condition and/or prospects of the Enlarged Group.

The Proposed Acquisition and the integration of the Architas UK Investment Business could cause disruption to operational processes and may cause disruption or failure of the Enlarged Group's IT systems

The Group is and, following Completion, the Enlarged Group will be highly dependent on its IT systems to operate effectively, including with respect to certain trading activities. The integration of the Architas UK Investment Business into the Enlarged Group, including their respective IT systems may cause disruptions or failures in the IT systems of the Enlarged Group. Such disruptions or failures could damage the reputation of the Enlarged Group, indirectly result in loss of clients and revenues and may adversely affect the integration process. In addition, integration of the IT systems of the Architas UK Investment Business into the Group could negatively impact the integrity of such systems and accordingly increase the risk of the Enlarged Group being subject to cyber-crime, fraud or misappropriation, misuse, leakage or accidental release or loss of information maintained in the IT systems, which may be in breach of personal data legislation such as GDPR, and which may result in loss of clients, client dissatisfaction or financial claims. As such, any such disruption or failure to the Enlarged Group's IT systems may have a material adverse effect on the business, sales, results of operations, financial condition and/or prospects of the Enlarged Group.

The Proposed Acquisition and the integration of the Architas UK Investment Business could cause disruption to management and operations

The Proposed Acquisition and the integration of the Architas UK Investment Business into the Group could divert management's and other key staff's time, focus and resources from operating the business of the Group and the Architas UK Investment Business and, following Completion, the Enlarged Group, and the integration process may lead to an increase in the level of operational risk events such as administrative errors. As such any negative impact on management's ability to focus on running the respective businesses, or an increase in the level of operational risk events could have a material adverse effect on the business, reputation and brand, sales, results of operations, financial condition and/or prospects of the Enlarged Group.

The Enlarged Group is exposed to risks relating to COVID-19 and may be adversely impacted by the pandemic, the long-term impact of which is currently unknown

Given the short-term nature of the decline in global financial markets at the end of the first quarter and beginning of the second quarter, the coronavirus (COVID-19) outbreak has not, to date, had a material adverse effect on the Group and the Architas UK Investment Business. However, there remains a risk of future material adverse effect on both the Group and Architas UK Investment Business as the outbreak continues. Any such risks may be increased by the larger size and complexity of the Enlarged Group as compared to the Group.

The Enlarged Group will have increased exposure to regulatory regimes following the Proposed Acquisition

The Group and, following Completion, the Enlarged Group's business is subject to extensive regulation. The increased size of the Enlarged Group and the increase in activities may result in increased complexity in running the Enlarged Group's business and in particular costs of regulatory compliance which may have an adverse effect on the Enlarged Group's operations and business.

The Enlarged Group will have greater exposure to certain investment strategies

Following Completion, the Enlarged Group will be exposed to the performance of the investment strategies of the Architas UK Investment Business. While the Group has some exposure to these investment strategies and instrument types, following completion of the Proposed Acquisition this will increase significantly, and if the popularity of such strategies were to decline this could result in a loss of assets under management and a consequent adverse effect of the business of the Enlarged Group.

The Enlarged Group may be exposed to risk relating to future acquisitions

The due diligence process that the Group and, following Completion, the Enlarged Group undertakes in connection with acquisitions may fail to uncover relevant information concerning a target business. The Group has made a number of acquisitions in the past few years, which have needed to be integrated into the Group's operations. Prior to making an acquisition, the Group conducts due diligence that it deems reasonable and appropriate based on the facts and circumstances applicable to each acquisition. When conducting due diligence, the Group and, following Completion, the Enlarged Group may be required to evaluate important and complex business, financial, tax, accounting, legal issues, and outside consultants, legal advisors, accountants and investment banks may be involved in the due diligence process in varying degrees depending on the type of acquisition.

Nevertheless, when conducting due diligence and making an assessment regarding an acquisition, including the Proposed Acquisition, the Group and following Completion, the Enlarged Group relies on the resources available to it, including information provided by the target business. The due diligence process may at times be subjective and the Group's and, following Completion, the Enlarged Group's assessments are subject to a number of assumptions relating to profitability, growth and company valuations. Accordingly, there can be no assurance that the assessments or due diligence conducted regarding target businesses will prove to be correct or reveal or highlight all relevant facts that may be necessary or helpful in evaluating the potential acquisition, and actual developments may differ significantly from the Group's and, following Completion, the Enlarged Group's expectations. As a result, the Group and, following Completion, the Enlarged Group may pay too high a price to acquire a business, assume unexpected liabilities or lose customers or employees following the acquisition. The challenges of integrating any new acquisitions will be increased by the size and complexity of the Enlarged Group, and in particular were the Enlarged Group to make an acquisition prior to the complete integration of the Architas UK Investment Business this would increase the risks associated with that future acquisition. If any or all of these risks were to materialise, the result could have a material adverse impact on the Group's and, following Completion, the Enlarged Group's business, financial condition, prospects and/or results of operations.

The Enlarged Group will be exposed to general macro-economic and political risks including in connection with the UK's exit from the European Union (commonly referred to as "Brexit") and the end of the withdrawal period

Changes in the macroeconomic environment and political regimes affecting the markets in which the Enlarged Group operates may result in material adverse change to the Enlarged Group, whether as a result of decreased interest in products, impact on costs, or otherwise. The increased size of the Enlarged Group and its larger product range following the Proposed Acquisition may increase the impact of the effects of Brexit, when compared to the impact on the Group.

The effects of Brexit will depend on any agreements the United Kingdom makes to retain access to EU markets, and it is not yet clear what the terms of such agreements will be, or if there will be any such agreements. Brexit could lead to legal uncertainty and potentially divergent national laws and regulations, and could also adversely affect economic or market conditions. If the economic conditions or consumer perception of economic conditions in the United Kingdom weaken as a result of Brexit, this may adversely influence appetite for and/or performance of, the Enlarged Group's products and may adversely impact the business, results of operations and financial condition of the Group and, following Completion, the Enlarged Group. The increased size of the Enlarged Group and its larger product range following the Proposed Acquisition may increase any such adverse impact, when compared to the impact on the Group.

PART 3

HISTORICAL FINANCIAL INFORMATION RELATING TO THE ARCHITAS UK INVESTMENT BUSINESS

SECTION A: ACCOUNTANTS' REPORT ON THE ARCHITAS UK INVESTMENT BUSINESS HISTORICAL FINANCIAL INFORMATION

The Directors
Liontrust Asset Management plc
2 Savoy Court
London
WC2R 0EZ

11 September 2020

Dear Sirs,

Architas Multi-Manager Limited ("AMML") and Architas Advisory Services Limited ("AASL") (the "Architas UK Investment Business")

We report on the historical financial information of the Architas UK Investment Business set out in Section B of Part 3 of the Class 1 circular dated 11 September 2020 (the "Circular") of Liontrust Asset Management Plc. This historical financial information has been prepared for inclusion in the Circular on the basis of the accounting policies set out at Note 1 to the historical financial information. This report is required by LR 13.5.21 R of the Listing Rules made by the Financial Conduct Authority (the "Listing Rules") and is given for the purpose of complying with that requirement and for no other purpose.

Responsibilities

The directors of Liontrust Asset Management plc (the "Company") are responsible for preparing the historical financial information in accordance with the basis of preparation set out in note 1 to the historical financial information. It is our responsibility to form an opinion on the historical financial information and to report our opinion to you.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and which we may have to shareholders of the Company as a result of the inclusion of this report in the Circular, to the fullest extent permitted by law, we do not accept or assume responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with LR 13.4.1 R (6) of the Listing Rules, consenting to its inclusion in the Circular.

Basis of qualified opinion

The audit evidence available to us with respect to the carve out adjustments made to administration expenses for the years ended 31 December 2017, 31 December 2018 and 31 December 2019 was limited due to the circumstances described below:

For the year ended 31 December 2017

With respect to administration expenses having a value of £16,543,000, the audit evidence available to us was limited because historically AMML and AASL were managed as one UK and non-UK business. As a result, there is limited evidence to support the administration costs carve out allocation basis described in note 1 to the historical financial information, other than management's best estimates and therefore we were unable to obtain sufficient appropriate audit evidence over the carve out adjustments made to administration expenses and therefore over the amounts reported in the historical financial information. Consequently, we were unable to determine whether any adjustments to administration expenses and the related income tax expense of £973,000 for the year ended 31 December 2017 and to corporation tax payable of £2,239,000 at 31 December 2017 were necessary.

For the year ended 31 December 2018

With respect to administration expenses having a value of £16,852,000, the audit evidence available to us was limited because historically AMML and AASL were managed as one UK and non-UK business. As a result, there is limited evidence to support the administration costs carve out allocation basis described in note 1 to the historical financial information, other than management's best estimates and therefore we were unable to obtain sufficient appropriate audit evidence over the carve out adjustments made to administration expenses and therefore over the amounts reported in the historical financial information. Consequently, we were unable to determine whether any adjustments to administration expenses and the related income tax expense of £1,051,000 for the year ended 31 December 2018 and to corporation tax payable of £2,289,000 at 31 December 2018 were necessary.

For the year ended 31 December 2019

With respect to administration expenses having a value of £15,975,000, the audit evidence available to us was limited because historically AMML and AASL were managed as one UK and non-UK business. As a result, there is limited evidence to support the administration costs carve out allocation basis described in note 1 to the historical financial information, other than management's best estimates and therefore we were unable to obtain sufficient appropriate audit evidence over the carve out adjustments made to administration expenses and therefore over the amounts reported in the historical financial information. Consequently, we were unable to determine whether any adjustments to administration expenses and the related income tax expense of £1,127,000 for the year ended 31 December 2019 and to corporation tax payable of £3,416,000 at 31 December 2019 were necessary.

We conducted our work in accordance with Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the historical financial information. It also included an assessment of significant estimates and judgments made by those responsible for the preparation of the historical financial information and whether the accounting policies are appropriate to the entity's circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the historical financial information is free from material misstatement whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in any jurisdictions other than the United Kingdom and accordingly should not be relied upon as if it had been carried out in accordance with those other standards and practices.

Qualified Opinion

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion section of our report, the historical financial information gives, for the purposes of the Circular, a true and fair view of the state of affairs of the Architas UK Investment Business as at the dates stated and of its results, cash flows and changes in equity for the periods then ended in accordance with the basis of preparation set out in note 1 to the historical financial information.

