



Ashmore Group plc

Results for year ended 30 June 2022

2 September 2022

- **Challenging global markets in H2**
 - Widespread risk aversion due to Ukraine war, inflation and higher rates globally
 - Opportunity to acquire risk at oversold prices, particularly in HY markets
 - Investment performance reflects active management to underpin future outperformance
- **Focus on consistent strategy & strength of business model**
 - Local asset management strategy provides diversification & resilience
 - Effective cost management reduced adjusted operating costs by 7% YoY
 - Delivered 64% adjusted EBITDA margin and operating cash flow of £184.9 million
 - Statutory profits reduced by unrealised mark-to-market loss in H2 on seed investments
 - Strong balance sheet, dividend maintained
- **Outlook underpinned by exceptional valuations across Emerging Markets**
 - Potential for improving macroeconomic conditions as inflation moderates
 - Diversity of Emerging Markets provides ability to mitigate geopolitical risks
 - After recent repricing, Emerging Markets offer highly attractive valuations, e.g. EMBI spread c.500bps

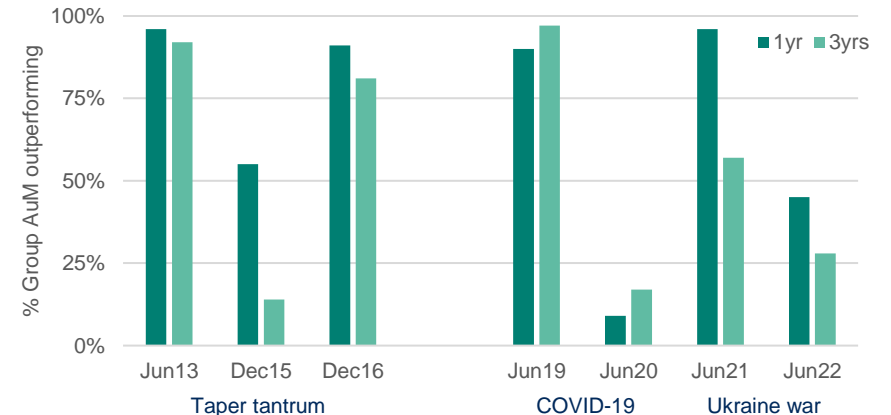
Investing in a challenging market environment

- Past few years have seen multiple market cycles in quick succession
 - US/China tariffs, growth concerns (2018-19)
 - COVID-19 (2020)
 - Re-opening inflation / global rates repricing (2021)
 - Ukraine war (2022-)
 - Ongoing: inflation, higher rates, geopolitical tension (2022-)
- Significant impact on risk assets globally in 2022
- Consistent implementation of investment processes added risk, particularly in HY opportunities
 - Acquired risk early, bid/offer spreads still wide
 - Embedded value in portfolios
- Positioned for outperformance when asset prices recover from highly attractive levels
 - e.g. EMBI spread still c.500bps vs <300bps pre COVID-19

