

## Trading update

15 October 2021

Hargreaves Lansdown plc ('the Group') today publishes a trading update in respect of the three month period to 30 September 2021 ('the period'). The comparatives are for the period from 1 July 2020 to 30 September 2020 ("2020").

### Highlights

- Net new business of £1.3 billion in the period
- Net new clients of 23,000
- Assets under administration ("AUA") of £138.0 billion as at 30 September 2021, up 2% since 30 June 2021
- Revenue for the period of £142.2 million (2020: £143.7 million)

### Chris Hill, Chief Executive Officer, commented:

"Today we report a good start to our financial year, with continued growth in clients and assets in what is typically our quietest quarter. The client retention rate remains solid at 92.6% and we continue to see new clients build wealth, diversify holdings and engage with the proposition. These results are against the backdrop of an easing out of lockdown and ongoing market uncertainty and highlight the importance of a resilient business and the strength of our proposition. The normalisation of revenues post pandemic is in line with our expectations and our focus, as always, remains on our clients, and their lifelong needs. We are confident that our client focused strategy, delivering the highest level of service and continuing to invest in our market leading proposition, means that we continue to be well positioned to execute against the growth opportunity ahead of us. I look forward to providing more detail with my executive team at a capital markets day in Q1 2022."

### Assets under administration and net new business

£ billion	Three months to 30 September 2021	Three months to 30 September 2020
Opening AUA	135.5	104.0
Net new business	1.3	0.8
Market movements	1.2	2.1
<b>Closing AUA</b>	<b>138.0</b>	<b>106.9</b>

Net new business was £1.3 billion during the period (2020: £0.8bn) driven by higher client numbers, ongoing wealth consolidation on to our platform and flows into Active Savings. This is a pleasing result given the seasonal quieter summer period and the easing of lockdown restrictions.

A positive market movement of £1.2 billion, combined with net new business has driven AUA to £138.0 billion as at 30 September 2021.

We welcomed 23,000 net new clients in the period (2020: 31,000), taking active client numbers to 1,667,000.

### Revenue

Revenue for the period was £142.2 million, down 1% on last year (2020: £143.7m). Asset based revenues were higher, driven by net inflows and positive market movements as demonstrated by the FTSE All Share, which was up 23% versus the comparative period. However this was more than offset by previous guidance of a drop in interest on client money and a reduction in share dealing revenues.

As anticipated share dealing volumes have declined post COVID lockdowns and across the quarter averaged 861,000 deals per month versus 980,000 in the quarter last year and 479,000 the year before. This equates to c40,000 deals per day which is in line with the guidance we gave for this financial year.

## Capital Markets Event

Hargreaves Lansdown will host a capital markets event in Q1 2022 which will set out how we will execute against the growth opportunity ahead of us and deliver beyond this period of post pandemic 'normalisation'.

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### Forward looking statements

*This announcement contains forward-looking statements with respect to the financial condition, results and business of the Group. By their nature, forward-looking statements involve risk and uncertainty because they relate to events, and depend on circumstances, that will occur in the future. The Group's actual results may differ materially from the results expressed or implied in these forward-looking statements. Nothing in this announcement should be construed as a profit forecast. This announcement is unaudited. This statement should not be seen as a promotion or solicitation to buy Hargreaves Lansdown plc shares. It should be remembered that the value of shares can fall as well as rise and therefore you could get back less than you invested.*

LEI Number: 2138008ZCE93ZDSESG90

### Assets under administration

Average AUA (£billion)	3 months to 30 September 2021	2 months to 30 June 2021	4 months to 30 April 2021	3 months to 31 December 2020	3 months to 30 September 2020
Funds	68.0	65.7	61.3	56.0	52.4
Shares	53.9	52.6	49.0	42.3	37.6
Cash	12.6	12.7	12.9	13.0	13.5
HL Funds	9.1	9.0	8.6	8.1	7.9
Active Savings	3.4	3.1	3.0	2.7	2.2
Double count <sup>1</sup>	(9.1)	(8.9)	(8.5)	(8.1)	(7.8)
Total	137.9	134.2	126.3	114.0	105.8

AUA (£billion)	As at 30 September 2021	As at 30 June 2021	As at 30 April 2021	As at 31 December 2020	As at 30 September 2020
Funds	67.8	66.6	64.6	59.2	52.8
Shares	53.7	53.1	52.3	45.9	38.2
Cash	12.9	12.6	12.9	12.5	13.5
HL Funds	9.1	9.0	8.9	8.5	7.8
Active Savings	3.5	3.1	3.0	2.9	2.3
Double count <sup>1</sup>	(9.0)	(8.9)	(8.8)	(8.4)	(7.7)
Total	138.0	135.5	132.9	120.6	106.9

<sup>1</sup> All HL Funds are held in Vantage or the Portfolio Management Service (PMS) and are included in the Funds category of the table, with the exception of a small balance held off platform by third parties. To avoid double counting, the amount held in Vantage or PMS has been deducted.

AUA (£billion)	3 months to 30 September 2021	2 months to 30 June 2021	4 months to 30 April 2021	3 months to 31 December 2020	3 months to 30 September 2020
Opening AUA	135.5	132.9	120.6	106.9	104.0
Net new business	1.3	0.9	4.6	2.4	0.8
Market movements	1.2	1.7	7.9	11.3	2.1
Founder transfer <sup>1</sup>	-	-	(0.2)	-	-
Closing AUA	138.0	135.5	132.9	120.6	106.9

<sup>1</sup> Net new business excludes the withdrawal of £0.2 billion of Hargreaves Lansdown plc placing proceeds during the period that were held by a founder.