Yours faithfully

RSM Corporate Finance LLP

Regulated by the Institute of Chartered Accountants in England and Wales

RSM Corporate Finance LLP is a limited liability partnership registered in England and Wales, registered no. OC325347. A list of the names of members is open to inspection at the registered office 25 Farringdon Street London EC4A 4AB.

SECTION B: HISTORICAL FINANCIAL INFORMATION ON THE ARCHITAS UK INVESTMENT BUSINESS

Combined Statement of Comprehensive Income

For the years ended 31 December 2017, 2018 and 2019

	Note	2017 £'000	2018 £'000	2019 £'000
Revenue	3	32,328	32,243	31,397
Cost of sales	3	(10,536)	(9,838)	(8,014)
Gross profit		21,792	22,405	23,383
Administration expenses	4	(16,543)	(16,852)	(15,975)
Operating profit		5,249	5,553	7,408
Interest receivable	7	2	4	–
Finance costs		1	–	–
Profit before tax		5,252	5,557	7,408
Taxation	9	(973)	(1,051)	(1,127)
Profit for the year		4,279	4,506	6,281
Other comprehensive income:				
Other comprehensive income, net of tax		–	–	–
Total comprehensive income attributable to the equity shareholders of the company		4,279	4,506	6,281

Combined Statement of Financial Position

As at 31 December 2017, 2018 and 2019

	Note	2017 £'000	2018 £'000	2019 £'000
Current assets				
Trade and other receivables	10	23,980	23,296	31,364
Financial assets	11	402	359	295
Cash and cash equivalents	12	40,411	45,948	32,993
Total current assets		64,793	69,603	64,652
Current liabilities				
Trade and other payables	13	(17,288)	(24,483)	(36,339)
Corporation tax payable		(2,839)	(2,289)	(3,416)
Total current liabilities		(20,127)	(26,772)	(39,755)
Net current assets		44,666	42,831	24,897
Net assets		44,666	42,831	24,897
Invested Capital				
Invested Capital	1(a)	44,666	42,831	24,897
Total equity		44,666	42,831	24,897

Combined Cash Flow Statement

For the years ended 31 December 2017, 2018 and 2019

	Note	2017 £'000	2018 £'000	2019 £'000
Cash flows from operating activities				
Operating profit	5	5,249	5,553	7,408
Working capital movement increase/(decrease)	15	(128)	7,879	3,788
Non-cash movements	15	166	219	166
Interest receivable	7	2	4	–
Tax paid		–	(1,602)	–
Net cash generated from operating activities		5,289	12,053	11,362
Cash flows from financing activities				
Invested capital movement	1(a)	14,987	7,557	(9,103)
Dividends paid	8	(12,241)	(14,073)	(15,214)
Net cash from/(used in) financing activities		2,746	(6,516)	(24,317)
Net increase/(decrease) in cash and cash equivalents		8,035	5,537	(12,955)
Opening cash and cash equivalents		32,376	40,411	45,948
Closing cash and cash equivalents		40,411	45,948	32,993

Combined Statement of Changes in Equity

For the years ended 31 December 2017, 2018 and 2019

	Note	Invested Capital £'000
At 31 December 2016		37,235
Total comprehensive income		4,279
Dividends paid	8	(12,241)
Share-based payments	15	166
Invested Capital movement	1(a)	15,227
At 31 December 2017		44,666
Total comprehensive income		4,506
Dividends paid	8	(14,073)
Share-based payments	15	219
Invested Capital movement	1(a)	7,513
At 31 December 2018		42,831
Total comprehensive income		6,281
Dividends paid	8	(15,214)
Share-based payments	15	166
Invested Capital movement	1(a)	(9,167)
At 31 December 2019		24,897

Notes to the Historical Financial Information

1. Principal accounting policies

a) *Basis of preparation*

The business, for which the historical financial information has been prepared, constitutes the combined UK investment management activities of Architas Multi-Manager Limited ("**AMML**") and Architas Advisory Services Limited ("**AASL**") (the "**Architas UK Investment Business**"), activities which previously formed part of the AXA S.A group ("**AXA**"). The historical non-UK investment management activities of AMML and AASL do not form part of the business being acquired and are therefore excluded from the historical financial information.

The combined historical financial information for the three years ended 31 December 2019 (the "**Historical Financial Information**") has been prepared specifically for the purposes of this Circular and in accordance with the Listing Rules and in accordance with this basis of preparation.

The combined Historical Financial Information is presented in pounds sterling and all values are in thousands (£000) rounded to nearest thousand except where otherwise indicated.

The combined Historical Financial Information does not constitute statutory accounts within the meaning of section 434(3) of the Companies Act 2006.

The basis of preparation describes how the financial information has been prepared in accordance with International Financial Reporting Standards and IFRS Interpretations Committee ("**IFRS IC**") and Standing Interpretations Committee interpretations as adopted by the European Union (collectively "**IFRS**"), except as described below.

IFRS does not provide for the preparation of combined financial information and accordingly in preparing the combined Historical Financial Information certain accounting conventions commonly used for the preparation of historical financial information for inclusion in investment circulars as described in the Annexure to SIR 2000 *Standards for Investment Reporting applicable to public reporting engagements on historical financial information,* issued by the UK Auditing Practices Board, have been applied.

- The combined Historical Financial Information of the Architas UK Investment Business is not prepared on a consolidated basis and therefore does not comply with the requirements of IFRS 10 Consolidated Financial Statements. The combined Historical Financial Information has been prepared on a basis that combines the results and assets and liabilities of the business that constitutes the Architas UK Investment Business, derived from the accounting records of AMML, AASL and their direct parent, Architas Limited, by applying the principles underlying the consolidation procedures of IFRS 10.

The following summarises the key accounting and other principles applied in preparing the carve-out Historical Financial Information:

- The Architas UK Investment Business did not comprise a separate legal entity or group of entities during the three years ended 31 December 2019 and, therefore it is not meaningful to present share capital or an analysis of reserves. The excess of assets over liabilities of all combining entities in the Architas UK Investment Business as of 31 December 2017, 31 December 2018, and 31 December 2019 are representative of the cumulative investment of AXA in the Architas UK Investment Business, shown as "Invested Capital". The net accounting impacts of combining the results and assets and liabilities constituting the Architas UK Investment Business on the combined cash flow statement and combined statement of changes in equity are reflected in the line items entitled movement in working capital and invested capital movement.

- Transactions and balances between the Architas UK Investment Business and the rest of AXA represent third party transactions and balances from the perspective of Architas UK Investment Business. They have been presented alongside all other third-party transactions and balances in the appropriate financial statement line items of the carve-out historical financial information to which such transactions and balances relate and disclosed as related party transactions.

- Staff costs have been allocated to the Architas UK Investment Business using a time-based allocation methodology. Where management have considered that an employee has expended the majority (greater than 50 per cent.) of their worked hours in an annual period on UK investment management-related activities, the total staff cost for that individual has been allocated to the Architas UK Investment Business and recognised within administrative expenses in the combined statement of comprehensive income for that year. Staff costs include salary costs, other benefits (including pension, share based payment expenses, bonuses and other amounts) and payroll tax costs for the allocated individuals. The staff costs allocated are not necessarily representative of the staff costs that would have been reported had the Architas UK Investment Business been a standalone group for the periods presented, nor are they necessarily representative of the staff costs that may be earned or incurred by the Architas UK Investment Business in the future.

- The combined statement of comprehensive income of the Architas UK Investment Business reflects allocations of general corporate expenses incurred by AXA including, but not limited to, staff costs, property expenses and elements of IT costs. These allocations were made on a direct usage basis when identifiable, with the remainder allocated on the basis of headcount. Management have used other drivers in the allocation of other types of expenses such as the proportion of total AMML and AASL desks allocated to the Architas UK Investment Business, as well as the number of licences for certain software applications purchased by AMML and AASL that are used by the Architas UK Investment Business. During the years ended 31 December 2019, 2018, and 2017, the Architas UK Investment Business was allocated £10.3 million, £10.0 million and £9.3 million, respectively, of general corporate expenses incurred by Architas Limited which are included within administrative expenses in the combined statement of comprehensive income. These allocations have been considered to be a reasonable reflection of the utilisation of services by, or the benefits provided to, the Architas UK Investment Business. These allocations are not necessarily representative of the amounts that would have incurred by the Architas UK Investment Business as a standalone group for the periods presented. Actual costs that may have been incurred if the Architas UK Investment Business had been a standalone group would depend on a number of factors, including the chosen organisational structure, functions outsourced or performed by employees and strategic decisions made.

- Certain assets and liabilities of AMML and AASL were identified as specifically related to the Architas UK Investment Business activities and hence have been included in the combined statements of financial position as at 31 December 2019, 2018, and 2017. All balances included in Trade and Other Receivables, and Trade and Other Payables were identified as specifically relating to the Architas UK Investment Business and directly attributed on this basis.

- The tax charges in the combined Historical Financial Information have been determined based on the analysis of the AMML and AASL tax charges and, assessment of how much of the charge is attributable to the Architas UK Investment

Business, taking into account historical tax adjustments. The tax charges recorded in the combined statements of comprehensive income may have been affected by the taxation arrangements within AXA, and are not necessarily representative of the tax charges and liabilities that may have been reported had the Architas UK Investment Business been a standalone group for the periods presented nor are they necessarily representative of the tax charges of the Architas UK Investment Business that may arise in the future.

- Cash and cash equivalents are not segregated between UK investment management activities and non-UK investment management activities by AMML or AASL as these entities used a centralised approach to cash management. Under the terms of the conditional sale and purchase agreement relating to the Proposed Acquisition between Liontrust and Architas (the "**Agreement**") for the acquisition of Architas UK Investment Business by Liontrust, the Architas UK Investment Business will retain all Cash and cash equivalents amounts at completion, and hence all AMML and AASL Cash and cash equivalent amounts have been included in the combined balance sheets as at 31 December 2019, 2018 and 2017.
- Dividends were paid by AMML and AASL to their direct parent, Architas Limited, in each of the years ended 31 December 2019, 2018 and 2017. Part of these dividends paid have been allocated to the Architas UK Investment Business using a net asset allocation basis. This basis allocates total dividends on the proportion of the combined net assets of AMML and AASL attributable to the Architas UK Investment Business. The allocated dividends are reflected in the combined cash flow statement and combined statement of changes in equity for the relevant periods.

The combined Historical Financial Information has been prepared on a going concern basis and under the historical cost convention. The going concern basis of preparation covers a 12-month period extending from the date of this Circular. The impact of COVID-19 (as set out in Note 18) had an indirect impact on the business as a result of the uncertainties derived from investor behaviours in new business and funds under management.