Multiple market cycles in quick succession



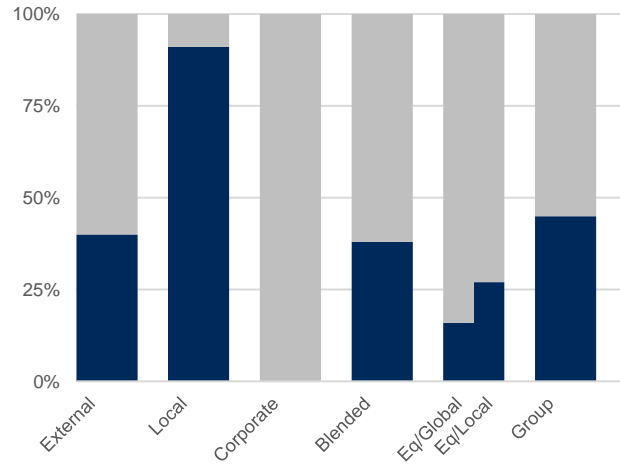
Consistent performance through cycles



Active management through cycles, positioned for outperformance

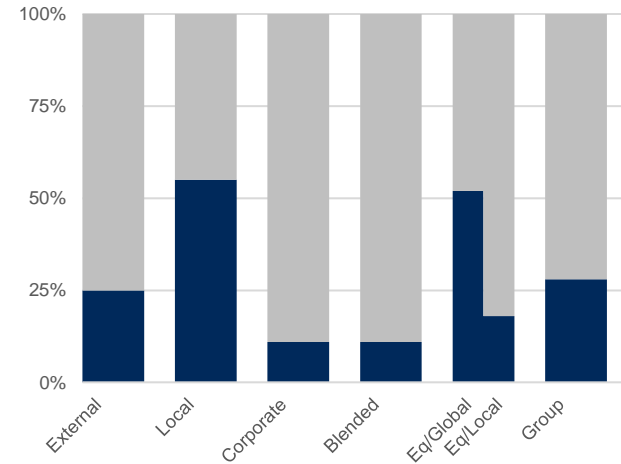
Investment performance

One year: 45% outperforming



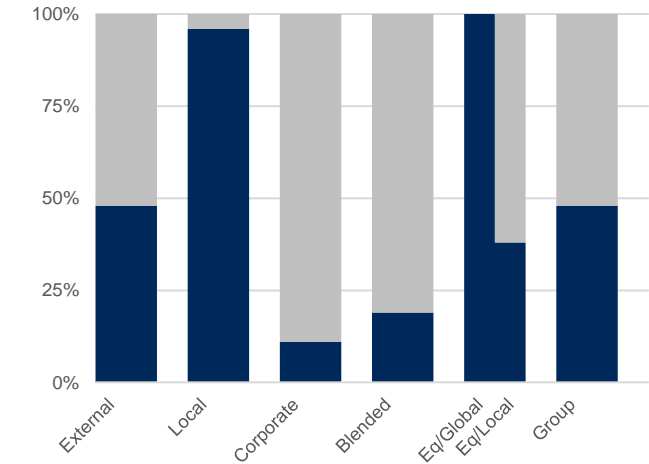
Jun'21: 96%

Three years: 28% outperforming



Jun'21: 57%

Five years: 48% outperforming



Jun'21: 79%

■ Outperforming ■ Underperforming

- Overall performance picture reflects impact of recent weak & volatile markets
- Outperformance in local currency, global equity and investment grade products; underperformance in strategies with HY bias

AuM outperforming versus benchmark on gross annualised basis
 Equities bars split between global (LHS) and local products (RHS)
 See Appendix 9 for related disclosures

Added risk to deliver future broader-based outperformance

Financial performance overview

- **AuM -32% YoY**
 - Negative investment performance and net outflows, particularly H2 after Ukraine invasion
- **Adjusted net revenue -13%**
 - Net management fees -10% and lower performance fees
- **Continued strong cost management**
 - Adjusted operating costs reduced by 7%
 - VC accrual reduced (-15%) consistent with revenue
- **Adjusted EBITDA -16%**
 - Margin maintained in the mid 60%s
 - Operating cash flow of £184.9 million
- **Mark-to-market seed capital loss of £49.9 million**
 - Unrealised, mark-to-market and reflecting global capital markets sell-off in H2
- **Profit before tax -58%, adjusted diluted EPS -20%**
- **Dividend maintained at 16.9p per share**

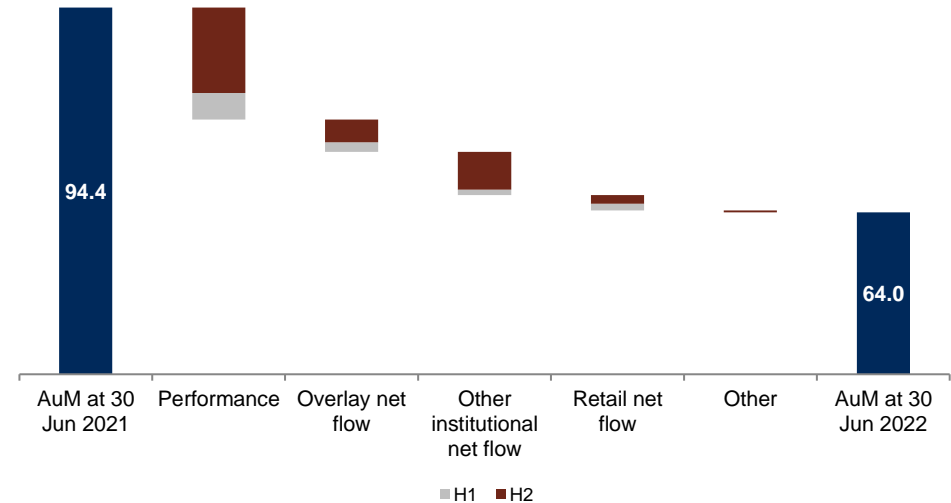
	FY2021/22 £m	FY2020/21 £m	YoY %
AuM (US\$bn)	64.0	94.4	(32)
Adjusted net revenue	257.2	296.6	(13)
Adjusted operating costs	(96.0)	(103.7)	7
Adjusted EBITDA	164.3	195.7	(16)
- margin	64%	66%	
Seed capital	(49.9)	92.5	nm
Profit before tax	118.4	282.5	(58)
Adjusted diluted EPS (p)	18.7	23.3	(20)
DPS (p)	16.9	16.9	-