Subsequent to completion of the proposed acquisition of the Architas UK Investment Business on the terms and subject to the conditions set out in the share purchase agreement between the Company and Architas Limited dated 1 July 2020 (as amended, modified, restated or supplemented from time to time) (the "**Proposed Acquisition**") the trading and cash flow forecasts of Liontrust, reflecting the trading of the Architas UK Investment Business, demonstrate that the Architas UK Investment Business will generate sufficient cash to meet its ongoing requirements for at least the next 12 months; accordingly the going concern basis of preparation has been adopted.

The accounting policies applied and disclosed below are consistent with those used by Liontrust in its annual financial statements for the year ended 31 March 2020. These policies have been applied consistently to all periods presented unless stated otherwise. The preparation of the carve-out Historical Financial Information in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying Liontrust's accounting policies.

b) ***New standards and interpretations***

The Architas UK Investment Business has adopted IFRS 15 'Revenue from Contracts with Customers' from 1 January 2017 using the retrospective approach. IFRS 15 introduces a new five step model for the recognition of revenue, which is based on the satisfaction of performance obligations. The core principle is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The adoption of IFRS 15 has not had any impact on the Architas UK Investment Business results or financial position.

The Architas UK Investment Business has adopted IFRS 9 'Financial Instruments' from 1 January 2017. IFRS 9 introduces a new model for the classification and measurement of financial assets, a new expected credit loss model for the impairment of financial assets held at amortised cost, and new requirements for hedge accounting. The Architas UK Investment Business has implemented the new classifications and impairment rules under IFRS 9. The adoption of IFRS 9 did not have a material impact on other comprehensive income or the income statement.

The International Accounting Standards Board (IASB) and IFRS IC have issued the following new or revised standards and interpretations with an effective date for financial periods beginning on or after the dates disclosed below. These standards and interpretations have not yet been adopted by Architas UK Investment Business.

IFRS 3	Business Combinations Amendments to clarify the definition of a business	1 January 2020
IFRS 7	Financial Instruments: Disclosures Amendments regarding pre-replacement issues in the context of the IBOR reform	1 January 2020
IFRS 9	Financial Instruments Amendments regarding pre-replacement issues in the context of the IBOR reform	1 January 2020
IFRS 10	Consolidated Financial Statements Amendments regarding the sale or contribution of assets between an investor and its associate or joint venture	Date deferred
IFRS 17	Insurance Contracts New accounting standard	1 January 2021
IAS 1	Presentation of Financial Statements Amendments regarding the definition of material	1 January 2020
IAS 8	Accounting Policies, Changes in Accounting Estimates and Errors Amendments regarding the definition of material	1 January 2020
IAS 28	Investments in Associates and Joint Ventures Amendments regarding the sale or contribution of assets between an investor and its associate or joint venture	Date deferred

It is not anticipated that any of the other above new standards or interpretations will have a material impact on the Architas UK Investment Business' results or financial position.

c) ***Adjusted profit***

The Architas UK Investment Business provides additional disclosure in the form of an adjusted profit Note 6 in order to provide shareholders with a clearer indication of the profitability of the Architas UK Investment Business. Adjusted Profit is profit before interest, taxation, share incentivisation expenses and non-recurring items including cost reduction expenses, professional services (and other), integration costs and severance compensation.

Adjusting items include taxation and share-based payments charges.

The Architas UK Investment Business presents a reconciliation to the profit for the year per the income statement in Note 6.

d) ***Significant accounting estimates and judgements***

The preparation of the historical financial information in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Architas UK Investment Business accounting policies. Estimates and judgements used in preparing the historical financial information are periodically evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable. The resulting accounting estimates may not equal the related actual results. The estimates and assumptions that have a significant effect on the carrying amounts of assets and liabilities are set out as follows:

i) *Accounting judgements*

The carve-out adjustments related to the preparation of the historical financial information – please refer to the basis of preparation in Note (1.a) above.

ii) *Accounting estimates*

Whilst not a significant estimate in the historical financial information, the valuation of employee share options involve a complex valuation methodology. Details of accounting policies relating to employee share options can be found in Note (1.l) below.

e) ***Trade and other receivables***

Trade and other receivables include prepayments and accrued income as well as amounts the Architas UK Investment Business is due to receive from third parties in the normal course of business. These include fees as well as settlement accounts for transactions undertaken. These receivables are normally settled by receipt of cash. Trade and other receivables are initially recognised at fair value and then at amortised cost after deducting provisions for expected credit losses. The Architas UK Investment Business applies the IFRS 9 simplified approach to measuring expected credit losses (ECLs) for trade receivables at an amount equal to lifetime ECLs. The ECLs on trade receivables are calculated based on historical credit loss experience and is adjusted for forward-looking estimates.

Prepayments arise where the Architas UK Investment Business pays cash in advance for services. As the service is provided, the prepayment is reduced and the operating expenses are recognised in the combined statement of comprehensive income. Accrued income arises where the Architas UK Investment Business performs investment management and investment advisory services for which it is yet to invoice.

f) ***Trade and other payables***

Trade and other payables (excluding deferred income) represent amounts the Architas UK Investment Business is due to pay to third parties in the normal course of business. These include expense accruals as well as settlement accounts (amounts due to be paid for transactions undertaken). Trade payables are costs that have been billed. Accruals represent costs, including remuneration, that are not yet billed or due for payment. They are initially recognised at fair value and subsequently held at amortised cost.

g) ***Financial assets***

The Architas UK Investment Business has the following financial assets:

- Closing stock (seed investments) units (denoted as financial assets on the balance sheet): which are investments within the funds that are traded in. The units in the ‘closing stock’ are accounted for on a trade date basis, these units are valued on a bid price basis and held at fair value through profit and loss.

The Architas UK Investment Business assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

h) ***Cash and cash equivalents***

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. Under IFRS cash and cash equivalents are included in the combined cash flow statement.

I) ***Income and expenses***

Income and expenses are accounted for on an accruals basis when they become receivable or payable. The Architas UK Investment Business primary source of revenue is fee income from investment management activities. These fees are generally based on an agreed percentage of the valuation of the assets under management and advice ("AuMA") and are recognised as the service is provided and it is probable that the fee will be received. Under the requirements of IFRS 15 revenue is presented gross with rebates and commission presented in cost of sales.

Management and administration fees are earned over a period of time, and revenue is recognised in the same period as that in which the service is performed.

Management, and administration fees are forms of variable consideration, however there is no significant judgement or estimation.

Operating expenses represent the Architas UK Investment Business' administrative expenses and are recognised as the services are provided. Front end fees received and commissions paid on the sales of units in unitised funds are amortised over the estimated life of the unit.

j) ***Taxation***

The tax expense for the period comprises current tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the UK, where the company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

k) ***Pensions***

The Architas UK Investment Business operates defined contribution schemes for its employees. The assets are invested with insurance companies and are held separately from the Architas UK Investment Business. The costs of the pension scheme are recognised in the combined statement of comprehensive income in the period in which they are incurred. The Architas UK Investment Business has no further payment obligations once the contributions have been paid.

l) ***Employee share options***

The Architas UK Investment Business contains a number of equity-settled, share-based compensation plans that are part of AXA's employee share options plan, as follows:

- All equity-settled share-based compensation plans are accounted for at fair value at the date they were granted and the fair value is expensed over the vesting period.

The fair value of AXA SA share options was calculated using the Black & Scholes option pricing model. The effect of expected early exercise was taken into account through the use of an expected life assumption based on historical data. AXA S.A. share price volatility is estimated on the basis of implied volatility which was checked against an analysis of historical volatility to ensure consistency. The expected AXA SA dividend yield was based on the market consensus. The risk-free interest rate was based on the Euro Swap Rate curve for the appropriate term.

m) ***Dividends***

Dividend distributions to the shareholders of the company are recognised as a liability in the period during which they are declared. In the case of final dividends they are recognised as a liability in the period that they are declared and approved by shareholders.

n) ***Foreign currency gains/losses***

The Historical Financial Information is presented in Sterling ('£' or 'GBP') which is the Architas UK Investment Business' functional and presentation currency.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the combined statement of comprehensive income.

o) ***Operating segments***

No operating segment information has been presented in the Historical Financial Information as management are of the opinion that there is only one operating segment, in line with the information provided to the chief operating decision maker.

2. Financial risk management

The Architas UK Investment Business activities expose it to a variety of financial risks: market risk (including price risk, interest rate risk and foreign exchange risk), credit risk, liquidity risk and capital risk. The Architas UK Investment Business overall risk management programme understands the unpredictable nature of financial markets and seeks to minimise any potential adverse effects on the Architas UK Investment Business financial performance. The Architas UK Investment Business uses a number of analytical tools to measure the state of the business.

a) ***Market risk***

i) *Price risk*

The Architas UK Investment Business is exposed to equity securities price risk because of investments held by the Architas UK Investment Business and classified on the combined balance sheet as current financial assets (held at fair value through profit or loss).

The Architas UK Investment Business holds the following types of investment as assets held at fair value through profit or loss (see note 11):

- Closing stock (seed investments) units: which are investments within the funds that are traded.

The units in the 'closing stock' are accounted for on a trade date basis. These units are valued on a bid price basis and held at fair value through profit and loss.

Management consider, based on historical information, that a sensitivity rate of 10% is appropriate. However, given recent market volatility related to the COVID-19 pandemic management have increased this to 20%. Based on the holdings of the closing stock at the balance sheet date a price movement of 10% would result in a movement in the value of the investment of £30k (2018: £36k, 2017: £40k) a price movement of 20% would result in a movement in the value of the investment of £59k (2018: £72k, 2017: £80k).

The Architas UK Investment Business monitors its investments with respect to its regulatory capital requirements and reviews its investments' values with respect to overall capital on a monthly basis.

ii) *Cash flow interest rate risk*

Interest rate risk is the risk that the Architas UK Investment Business will sustain losses from the fair value or future cash flows of adverse movements in interest bearing assets and liabilities and so reduce profitability.

The Architas UK Investment Business holds cash on deposit in GBP. The interest on these balances is based on floating rates. The Architas UK Investment Business monitors its exposure to interest rate movements and may decide to adjust the balance between deposits on fixed or floating interest rates, or adjust the level of deposits.

iii) *Foreign exchange risk*

Foreign exchange risk is the risk that the Architas UK Investment Business will sustain losses through adverse movements in currency exchange rates. The Architas UK Investment Business policy is to hold the minimum currency exposure required to cover operational needs and, therefore, to convert foreign currency on receipt.

The Architas UK Investment Business is currently exposed to minor foreign exchange risk in the following areas: bank current accounts dominated in foreign currency these amounts are not considered to be material.

In calculating the sensitivity analysis below it has been assumed that expenses/income will remain in line with budget in their relative currencies year on year.

Management consider that a sensitivity rate of 10% is appropriate given the current level of volatility in the world currency markets. In respect of investments denominated in foreign currencies a 10% movement in the UK Sterling vs. the relevant exchange rate would lead to an exchange gain or loss as follows:

Sterling vs. Euros – a movement of 10% would lead to a movement of £nil (2018: £270k, 2017: £38k).

b) ***Credit risk***

Credit risk is managed at the AXA level. The Architas UK Investment Business is exposed to credit risk primarily on its trade receivables and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

Fees receivable arise mainly from the Architas UK Investment Business investment management business and amounts are monitored regularly. Historically, default levels have been insignificant and the Architas UK Investment Business maximum exposure to credit risk is represented by the carrying value of its financial assets.

Maximum exposure to credit risk	**2017 £'000**	**2018 £'000**	**2019 £'000**
Cash and cash equivalents	40,411	45,948	32,993
Trade receivables	23,980	23,296	31,364

For banks and financial institutions only independently rated parties with a minimum rating of 'BBB+' are used and their ratings are regularly monitored by the Portfolio Risk Committee.

For receivables the Architas UK Investment Business takes into account the credit quality of the client and credit positions are monitored. The Architas UK Investment Business has three main types of receivables: management fees, settlement due from investors in its funds and from the funds themselves for unit/share liquidations. For management fee receivables, the Architas UK Investment Business proactively manages the invoicing process to ensure that invoices are sent out on a timely basis and has procedures in place to chase for payment at pre-determined times after the despatch of the invoice to ensure timely settlement. For receivables due from investors, the Architas UK Investment Business has rigorous procedures to chase investors by phone/letter to ensure that settlement is received on a timely basis. For settlement due from the funds for liquidations, the settlement of these types of receivables are governed by regulation and are monitored on an exception basis. In all cases, detailed escalation procedures are in place to ensure that senior management are aware of any problems at an early stage. Trade and other receivables also include cancellations of units/shares in funds and sales of units/shares in funds, title to which is not transferred until settlement is received.

During each year in the three year period presented there have been no losses due to non-payment of receivables and the Architas UK Investment Business does not expect any losses from the credit counterparties as held at the balance sheet date.

c) ***Liquidity risk***

Prudent liquidity risk management requires the maintenance of sufficient net cash and marketable securities. The Architas UK Investment Business monitors rolling forecasts of the Architas UK Investment Business liquidity reserves (comprising readily realisable investments and cash and cash equivalents) on the basis of expected cash flows.

The Architas UK Investment Business has categorised its financial liabilities into maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table below are the contractual undiscounted cash flows.

As at 31 Dec 2017	**Due within 3 months**	**Due between 3 months and one year**	**Due in over one year**
Payables	17,288	–	–

As at 31 Dec 2018	**Due within 3 months**	**Due between 3 months and one year**	**Due in over one year**
Payables	24,483	–	–

As at 31 Dec 2019	**Due within 3 months**	**Due between 3 months and one year**	**Due in over one year**
Payables	36,339	–	–

d) ***Capital risk management***

The Architas UK Investment Business objectives when managing capital are to safeguard the Architas UK Investment Business ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders whilst maintaining an optimal company structure to reduce the cost of capital and meet working capital requirements.

The Architas UK Investment Business policy is that it should have sufficient capital to meet regulatory requirements, keep an appropriate standing with counterparties and meet working capital requirements. Management reviews the Architas UK Investment Business assets on a monthly basis and will ensure that operating capital is maintained at the levels required. Management consider capital to comprise of net assets. As at 31 December 2019 the Architas UK Investment Business has net assets of £18.5 million (2018: £38.6 million, 2017: £38.0 million). In order to maintain or adjust the capital structure the Architas UK Investment Business may adjust the amounts of dividends paid to shareholders.

i) *Regulatory risk capital*

The company complies with the FCA Remuneration Code. The remuneration disclosure relates to “Code Staff”, that is staff whose professional activities have a material impact on the company’s risk profile. Therefore, this may include staff that may not be directors of the company. The required disclosure under BIPRU 11.5 is available within the Pillar 3 disclosure on the Architas website www.architas.com. Disclosure has been made at the AMML and AASL level. The FCA requires Architas to hold more regulatory capital resources than the total capital resource requirement as defined in the Capital Requirements Directive. The total capital requirement for the Architas UK Investment Business is the base and variable capital resource requirement (the Pillar 1 requirement) and any additional requirements identified during the Internal Capital Adequacy Assessment Process (the Pillar 2 requirement).

During the three-year period AMML and AASL complied with all regulatory capital requirements.

3. Revenue and cost of sales (Gross profit)

The Architas UK Investment Business main source of revenue is management fees. Management fees are for investment management or administrative services and are based on an agreed percentage of the AuMA. Initial charges and commissions are for additional administrative services at the beginning of a client relationship, as well as ongoing administrative costs.

	2017 £’000	2018 £’000	2019 £’000
Revenue	32,328	32,243	31,397
Total revenue	32,328	32,243	31,397
Cost of sales	(10,536)	(9,838)	(8,014)
Gross profit	21,792	22,405	23,383

Revenue from earnings includes:

1. Investment management fees, open-ended investment companies sub-funds, portfolios and segregated account;
2. Fixed administration fees on unit trusts and open-ended investment companies sub-funds;
3. Net value of sales and repurchases of units in unit trusts and shares in open-ended investment companies (net of discounts);
4. Net value of liquidations and creations of units in unit trusts and shares in open-ended investment companies sub-funds.

The cost of sales includes:

1. Operating expenses including (but not limited to) keeping a record of investor holdings, paying income, sending annual and interim reports, valuing fund assets and calculating prices, maintaining fund accounting records, depositary and trustee oversight and auditors;
2. Rebates paid on investment management fees;
3. Ongoing Charging Feed (OCF) Caps and sub manager fees;
4. Sales commission paid or payable; and
5. External investment advisory fees paid or payable.

4. Administration expenses

	2017 £'000	2018 £'000	2019 £'000
Employee related expenses			
Employee costs	7,247	7,613	7,704
Staff training and recruitment costs	226	132	211
Share based payment expenses	166	246	228
Other staff costs	960	1,072	271
	8,599	9,063	8,414
Non employee related expenses			
IT expenses	1,311	1,631	1,559
Occupancy expenses	992	1,186	1,205
Professional services	2,326	2,744	2,646
Distribution costs	845	231	185
Other administration expenses	2,470	1,997	1,966
	7,944	7,789	7,561
	16,543	16,852	15,975

The period end number of employees of the Architas UK Investment Business, excluding non-executive directors, was 76 (2018: 75, 2017: 72). All employees are involved in the investment management business of Architas UK Investment Business. The costs incurred in respect of the employees was:

	2017 £'000	2018 £'000	2019 £'000
Wages and salaries	5,738	6,080	6,137
Social security costs	725	781	783
Pension costs and Share-based payments	761	752	784
Termination costs	23	–	–
	7,247	7,613	7,704

5. Operating profit

	2017 £'000	2018 £'000	2019 £'000
The following items have been included in arriving at operating profit:			
Costs relating to employees (Note 4)	7,247	7,613	7,704
Auditors remuneration:			
Fees payable to the company's auditors for the audit of the company	11	10	10
Fees payable to the company's auditors for other services:			
– Other services for ICAAP	33	26	27

6. Adjusted profit

Adjusted profit (as explained in note 1c) reconciled in the table below:

	2017 £'000	2018 £'000	2019 £'000
Profit for the year	4,279	4,506	6.281
Taxation	973	1,051	1,127
Profit before tax	5,252	5,557	7,408
Share-based payments charges	166	219	166
Adjustments	166	219	166
Adjusted profit before tax	5,418	5,776	7,574
Interest receivable	2	4	–
Adjusted operating profit	5,420	5,780	7,574

7. Interest receivable

Disclosures relating to the Architas UK Investment Business financial instruments risk management policies are detailed in Note 2. Cash earns interest at floating or fixed rates based on daily bank deposit rates. The total interest received during the year amounted to £nil (2018: £4k, 2017: £2k).

8. Dividends

	2017 £'000	2018 £'000	2019 £'000
Dividends paid to Architas Limited	12,241	14,073	15,214
	12,241	14,073	15,214

Dividends were allocated to the Architas UK Investment Business on the basis of net assets of the Architas UK Investment Business.

9. Taxation

		2017 £'000	2018 £'000	2019 £'000
(a)	Analysis of charge in year			
	Current tax:			
	UK corporation tax at 19% (2018: 19%, 2017: 19.25%)	1,011	1,056	1,407
	Carve-out adjustments	(38)	(5)	(280)
	Total current tax	973	1,051	1,127
	Total charge in year	973	1,051	1,127
(b)	Factors affecting current tax			
	Profit on ordinary activities before tax	5,252	5,557	7,408
	Profit on ordinary activities at UK corporation tax rate of 19% (2018: 19%, 2017: 19.25%)	1,011	1,056	1,407
	Effects of:			
	Non-taxable adjustments	(38)	(5)	(280)
	Total taxation	973	1,051	1,127

10. Trade and other receivables

	2017 £'000	2018 £'000	2019 £'000
Fees receivable	18,871	18,122	28,650
Prepayments and accrued income	5,109	5,174	2,714
	23,980	23,296	31,364

All financial assets listed above are non-interest bearing. The carrying amount of these non-interest bearing trade and other receivables approximates their fair value.

At each of 31 December 2019, 2018 and 2017 no trade receivables were past due but not impaired.

11. Financial assets

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

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

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

Under IFRS9 all of the Architas UK Investment Business' financial assets are categorised as assets held at fair value through profit and loss

The Architas UK Investment Business financial assets represent closing stock units investments by the Architas UK Investment Business in its own funds amounting to 250k units in 2019, 344k units in 2018 and 360k units in 2017. The gain on the fair value adjustments during the year net of tax was £nil (2018 : £nil, 2017: £1k). Foreign currency assets are translated at rates of exchange ruling at the balance sheet date.