Figures stated on an adjusted basis exclude FX translation and seed capital-related items; see Appendix 1

Assets under management

- Significant impact from global markets sell off in H2:
 - Performance H1/H2: –US\$3.9 billion / -US\$12.7 billion
 - Net flows H1/H2: -US\$3.2 billion / -US\$10.3 billion
- Subscriptions US\$13.1 billion, 14% of opening AuM (FY2020/21: US\$17.6 billion)
 - New clients and top-ups across liquid investment themes, and selective demand for investment grade and Asia HY credit strategies
- Gross redemptions of US\$26.6 billion, 28% of opening AuM (FY2020.21: US\$16.4 billion)
 - Impact of lower market levels (overlay), reduced risk appetite and HY underperformance
- Net outflow US\$13.5bn (FY2020/21: US\$1.2 billion net inflow)
 - Overlay US\$4.8 billion
 - Other institutional US\$6.4 billion
 - Intermediary retail US\$2.3 billion

AuM development (US\$bn)

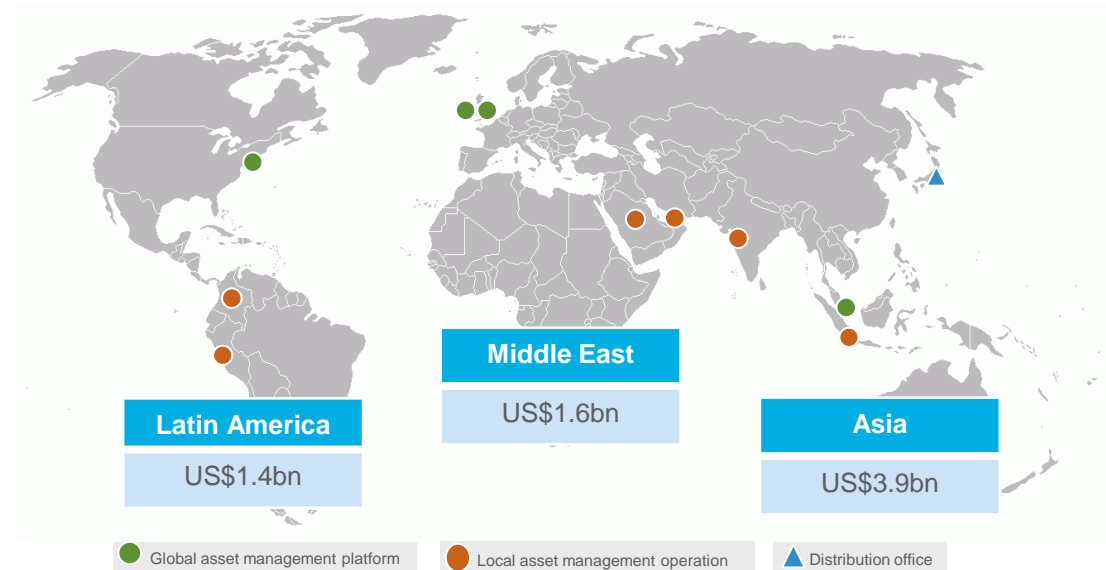


Significant impact from H2 market conditions

Local asset management operations continue to develop positively

- Resilient performance and diversification benefit
 - Collectively manage US\$6.9 billion AuM, -3% YoY
- **Ashmore Colombia**
 - Raised third private equity fund, continues to target growth in real assets
 - Decent growth in equities AuM
- **Ashmore Indonesia**
 - Record profits announced
 - Seeded blended debt strategy
 - Developing digital distribution channels
- **Ashmore Saudi Arabia**
 - Continues to broaden product range & grow AuM
 - Launched healthcare initiative
- Strong organic growth opportunity in each market and further diversification possible
- Potential to expand network over time