	2017		2018		2019	
	Assets held at fair value through profit and loss £'000	Total £'000	Assets held at fair value through profit and loss £'000	Total £'000	Assets held at fair value through profit and loss £'000	Total £'000
Financial assets in Level 1						
Seed Investments	402	402	359	359	295	295
Total Financial Assets	402	402	359	359	295	295

12. Cash and cash equivalents

	2017 £'000	2018 £'000	2019 £'000
Cash at banks and on hand (£)	40,026	43,243	32,990
Cash at banks and on hand (EUR)	385	2,705	3
	40,411	45,948	32,993

Cash at banks earns interest at floating rates based on daily bank rates. the existing sterling pound current accounts earn interest at the respective rates.

13. Trade and other payables

	2017 £'000	2018 £'000	2019 £'000
Current Liabilities			
Trade payables	16,584	16,837	26,015
Other payables including taxation and social security	481	7,452	10,178
Accruals and deferred income	223	194	146
	17,288	24,483	36,339

All financial liabilities listed above are non-interest bearing. The carrying amount of these non-interest bearing trade and other payables approximates their fair value.

14. Shared-based payments

The Architas UK Investment Business was a member of an AXA share based payments plan during the three years ended 31 December 2017, 2018 and 2019 and the Architas UK Investment Business recognises and measures its share-based payment expense on the basis of a reasonable allocation of the expense recognised for AXA. The basis for reasonable allocation is the time of service rendered by employee within the vesting period. The charge to the profit and loss account in respect of share-based payments in the period was £166k (2018: £219k; 2017: £166k).

Since 2019, AXA S.A. stock options have not been granted for the Architas UK Investment Business employees, and have been granted to other AXA S.A. entities. Previously, executive officers and other key employees were granted options on AXA ordinary shares under employee stock option plans. These options were either subscription options involving newly issued AXA ordinary shares or purchase options involving AXA treasury shares. While the precise terms and conditions of each option grant may vary, options were (i) granted at a price not less than the average closing price of the ordinary share on the Paris Stock Exchange during the 20 trading days preceding the date of grant, (ii) valid for a maximum term of ten years, and (iii) vest in instalments of 33.33% per year on each of the third, fourth and fifth anniversaries of the grant date. Since 2013, for all beneficiaries, the vesting of the final instalment has been subject to the fulfilment of the market performance conditions regarding the performance of the AXA shares compared to the STOXX Insurance Index ("SXIP"). All options granted to the members of the Management Committee have been subject to the fulfilment of this market based performance condition.

15. Working capital and non-cash movements

	2017 £'000	2018 £'000	2019 £'000
Working capital movements			
Decrease/(increase) in trade and other receivables	3,078	684	(8,068)
(Decrease)/increase in trade and other payables	(3,206)	7,195	11,856
	(128)	7,879	3,788
Non-cash movements			
Share-based payments	166	219	166
	166	219	166

16. Related party transactions

Note 1 provides information about the businesses included in the combined historical financial information.

The following table provides the total amount of transactions that have been entered into with related parties for the relevant financial year.

		Recharges to/from related parties* £'000	Sales to related parties £'000	Amount owed by related parties** £'000	Amount owed to related parties** £'000	Other £'000
Transactions with key management personnel* **						
Remuneration paid to the key management personnel	2019	–	–	–	–	–
	2018	–	–	–	–	–
	2017	–	–	–	–	–
Transactions with AXA S.A group	2019	(15,975)	–	–	(6,426)	–
	2018	(16,852)	–	150	(5,435)	–
	2017	(16,543)	–	147	(2,096)	–

* All administration expenses are recharged from Architas Limited (see Note 4).

** The amounts are classified as under trade receivables, and under trade payables, respectively (see Notes 10 and 13).

*** Management compensation is not disclosed as those key management personnel who historically had authority for- and were responsible for- planning, directing and controlling activities of the Architas UK Investment Business were employed by Architas Limited and their costs incurred by this entity. As the majority of their time historically was incurred on non-UK business, their costs are not allocated to the Architas UK Investment Business.

17. Pensions and other schemes

During the period the Architas UK Investment Business contributed to a funded defined contribution pension plans.

Pension costs for defined contribution plans are as follows:

Defined contribution plans

	2017 £'000	2018 £'000	2019 £'000
Defined contribution plans	784	752	761

18. Post balance sheet event

In 2008, the Architas UK Investment Business entered into a Funds Operation Transfer Agreement with a third party. In February 2020, the Architas UK Investment Business and the third party reached an agreement that led the Architas UK Investment Business to pay a sum of £9.55m in full and final settlement of its financial obligations.

During December 2019, a number of cases of pneumonia associated with the Coronavirus, now called COVID-I9 by the World Health Organization ("WHO"), were reported in the People's Republic of China. This virus subsequently spread to many other countries, and it is currently not possible to know or to predict the extent to which the current levels of reported cases reflect the actual transmission of the virus within populations, and accordingly the scale of the pandemic may be significantly larger than is presently recorded.

Authorities in many countries, including the UK, have taken stringent measures (including travel restrictions, home quarantine, lockdowns, and school closures) to contain the pace and scale of its spread. This has led to significant disruptions in the global travel and hospitality industries, and in global trade and supply chains more broadly, has resulted in decreased economic activity and lowered estimates for future economic growth, has created severe strains on local, national and supra-national medical and healthcare systems and institutions, and has caused global financial markets to experience significant volatility and the worst downturn since the 2008 crisis.

The Architas UK Investment Business has assessed the impact of the Coronavirus outbreak on performance by performing stress tests on the profit and loss statement, cash flows and the capital position to identify any potential impact. The stress test assumed that the market will fall between 10-30% by year end, the results of the test were positive indicating the presence of sufficient headroom in both cash and the required capital.

19. First time adoption of IFRS

The historical financial information for three years ended 31 December 2019 are the first financial statements prepared for the Architas UK Investment Business in accordance with IFRS (except as described in Note 1a).

To align to the accounting policies of Liontrust management have elected to adopt IFRS 1 using 1 January 2017 as the date of transition for all the periods presented for the three years ended 31 December 2019. None of the available optional elections under IFRS 1 were utilised. Accordingly, the Architas UK Investment Business has prepared historical financial information that comply with IFRS as described in the basis of preparation in Note 1.

In preparing the historical financial information, the Architas UK Investment Business' opening balance sheet has been prepared as at 1 January 2017, the Architas UK Investment Business date of transition to IFRS:

Combined Balance Sheet

	1 January 2017 **£'000**
Current assets	
Trade and other receivables	27,058
Financial assets	161
Cash and cash equivalents	32,376
	59,595
Current liabilities	
Trade and other payables	20,494
Corporation tax payable	1,866
Net assets	22,360
Invested capital	
Invested capital	37,235
Total invested capital	37,235

As the Architas UK Investment Business combined has not previously prepared financial statements under UK GAAP or any other generally accepted accounting principles, no reconciliations to previously published financial statements can be presented.

PART 4

UNAUDITED PRO FORMA NET ASSETS

SECTION A: ACCOUNTANT'S REPORT ON THE UNAUDITED PRO FORMA NET ASSETS RELATING TO THE ENLARGED GROUP

The Directors
Liontrust Asset Management Plc
2 Savoy Court
London
WC2R 0EZ

11 September 2020

Dear Sirs,

Liontrust Asset Management plc (the "Company") and its subsidiary undertakings (the "Group")

We report on the pro forma net assets (the "Pro Forma Net Assets") set out in Section B of Part 4 of the Class 1 circular dated 11 September 2020 (the "Circular") of Liontrust Asset Management plc, which has been prepared on the basis of the notes to the Pro Forma Net Assets, for illustrative purposes only, to provide information about how the acquisition of Architas Multi-Manager Limited and Architas Advisory Services Limited (the "Architas UK Investment Business") might have affected the financial information presented on the basis of the accounting policies adopted by the Company in preparing the financial statements for the year ended 31 March 2020. This report is required by LR 13.3.3 R of the Listing Rules made by the Financial Conduct Authority (the "Listing Rules") and is given for the purpose of complying with that requirement and for no other purpose.

Responsibilities

It is the responsibility of the directors of the Company to prepare the Pro Forma Net Assets in accordance with LR 13.3.3 R of the Listing Rules.

It is our responsibility to form an opinion, as required by LR 13.3.3 R of the Listing Rules, as to the proper compilation of the Pro Forma Net Assets and to report that opinion to you.

Save for any responsibility which we may have to those persons to whom this report is expressly addressed and which we may have to shareholders of the Company as a result of the inclusion of this report in the Circular, to the fullest extent permitted by law, we do not accept or assume responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with LR 13.4.1 R (6) of the Listing Rules, consenting to its inclusion in the Circular.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro Forma Net Assets, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Basis of Opinion

We conducted our work in accordance with the Standards for Investment Reporting issued by the Financial Reporting Council in the United Kingdom. The work that we performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro Forma Net Assets with the directors of the Company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro Forma Net Assets has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in any jurisdictions other than the United Kingdom and accordingly should not be relied upon as if it had been carried out in accordance with those other standards and practices.

Opinion

In our opinion:

a) the Pro Forma Net Assets has been properly compiled on the basis stated; and

b) such basis is consistent with the accounting policies of the Company.

Yours faithfully

RSM Corporate Finance LLP

Regulated by the Institute of Chartered Accountants in England and Wales

RSM Corporate Finance LLP is a limited liability partnership registered in England and Wales, registered no. OC325347. A list of the names of members is open to inspection at the registered office 25 Farringdon Street London EC4A 4AB.

SECTION B: UNAUDITED PRO FORMA NET ASSETS

The unaudited pro forma statement of net assets of the Enlarged Group has been prepared based on the net assets of the Group as at 31 March 2020 and the net assets of the Architas UK Investment Business as at 31 December 2019 to illustrate the effect on the net assets of the Group as if the Proposed Acquisition had taken place on 31 March 2020.

The unaudited pro forma statement of net assets has been prepared for illustrative purposes only and, because of its nature, addresses a hypothetical situation and does not, therefore, represent the Group's or the Architas UK Investment Business' actual financial position.

The unaudited pro forma statement of net assets has been prepared in accordance with LR 13.3.3 R of the Listing Rules and in a manner consistent with the accounting policies and presentation adopted by the Group in preparing its financial statements for the year ended 31 March 2020 and on the basis of the notes set out below.

Furthermore, the unaudited pro forma statement of net assets set out in this Part 4 does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006.