Established network of six local offices

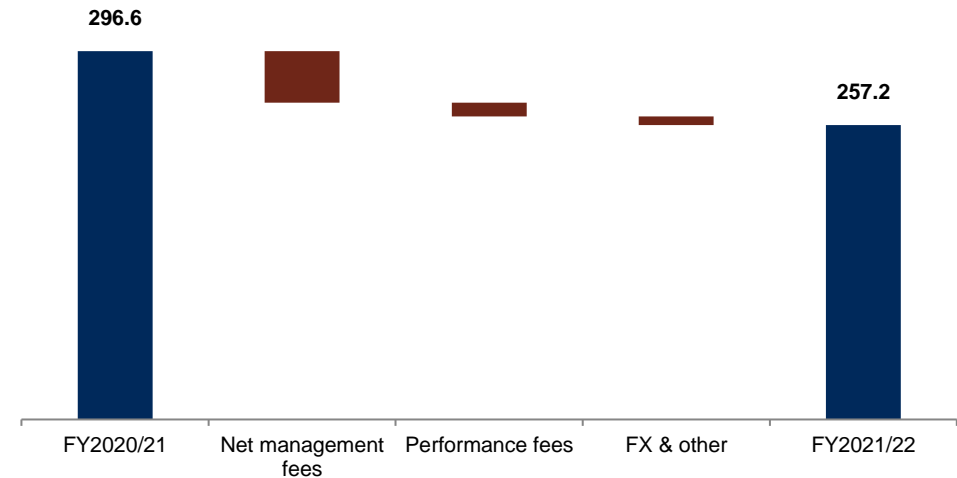


Resilient performance, supporting strategic objectives

Financial results Revenues

- Adjusted net revenue fell by 13%
- Net management fees -10%
 - Average AuM -7%
 - 2bps decline in net management fee margin
 - Lower average GBP:USD rate (+1% impact)
- Margin 39bps, stable during the period
 - No net impact from theme mix or large mandate flows
 - Intermediary retail net outflows (-1bp)
 - Product mix, competition and other effects (-1bp)
- Lower performance fees reflect market environment
 - No material fees delivered by August year end funds in FY2022/23
- Foreign exchange gains of £6.3m

Adjusted net revenue (£m)



	FY2021/22 £m	FY2020/21 £m	YoY %
Net management fees	243.5	270.9	(10)
Performance fees	4.5	11.9	(62)
Other revenue	2.9	4.6	(37)
Foreign exchange	6.3	9.2	(32)
Adjusted net revenue	257.2	296.6	(13)

Figures stated on an adjusted basis, excluding FX translation and seed capital-related items; see Appendix 1