Pro forma statement of net assets of the Enlarged Group

	The Group as at 31 March 2020 (Note 1) (£'000)	The Architas UK Investment Business as at 31 December 2019 (Note 2) (£'000)	Proposed Acquisition consideration (Note 3) (£'000)	Proposed Acquisition costs (Note 4) (£'000)	Pro forma net assets for the Enlarged Group (£'000)
Assets					
Non-current assets					
Intangible assets	37,922	–	–	–	37,922
Goodwill	19,626	–	–	–	19,626
Property, plant and equipment	7,850	–	–	–	7,850
Total non current assets	65,398	–	–	–	65,398
Current assets					
Trade and other receivables	175,532	31,364	–	–	206,896
Financial assets	2,817	295	–	–	3,112
Cash and cash equivalents	40,294	32,993	(68,400)	(5,000)	(113)
Total current assets	218,643	64,652	(68,400)	(5,000)	209,895
Liabilities					
Non current liabilities					
Deferred tax liability	(6,440)	–	–	–	(6,440)
Lease liability	(5,769)	–	–	–	(5,769)
Total non current liabilities	(12,209)	–	–	–	(12,209)
Current liabilities					
Trade and other payables	(181,693)	(36,339)	–	–	(218,032)
DBVAP liability	(845)	–	–	–	(845)
Corporation tax payable	(734)	(3,416)	–	–	(4,150)
Total current liabilities	(183,272)	(39,755)	–	–	(223,027)
Net current assets	35,371	24,897	(68,400)	(5,000)	(13,132)
Net assets	88,560	24,897	(68,400)	(5,000)	40,057

Notes:

1. The net assets of the Group have been extracted, without material adjustment, from the audited financial statements of the Group for the year ended 31 March 2020 which are incorporated by reference into this document.
2. The net assets of the Architas UK Investment Business as at 31 December 2019 has been extracted, without material adjustment, from the Historical Financial Information in Section B of Part 3 of this document (*Historical Financial Information relating to the Architas UK Investment Business*).

3. As set out in Part 1 of this document, The Company has conditionally agreed to acquire the entire issued share capital of the Architas UK Investment Business for the consideration of up to £75 million consisting of:

   - 2.2 times eligible net revenues of the Architas UK Investment Business in cash to the Seller on Completion; and
   - £20 million for the Architas UK Investment Business NAV in cash to the Seller on Completion, plus/minus an adjustment, on a £-for-£ basis, if the Architas UK Investment Business NAV on Completion is more (i.e. a further payment from the Company to the Seller) or less (i.e. a payment from the Seller to the Company) than £20 million.

   Based on eligible net revenues of £22.0 million for the Architas UK Investment Business for the financial year ended December 2019, the consideration would have been £48.4 million plus £20 million for the Architas UK Investment Business' NAV therefore £68.4 million in total which has been used in the pro forma statement of net assets. However, consideration could be up to £75 million and therefore any increase to consideration assumed in the pro forma net assets would have a £ for £ impact on the net assets, up to total consideration of £75 million. If total consideration is £75 million, the pro forma net assets for the Enlarged Group would reduce by £6.6 million to £33.5 million compared to £40.1 million set out in the above table.

4. Costs relating to the Proposed Acquisition, which consist of adviser fees wholly attributable to the transaction, are expected to be £5 million.

5. The consideration, transaction and reorganisation costs will be satisfied by the net proceeds of a non-pre-emptive placing of 5.09 million new ordinary shares of 1 pence each in the capital of the Company (the "Placing") and existing Company cash resources. On 1 July 2020, the Placing successfully completed at 1,300 pence per share raising gross proceeds of £66.17 million. The Placing was not conditional upon Completion and is not the subject of this Circular and therefore has not been included as an adjustment to the pro forma statement of net assets. However, including the gross proceeds of Placing would increase the pro forma cash balance to £66.1 million and the pro forma net assets to £106.2 million (based on consideration of £68.4 million), as shown in the table below:

	(£'000)
Pro forma net assets	40,057
Gross proceeds from the Placing	66,170
	106,227

6. The adjustments to the pro forma statement of net assets are not expected to have a continuing effect on the Enlarged Group.

7. No account has been taken of the financial performance of the Group or of the Architas UK Investment Business since 31 March 2020 and 31 December 2019 respectively, nor any fair value adjustments arising on the acquisition of the Architas UK Investment Business, nor any other events save as disclosed above.

PART 5

SUMMARY OF THE PRINCIPAL TERMS OF THE AGREEMENT

1. Parties and structure

The Agreement was entered into on 1 July 2020 between Liontrust and the Seller for the sale and purchase, on the terms and subject to the conditions of the Agreement, of the entire issued share capital of the Architas UK Investment Business. The Agreement is governed by English law.

2. Consideration

The consideration for the Proposed Acquisition is an amount in cash not exceeding £75 million. The consideration comprises a base consideration of

- net asset value of £20 million; and
- 2.2 x eligible net revenues, subject to adjustment.

These eligible net revenues are the net revenues of the Funds (ie: annual management charges, investment advisory fees and registration fees, less rebate payments and renewal commissions, sub-manager costs and certain other specified payments) for the two months preceding (but excluding) the month in which Completion of the Acquisition takes place, divided by the number of days in that period and then multiplied by 365 to annualise them.

The base consideration is subject to adjustments in accordance with schedule 8 of the Agreement, which provides for a completion accounts preparation and review process, and an adjustment based on net asset value at Completion when compared to the assumed figure of £20 million. The net asset value and the net asset adjustment are derived from the completion accounts. The Company has an obligation to deliver draft completion accounts within 60 calendar days of the completion date under the Agreement. Finalisation of the completion accounts which is subject to a dispute mechanism. Further, the multiplier of 2.2 is reduced to 1.925 where the AuMA of the Architas UK Investment Business at Completion is lower than £4bn but above £3.5 billion and to 1.65 if it is below £3.5 billion.

3. Condition Precedent

The Agreement is conditional on the approval of the FCA to the change in control of the Architas UK Investment Business and on the approval of Shareholders. The conditions must be satisfied by 1 April 2021. The Acquisition is conditional on the approval of Shareholders being obtained by 15 October 2020, or the Agreement will lapse. The FCA has approved the change in control of the Architas UK Investment Business; accordingly as at the date of this document the only condition to the Acquisition remaining to be satisfied is the approval of the Shareholders.

If Shareholders do not approve the Acquisition at the General Meeting, the Company has agreed to pay the Seller £2 million (including any applicable taxes) for costs and expenses incurred by the Seller and the Seller's group in connection with the Proposed Acquisition.

4. Conduct pending Completion

The Seller is subject to certain customary restrictions and obligations in the period up to Completion in relation to the conduct of the business and operations of the Architas UK Investment Business. These include an obligation on the Seller to conduct the business of the Architas UK Investment Business in the ordinary course, and not to (without the prior written consent of the Company, not to be unreasonably withheld or delayed) undertake certain actions which include termination or amendment of certain material contracts, incurring certain additional borrowings or capex, and termination of certain senior personnel's contracts.

5. Warranties and Indemnities

The Acquisition Agreement contains customary warranties in relation to title and capacity of the Seller as well as certain warranties in relation to the nature and operations of each of the Architas UK Investment Business. A narrower set of warranties is then repeated by the Seller on Completion.

The warranties given on exchange are subject to the disclosures set out in the Disclosure Letter. Specific taxation indemnities are included in schedule 9 of the Agreement (Tax Covenant). The Agreement includes an indemnity from the Seller in relation to certain liabilities under the Pensions Act 2004 which arise out of the Architas UK Investment Business having been connected with or an associate of a person participating in an occupational pension scheme operated by the Seller or members of its group.

The warranties and indemnities are given subject to certain customary limitations. These include (i) a cap on aggregate liability of the Seller equal to the consideration, (ii) a cap on the Seller's liability under the warranties (other than certain fundamental warranties such as to title) at 40 percent of the consideration, and (iii) a time limit for the bringing of claims of six years following completion in respect of the fundamental and tax warranties and the pensions and tax indemnities; and (iv) a time limit for the bringing of claims of 18 months from completion in respect of the other warranties.

6. Termination

The Agreement contains a certain right of the Company to terminate the Agreement for a material breach of either (i) the warranties given on the date of exchange or (ii) the warranties repeated on Closing. In each case, the materiality threshold for any material breach is £4,000,000 (which the Company cannot otherwise recover under the consideration adjustment mechanics) and which is not remedied.

7. Restrictive Covenants

Under the Agreement, the Seller has given customary restrictive covenants in relation to the business and operations of the Architas UK Investment Business and its employees, for a period of up to 24 months following Completion. These covenants include non-solicitation of senior employees and non compete covenants, subject to specified exemptions.

8. Change in Circumstances of the Seller

If the Seller ceases to be a part of the Seller's group, the Agreement contains an obligation on the Seller to first novate its rights and obligations under the Agreement to another member of the Seller's group of equal financial covenant strength (as at the date of signing).

9. Transitional Services Agreement

Prior to Completion the parties will draw up migration plans and finalise a transitional services agreement under which the Seller group will provide the Architas UK Investment Business with certain services, principally relating to procurement, operational due diligence and fact sheets for up to 12 months from Completion, in return for a fee not expected to exceed in aggregate £500,000, dependent on the scope and duration of the services.

PART 6

DOCUMENTS INCORPORATED BY REFERENCE

1. Relevant documentation

The following documentation, which was sent to Shareholders at the relevant time and/or is available for inspection in accordance with paragraph 11 of part 7 of this document, contains information which is relevant to this document.

2. Documentation incorporated by reference

The table below sets out the documentation incorporated by reference into this document to ensure that Shareholders and others are aware of all information which, according to the particular nature of the Company, is necessary to enable Shareholders and others to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Company. For the avoidance of any doubt, no information incorporated by reference in such documentation shall be incorporated by reference into this document.

This document should be read and construed in conjunction with these documents, each of which has been previously published or are published simultaneously with this document and that have been filed with the National Storage Mechanism. Those parts of these documents that are not incorporated by reference are either not relevant for investors or covered elsewhere in this document.

Any information not listed below, but included in the documents incorporated by reference, is given for information purposes only. Any documents referred to below may themselves incorporate by reference or refer to any other documents or information ("Daisy-Chained Information"). Any such Daisy-Chained Information is not incorporated by reference into, or otherwise form part of, this Circular.

Reference Document	Information incorporated by reference	Reference Document Page Reference	Page Reference in this Document
Liontrust Annual Report and Accounts for the year ended 31 March 2020	Net assets of the Group	99	46
Annual Report and Accounts for the Group for the year ended 31 March 2018	Related Party transactions	101	54
Annual Report and Accounts the for Group for the year ended 31 March 2019	Related Party transactions	123	54
Annual Report and Accounts for the Group for the year ended 31 March 2020	Related Party transactions	124	54

PART 7

ADDITIONAL INFORMATION

1. Responsibility

The Company and the Directors, whose names appear on page 7 of this document, accept responsibility for the information contained in this document. To the best of the knowledge and belief of the Company and the Directors (who have taken all reasonable care to ensure that such is the case) the information contained in this document is in accordance with the facts and does not omit anything likely to affect the import of such information.

2. Working Capital

The Company is of the opinion that the Enlarged Group has sufficient working capital for its present requirements, that is, for at least the next 12 months from the date of publication of this document.

3. Directors' interests and service agreements

(a) As at 8 September 2020 (being the latest practicable date before the publication of this document) the interests (including the options mentioned below) of the Directors and their spouse or civil partner or any minor children which would be treated as interests in the Shares for the purposes of s.820 Companies Act 2006, all of which are beneficial were as follows:

Name	Number of shares	Percentage of issued share capital	No of Shares under Option	Percentage of issued share capital
Executive Directors				
John Ions	827,724	1.36%	521,487	0.53%
Vinay Abrol	981,740	1.61%	343,660	0.35%
Non-executive Directors				
Alastair Barbour	32,000	0.05%		
Mike Bishop	25,106	0.04%		
Sophia Tickell	–	–		
George Yeandle	20,000	0.03%		
Mandy Donald	–	–		

Name	Date of Grant	Exercise period	Exercise price	Option money paid/received	No of Shares under Option
John Ions	20/06/2016	21/03/2019 to 21/03/2026	1p	Nil	65,256
	05/09/2016	10/08/2019 to 10/08/2026	1p	Nil	59,071
	22/06/2017	22/06/2020 to 22/06/2027	1p	Nil	73,628
	27/06/2018	27/06/2021 to 27/06/2028	1p	Nil	147,607
	12/08/2019	12/08/2022 to 27/06/2029	1p	Nil	114,206
	08/07/2020	08/07/2023 to 08/07/2030	1p	Nil	61,719
Total for John Ions		–	–	–	521,487

Name	Date of Grant	Exercise period	Exercise price	Option money paid/received	No of Shares under Option
Vinay Abrol	20/06/2016	21/03/2019 to 21/03/2026	1p	Nil	43,006
	05/09/2016	10/08/2019 to 10/08/2026	1p	Nil	38,930
	22/06/2017	22/06/2020 to 22/06/2027	1p	Nil	48,524
	27/06/2018	27/06/2021 to 27/06/2028	1p	Nil	97,270
	12/08/2019	12/08/2022 to 27/06/2029	1p	Nil	75,259
	08/07/2020	08/07/2023 to 08/07/2030	1p	Nil	40,671
Total for Vinay Abrol		–	–	–	343,660

All such options were granted under the Liontrust Long-Term Incentive Plan

(b) Save as set out in paragraph 2 (a) above, no Director (nor any of their spouses civil partners, or minor children) has any interest, whether beneficial or non-beneficial, in the Shares.

(c) Directors' Service Agreements

No benefit, payment or compensation of any kind is payable to any Director upon termination of his or her employment under the terms of any service contract entered into with a Director.

4. Substantial interests

As at 10 September 2020 (being the latest practicable date prior to the publication of this document), so far as is known to the Company the following persons (other than a director) were directly or indirectly interested in 3 per cent or more of the issued share capital of the Company:

Name	Number of Shares	Percentage of issued share capital
Blackrock	5,240,448	8.60%
Canaccord Genuity Group Inc.	4,379,632	7.19%
Jupiter Fund Management Plc	4,073,752	6.68%
Standard Life Aberdeen PLC	3,758,331	6.17%
Slater Investments Limited	2,731,714	4.48%
Castlefield Fund Partners Limited	2,700,000	4.43%
JO Hambro Capital Management Limited	2,539,164	4.17%

Save as disclosed in this paragraph 4 the Company is not aware of and has not been notified of any shareholding representing, directly or indirectly, 3% of more of the share capital of the Company. The Company is not aware of any person who directly or indirectly, jointly or severally, exercises or could exercise, control over the Company.

5. Material contracts

(a) Liontrust Asset Management Group

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by companies in the Group within the two years immediately preceding the date of this document and are, or may be, material or have been entered into at any time and which contain any provisions under which any member of the Group has any obligations or entitlements which are material to the Group as at the date of this document:

(i) The Agreement summarised in Part 5 of this document.

(ii) The Neptune share purchase agreement

On 31 July 2019, Liontrust (in its capacity as issuer of consideration shares) entered into a share purchase agreement with certain individual shareholders to acquire the entire issued share capital of Neptune Investment Management Limited in consideration for (i) the issuance of 3,838,455 ordinary shares in Liontrust which are subject to lock-up restrictions for up to 24 months from the date of issue being 1 October 2019, (ii) the issuance of 646,605 ordinary shares on 23 January 2020 in relation to the net asset value of Neptune Investment Management Limited and (iii) the issue of 661,813 shares contingent on the average aggregate Neptune fund AuM to be measured in 2022. One of the sellers provided a non-compete undertaking in favour of Liontrust, relating to the business of Neptune, which expires in October 2022.

Pursuant to the Neptune share purchase agreement, a sub-set of the individual sellers entered into a warranty deed and a tax deed with Liontrust that contains a set of warranties given by these sellers which are customary for a transaction of this nature. The warranties relate to, amongst other things, title and capacity, authority and solvency matters, accounting and financial matters, trading, intellectual property, litigation, and compliance with law and taxation in relation to Neptune's business. Certain financial and time limitations apply to the ability of Liontrust to claim under the warranties, as is customary for a transaction of this nature.

(iii) The Placing Agreement

On 1 July 2020, the Company and Panmure Gordon entered into a placing agreement pursuant to which Panmure Gordon was appointed sole bookrunner in relation to the placing of up to a maximum of 5,090,000 Shares (the "**Placing Shares**"). Pursuant to the terms and conditions of the placing agreement, Panmure Gordon agreed, subject to certain conditions, to use reasonable endeavours to procure subscribers or, failing which, subscribe themselves for the Placing Shares.

In connection with the placing, the Company agreed to pay Panmure Gordon a corporate finance fee and commission on the aggregate value of the Placing Shares at the placing price. The Company gave customary representations, warranties and undertakings to Panmure Gordon as to the accuracy of the information contained in the relevant placing documents, and in other matters relating to the Company and the Architas UK Investment Business. In addition, the Company gave customary indemnities to Panmure Gordon and certain persons connected with Panmure Gordon.

The placing agreement became unconditional on admission of the Placing Shares on 6 July 2020.

(iv) The Sponsor Agreement

On 11 September 2020, the Company and Panmure Gordon entered into a sponsor agreement, pursuant to which the Company appointed Panmure Gordon as sponsor in connection with the Proposed Acquisition and publication of this document (the "**Sponsor Agreement**").

The Sponsor Agreement contains, amongst other things, certain obligations on the Company, which are customary, including that the Company agrees to comply with the Listing Rules and to pay a fee to Panmure Gordon.

The Sponsor Agreement contains certain warranties and indemnities from the Company to Panmure Gordon and certain persons connected with Panmure Gordon, together with provisions which enable Panmure Gordon to terminate the Sponsor Agreement in certain circumstances prior to Completion, including circumstances where any warranties are found to be untrue, inaccurate or misleading in any material respect. The liability of the Company under the Sponsor Agreement is unlimited.

(b) Architas UK Investment Business

The Architas UK Investment Business is not a party to any contracts, not being contracts entered into in the ordinary course of business, that have been entered into by companies in the Architas UK Investment Business within the two years immediately preceding the date of this document and are, or may be, material or have been entered into at any time and which contain any provisions under which any member of the Architas UK Investment Business has any obligations or entitlements which are material to the Architas UK Investment Business as at the date of this document:

6. Related party transactions

Save as already published in the annual reports of the Group for the financial years ended 31 March 2018, 2019 and 2020 which are incorporated by reference into this document and as set out in notes to financial statements 43, 41, and 24 on pages 113, 123, and 124 respectively, there are no further related party transactions entered into by the Group for these financial years.

Since the financial year ended 31 March 2020 there has been one Related Party Transaction. The funds and accounts under management by direct and indirect investment management subsidiaries of BlackRock Inc. ("**BlackRock**") subscribed for 500,000 placing shares as part of the Placing announced on 1 July 2020. Having in the last 12 months held more than 10% of the ordinary share capital of the Company, for the purposes of the Listing Rules, BlackRock was therefore classified as a related party.

7. Litigation and arbitration

(a) Liontrust

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Directors are aware) which may have, or have had during the 12 months prior to the date of this documents, a significant effect on the Group or the financial position or profitability of the Group.

(b) Architas UK Investment Business

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Directors are aware) which may have, or have had during the 12 months prior to the date of this document, a significant effect on the Architas UK Investment Business financial position or profitability of the Architas UK Investment Business.

8. Significant changes

(a) Save as disclosed below, there has been no significant change in the financial position or financial performance of the Group since 31 March 2020, the date to which the last financial period for which audited consolidated financial statements for Liontrust Asset Management Plc have been published:

- Since 31 March 2020, in common with the asset management industry as a whole, the Group has faced challenging investment market conditions, largely brought about by the global COVID-19 pandemic, which had a significant adverse impact on global financial markets and asset values.
- The Group has successfully navigated the COVID-19 related move to working from home, with both having a number of employees, including fund managers doing so successfully for a number of years. The Group continues to monitor closely all

developments relating to the COVID 19 pandemic and its impact on working patterns, employees, members and key service providers, with the principal aim of ensuring the welfare of the Group's employees and members and on the continuity of the Group's business and maintenance of high standards of service for the Group's clients.

- The Group's AUMA increased from £16.1 billion as at March 2020 to £19.3 billion as at 30 June 2020, with a significant amount of the increase due to market and investment performance, but also with a significant contribution from net inflows of £971 million in the quarter. This positive outcome has continued with further net inflows in July 2020 and AuMA increasing to £19.7 billion as at 31 July 2020.
- On 1 July 2020, the Placing successfully completed at 1,300 pence per share raising gross proceeds of £66.17 million.
- The Board declared a second interim dividend of 24.0 pence per share, which was paid on 21 August 2020 to shareholders who were on the register as at 17 July 2020.

(b) Save as disclosed below, there has been no significant change in the financial position or financial performance of the Architas UK Investment Business since 31 December 2019, the date to which the financial information set out in Part 3 has been prepared:

- Despite a dip in March and April 2020 when the Architas UK Investment Business saw AuMA decline by circa 10% in common with global financial markets and the asset management industry in general, AUMA at 31 July 2020 was broadly the same as at 31 December 2019 at £5.7 billion boosted by net inflows of £165 million.