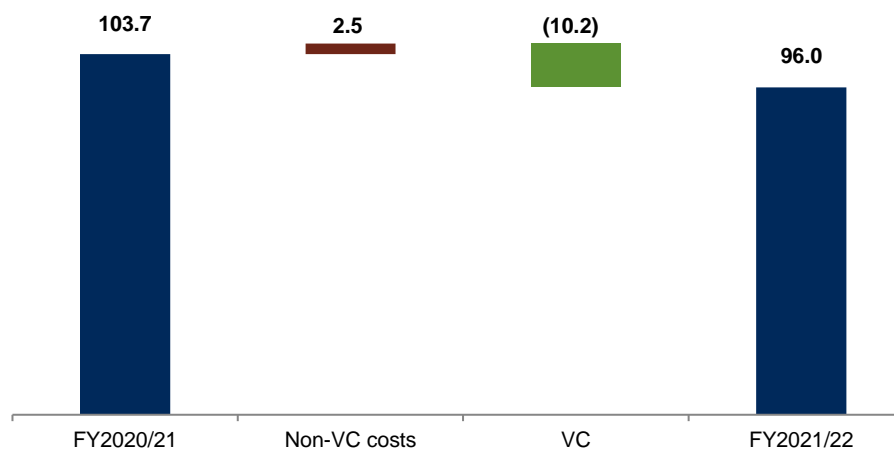
Revenues reflect lower AuM

Financial results

Operating costs

- Adjusted operating costs reduced by 7%
 - Lower variable compensation
 - Higher fixed staff costs: higher headcount and impact of industry-wide wage inflation
 - Other operating costs reflect return to pre-pandemic travel & office use
 - Lower average GBP:USD rate (+1% impact)
- Variable compensation set at 21.5%
 - Accrual 15% lower YoY, consistent with revenues
- FY2022/23 non-VC operating costs will reflect similar factors
 - Full year impact of office use and higher headcount
 - More travel
 - Planned hires in global and local teams

Adjusted operating costs (£m)



	FY2021/22 £m	FY2020/21 £m	YoY %
Fixed staff costs	(27.8)	(26.7)	(4)
Other operating costs	(20.6)	(19.5)	(6)
Depreciation & amortisation	(3.1)	(2.8)	(11)
Operating costs before VC	(51.5)	(49.0)	(5)
Variable compensation (21.5%/22.0%)	(45.6)	(53.6)	15
- adjustment for FX translation	1.1	(1.1)	nm
Adjusted operating costs	(96.0)	(103.7)	7

VC = variable compensation
 Figures stated on an adjusted basis, excluding FX translation and seed capital-related items; see Appendix 1

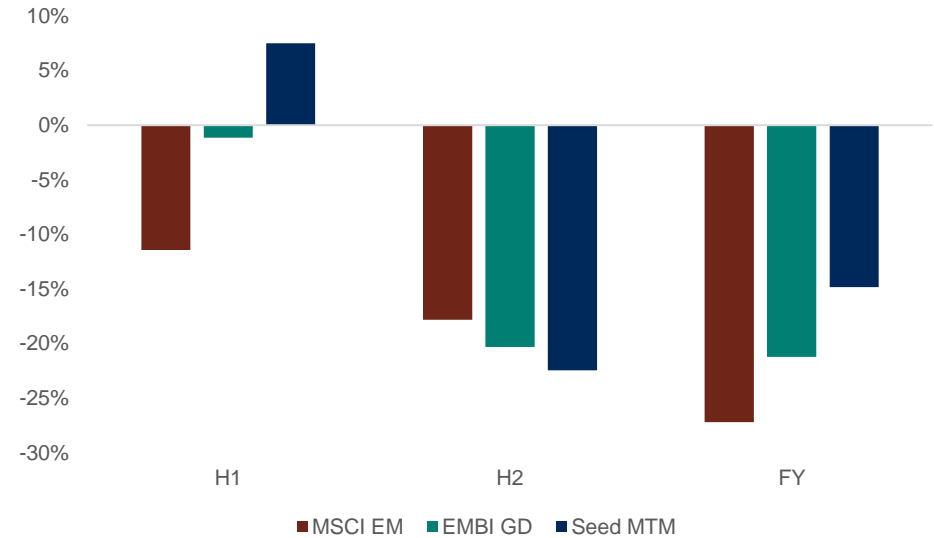
Effective cost management

Financial results

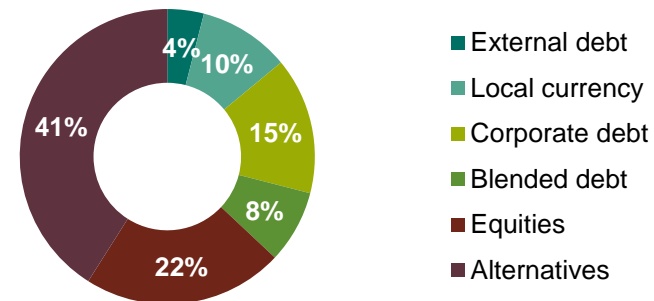
Seed capital

- Total seed capital investments & commitments of ~£285 million
 - Market value £272.0 million (30 June 2021: £336.8 million)
 - Undrawn commitments £12.4 million
- Actively managed seed capital programme generated net cash flow of £54.7 million
- Unrealised mark-to-market loss in P&L of £49.9 million
 - H1 benefited from increase in value of alternatives assets
 - Global markets sell-off in H2 affected asset prices
 - Excludes £38.2 million FX gain in reserves
- New investments of £7.4 million
 - Ashmore Indonesia seeded blended debt strategy
 - Alternatives products
- Successful redemptions of £62.2 million
 - Continued client flows into equity products
 - Distributions by alternatives funds
- Seed capital has supported funds representing ~8% of Group AuM (~US\$5 billion)