9. Nature of financial information

The financial information set out in this document does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006. Statutory group accounts for Liontrust Asset Management Group for each of the three years ended 31 March 2018, 2019 and 2020 have been delivered to the Registrar of Companies. The Company's auditors made unqualified reports under section 495 of the Companies Act 2006 on all such accounts. None of the reports was qualified or contained a statement under section 498(2) or (3) of that Act.

10. Consents

(a) Panmure Gordon, whose address is 1 New Change, London EC4M 9AF, has given and not withdrawn its written consent to the inclusion in this document of the references to its name in the form and context in which they appear.

(b) RSM Corporate Finance LLP, whose registered address is 6th Floor, 25 Farringdon Street, London, EC4A 4AB, has given and has not withdrawn its written consent to the inclusion in this document of its Accountant's Report in Respect of the Historical Financial Information Relating to the Architas UK Investment Business set out in Section A of Part 3 of this document and its Accountants Report on the Unaudited Pro Forma Financial Information Relating to the Enlarged Group set out in Section A of Part 4 of this document, in the form and context in which they are included.

11. Documents available for inspection

Copies of the following documents will be available for inspection for a period of 12 months on the Company's website at https://www.liontrust.co.uk/Investor-relations and at the registered office of Liontrust Asset Management plc, 2 Savoy Court, London WC2R 0EZ and at the offices of Simmons & Simmons LLP, CityPoint, One Ropemaker Street, London EC2Y 9SS during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) until the conclusion of the General Meeting on 30 September 2020 (or any adjournment thereof):

(a) the memorandum and articles of association of the Company;

(b) the audited consolidated accounts of the Group for the financial year ended 31 March 2020;

(c) the Agreement;

(d) the reports of RSM set out in Part 5 and Part 6 of this document.

(e) the letters of consent referred to in paragraph 10 of this Part 6;

(f) the Form of Proxy; and

(g) this document.

Inspection of these documents may only take place in accordance with measures imposed by the UK Government in connection with the COVID-19 pandemic. The Company has its own procedures in place to comply with those measures. Accordingly, if you wish to inspect any of these documents, you should email CompanySecretary@liontrust.co.uk to arrange an appointment. You are reminded that anyone seeking to attend the General Meeting in person (other than those forming the quorum) will be refused entry.

Dated 11 September 2020

DEFINITIONS

The following terms have the following meanings throughout this document unless the context otherwise requires:

"Adjusted Operating Margin"	See the Liontrust Asset Management Plc 2020 Annual Report and Financial Statements
"Agreement"	the conditional sale and purchase agreement relating to the Proposed Acquisition between Liontrust and Architas
"AMML"	Architas Multi-Manager Limited
"Architas" or the "Seller"	Architas Limited, a wholly owned subsidiary of AXA S.A.
"Architas UK Investment Business"	Architas Multi-Manager Limited and Architas Advisory Services Limited
"AASL"	Architas Advisory Services Limited
"AuMA"	Assets under Management and Advice
"Board" or "Directors"	the board of directors of Liontrust Asset Management
"Completion"	completion of the Proposed Acquisition
"Enlarged Group"	Liontrust Asset Management Group as enlarged by the Acquisition of the Architas UK Investment Business
"FCA"	The Financial Conduct Authority acting as the competent authority for the purposes of Part VI Financial Services and Markets Act 2000
"FSMA"	Financial Services and Markets Act 2000
"Form of Proxy"	The form of proxy at the end of this document
"General Meeting"	the general meeting of the Company convened by the notice of meeting to be held on 30 September 2020 at 2.30 p.m. or any reconvened meeting following any adjournment thereof
"Liontrust Asset Management" or "Liontrust" or the "Company"	Liontrust Asset Management Plc
"Liontrust Asset Management Group" or the "Group"	Liontrust Asset Management and its subsidiaries
"Listing Rules"	the publication entitled "The Listing Rules" produced by the FCA and incorporating the listing rules made by the FCA for the purposes of Part VI of the FSMA and in the exercise of its functions in respect of the admission of securities to the Official List otherwise than in accordance with Part VI of FSMA
"London Stock Exchange"	London Stock Exchange Plc
"NAV"	Net asset value
"Panmure Gordon"	Panmure Gordon (UK) Limited

"Proposed Acquisition"	the proposed acquisition of the Architas UK Investment Business on the terms and subject to the conditions set out in the share purchase agreement between the Company and Architas Limited dated 1 July 2020 (as amended, modified, restated or supplemented from time to time
"Share Option Schemes"	Liontrust Long-term Incentive Plan
"Shareholder"	a registered holder of Shares
"Shares"	ordinary shares of one penny each in the capital of Liontrust Asset Management Plc

LIONTRUST ASSET MANAGEMENT PLC

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT a General Meeting of Liontrust Asset Management Plc (the "**Company**") will be held at in the Boardroom, Liontrust Asset Management Plc, 2 Savoy Court, London WC2R 0EZ at 2.30 p.m., on 30 September 2020 to consider and, if thought fit, pass the following resolution, which will be proposed as an ordinary resolution:

ORDINARY RESOLUTION

THAT the acquisition by the Company of the Architas UK Investment Business as described in the circular to the shareholders of the Company dated 11 September 2020 substantially on the terms and subject to the conditions set out in the share purchase agreement between the Company and Architas Limited dated 1 July 2020 (as amended, modified, restated or supplemented from time to time) (the "**Agreement**") (the "**Proposed Acquisition**"), together with all other agreements and ancillary arrangements contemplated by the Share Purchase Agreement, be and is hereby approved, and that the directors of the Company (the "**Directors**") be authorised to make any amendments, variations, waivers or extensions to the terms of the Proposed Acquisition or the Agreement (providing such amendments, variations, waivers or extensions are not of a material nature) which they in their absolute discretion consider necessary, appropriate or desirable and to take all such steps and to do all such things which they consider necessary, appropriate or desirable to implement, or in connection with, the Proposed Acquisition.

BY ORDER OF THE BOARD

Mark Jackson
Company Secretary

Registered Office:
2 Savoy Court
London
WC2R 0EZ

Dated: 11 September 2020

NOTICE OF GENERAL MEETING

Notes:

1. Shareholders are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the GM. A shareholder may appoint more than one proxy in relation to the GM provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you wish to appoint more than one proxy, please photocopy the form of proxy and lodge all forms together at the address provided. **In light of the social distancing measures imposed by the UK government as a result of the current COVID-19 pandemic, any proxy you appoint other than the Chairman will be refused entry to the meeting**.

2. To be valid, any proxy form or other instrument appointing a proxy must be received by post or (during normal business hours only) by hand at Link Asset Services, PXS, 34 Beckenham Road, Kent BR3 4TU no later than 2.30 p.m. on 28 September 2020. It should be accompanied by the power of attorney or other authority (if any) under which it is signed or a duly certified copy of such power or authority.

   Completion of the proxy form or the appointment of a proxy electronically via www.signalshares.com or through CREST (as described below) will not prevent a member from attending and voting in person.

3. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described in paragraph 9 below) will not prevent a shareholder attending the GM and voting in person if he/she wishes to do so. **However, in light of social distancing measures imposed by the UK government as a result of the current COVID-19 Pandemic, any shareholder attempting to attend the GM in person will be refused entry to the meeting**.

4. Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act to enjoy information rights (a "**Nominated Person**") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the GM. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

5. The statement of the rights of shareholders in relation to the appointment of proxies in paragraphs 1 and 2 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by shareholders of the Company.

6. To be entitled to attend and vote at the GM (and for the purpose of the determination by the Company of the votes they may cast), shareholders must be registered in the Register of Members of the Company by close of business on 28 September 2020 (or, in the event of any adjournment, 48 hours before the time of the adjourned meeting). Changes to the Register of Members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting. **You are reminded that in light of social distancing measures imposed by the UK government as a result of the current COVID-19 pandemic, any member seeking to attend the meeting in person will be refused entry**.

7. As at 10 September 2020 (being the last business day prior to the publication of this Notice) the Company's issued share capital consisted of 60,947,115 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 10 September 2020 was 60,947,115. As at 10 September 2020, the Company held no ordinary shares as treasury shares.

8. As an alternative to completing the proxy form, shareholders can appoint proxies electronically via www.signalshares.com. For an electronic proxy appointment to be valid, the appointment must be received by the Company's registrars, Link Asset Services, no later than 2.30 p.m. on 28 September 2020.

9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

10. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) by 2.30 p.m. on 28 September 2020. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

11. CREST members and, where applicable, their CREST sponsors, or voting service provider(s) should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider, to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

12. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

13. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that they do not do so in relation to the same shares. **However, you are reminded that in light of social distancing measures imposed by the UK Government as a result of the current COVID-19 pandemic, any such corporate representative will be refused entry to the meeting**.

14. Under s.527 Companies Act, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the annual general meeting; or (ii) any circumstance connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with s.437 Companies Act. The Company may not require the members requesting any such website publication to pay its expenses in complying with ss.527 or 528 Companies Act. Where the Company is required to place a statement on a website under s.527 Companies Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the annual general meeting includes any statement that the Company has been required under s.527 Companies Act to publish on a website. A copy of this notice, and other information required by s.311A Companies Act, can be found on the website at www.liontrust.co.uk.

15. Any member attending the GM has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the meeting but no such answer need be given if (a) to do so would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information, (b) the answer has already been given on a website in the form of an answer to a question, or (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered. **However, you are reminded that in light of social distancing measures imposed by the UK government as a result of the current COVID-19 Pandemic, any member seeking to attend the GM in person will be refused entry to the meeting but that, as set out in the letter to members in more detail, if a member has a question in relation to the business of the meeting or a question for the Board that would have been raised at the GM, it can be sent by email to CompanySecretary@liontrust.co.uk.**

16. There will be available for inspection at the registered office of the Company during normal business hours on any week day (excluding Saturdays, Sundays and public holidays) copies of the service contract/LLP Agreements/Side Letters of each Executive Director, the letter of appointment of each Non-executive Director. Inspection of these documents may only take place in accordance with measures imposed by the UK Government in connection with the COVID-19 pandemic. The Company has its own procedures in place to comply with those measures. Accordingly, if you wish to inspect any of these documents, you should email CompanySecretary@liontrust.co.uk to arrange an appointment. You are reminded that anyone seeking to attend the General Meeting in person (other than those forming the quorum) will be refused entry.

17. You may not use any electronic address provided in this notice of GM for communicating with the Company for any purposes other than those expressly stated.