Seed capital impacted by H2 market weakness



Diversified across themes (% of market value)



Delivers strong cash flows and supports growth

Financial results

Statutory earnings

	FY2021/22 £m	FY2020/21 £m	YoY %
Profit before tax	118.4	282.5	(58)
Tax	(26.5)	(40.7)	35
Profit after tax	91.9	241.8	(62)
Profit attributable to non-controlling interests	(3.4)	(1.7)	(100)
Profit attributable to equity holders of the parent	88.5	240.1	(63)
Earnings per share: diluted (p)	12.6	34.2	(63)
Adjusted earnings per share: diluted (p)	18.7	23.3	(20)
Dividends per share (p)	16.9	16.9	-

- Effective tax rate 22.4% vs 19.0% statutory UK rate
 - Impact of non-deductible seed capital losses & value of share awards
- Current underlying tax rate approximately 17%

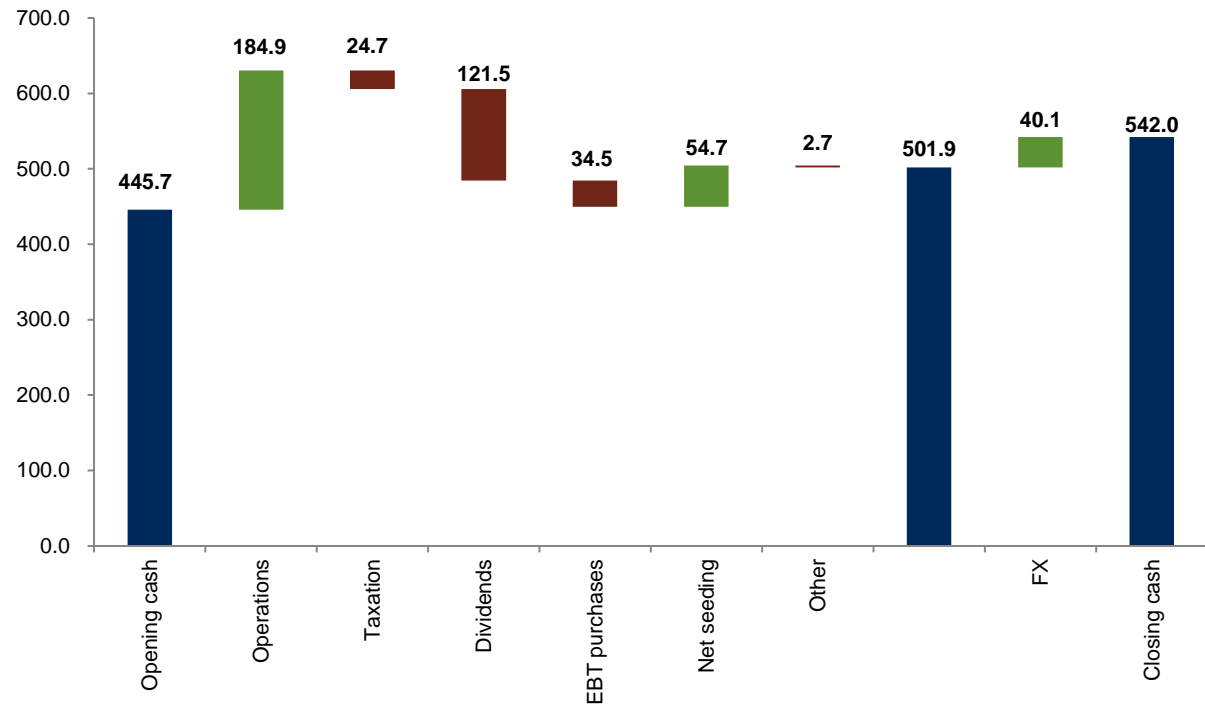
Dividend maintained

Financial results

Cash flow

- Business model generates strong cash flows through the cycle
- Operating cash flows (£184.9 million) represent 113% of adjusted EBITDA
- Dividends (-£121.5 million)
- EBT purchases (-£34.5 million)
- Successful net recycling of seed investments (+£54.7 million)
- Mark-to-market impact of GBP weakness on closing cash balances (+£40.1 million)

Cash flow (£m) ⁽¹⁾



(1) Excludes consolidated funds. See Appendix for reconciliation to statutory consolidated cash flow statement

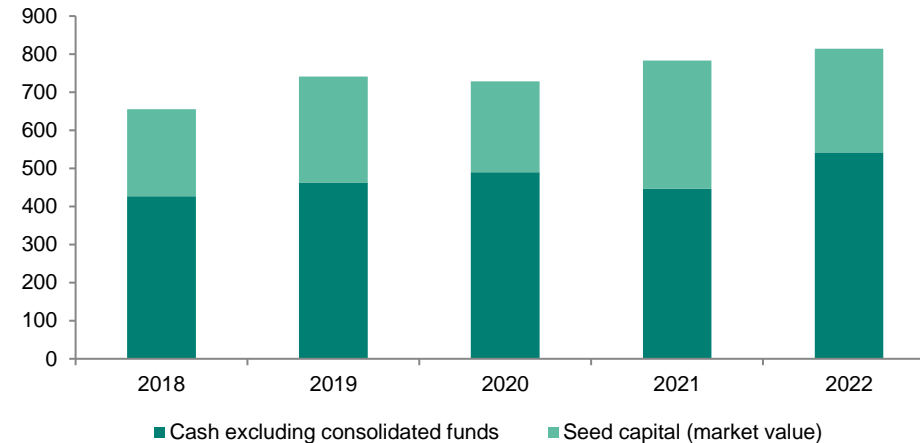
Business model delivers strong cash flows through market cycles

Financial results

Balance sheet

- IFPR regulatory capital framework
 - ICARA replacing ICAAP
 - No change to Ashmore’s robust, well-capitalised & liquid balance sheet
- Capital resources of £788.7 million ⁽¹⁾
 - Group capital requirement £125.2 million ⁽¹⁾
 - Excess capital of £663.5 million, equivalent to 93p/share
- Balance sheet remains highly liquid
 - £542.0 million cash & cash equivalents ⁽²⁾
 - £272.0 million seed capital, c.60% in funds with at least monthly dealing frequency
- FX exposure is predominantly USD
 - GBP:USD rate moved from 1.3815 to 1.2145 over year
 - £3 million PBT sensitivity to 5c move in GBP:USD

Consistent balance sheet structure (£m)



Capital resources (£m)



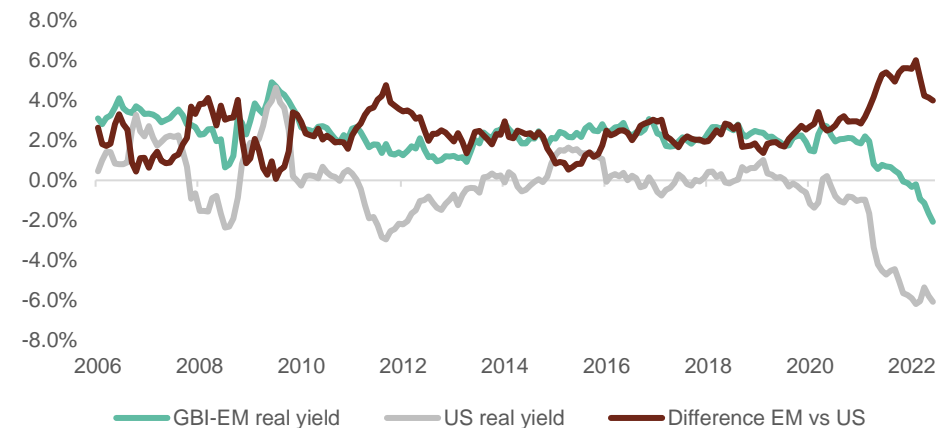
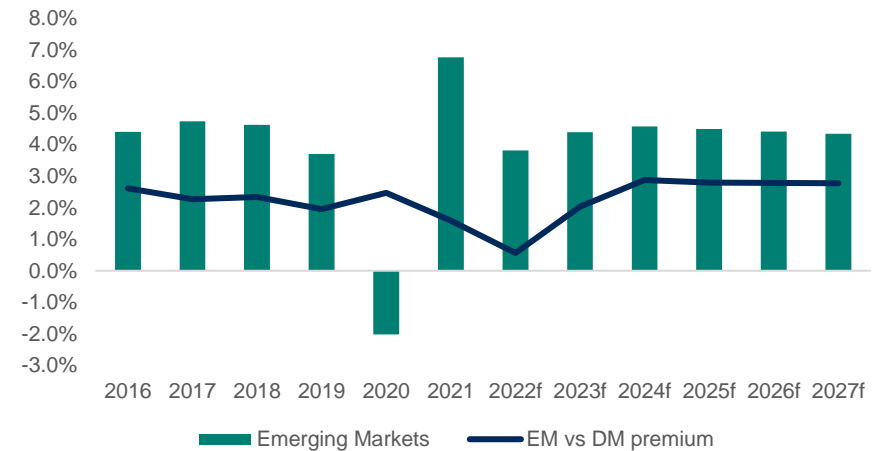
(1) Calculated at Group level using consistent approach as adopted under ICAAP regime

(2) Excludes consolidated funds. See Appendix for reconciliation to statutory consolidated cash flow statement

Emerging Markets outlook

- Potential for improving macroeconomic conditions
 - EM growth premium maintained, central banks moved earlier to address inflation
 - Inflation pressures should normalise (base effects, destocking & other deflationary factors)
 - Central banks may become less hawkish
 - China: stimulus vs zero COVID policy
- Geopolitical risks to global markets
 - Diversification is paramount
- EM offers highly attractive valuations relative to DM
 - External debt spread c.500bps vs <300bps pre COVID
 - Local bond real yields c.400bps higher than US Treasuries
 - Equities trade at 20-year low PER vs S&P5000

GDP growth premium & real yields



Highly attractive valuations underpin positive outlook

Summary

- Challenging global markets in H2
- Focus on consistent strategy & strength of business model
- Outlook underpinned by exceptional valuations across Emerging Markets

Q&A

Appendices

Appendix 1a

Adjusted profits reconciliation

	Adjusted FY2021/22 £m	Adjusted FY2020/21 £m	YoY %
Net revenue	262.5	291.7	(10)
FX translation	(5.3)	4.9	<i>nm</i>
Adjusted net revenue	257.2	296.6	(13)
Operating costs ex consolidated funds	(94.0)	(99.8)	6
VC on FX translation	1.1	(1.1)	<i>nm</i>
Adjusted operating costs	(92.9)	(100.9)	7
Adjusted EBITDA	164.3	195.7	(16)
<i>EBITDA margin</i>	<i>64%</i>	<i>66%</i>	
Depreciation and amortisation	(3.1)	(2.8)	(11)
Total adjusted operating costs	(96.0)	(103.7)	7
Net finance income	1.6	0.6	<i>nm</i>
Associates and joint ventures	1.3	0.3	<i>nm</i>
Seed capital-related items	(49.9)	92.5	<i>nm</i>
Foreign exchange translation net of VC	4.1	(3.8)	<i>Nm</i>
Profit before tax	118.4	282.5	(58)

Appendix 1b Seed capital

- Consolidated funds:
 - Line-by-line consolidation in financial statements
 - FX taken to reserves
 - PBT contribution of -£40.5 million
- Unconsolidated funds:
 - Market returns including FX recognised in Finance income
 - PBT contribution of -£9.4 million

	FY2021/22 £m	FY2020/21 £m
Gains/(losses) on investment securities	(61.3)	123.5
Change in third-party interests in consolidated funds	16.5	(52.6)
Operating costs	(1.4)	(1.7)
Interest and dividend income	5.7	3.3
Sub-total: consolidated funds	(40.5)	72.5
Finance income		
- market return	(10.6)	25.3
- foreign exchange	1.2	(5.3)
Sub-total: unconsolidated funds	(9.4)	20.0
Total profit/(loss)	(49.9)	92.5
- realised	0.1	8.5
- unrealised	(50.0)	84.0
<i>Seed capital included in Finance income</i>	<i>(3.7)</i>	<i>23.3</i>
<i>Interest income</i>	<i>1.6</i>	<i>0.6</i>
Reported Finance income	(2.1)	23.9

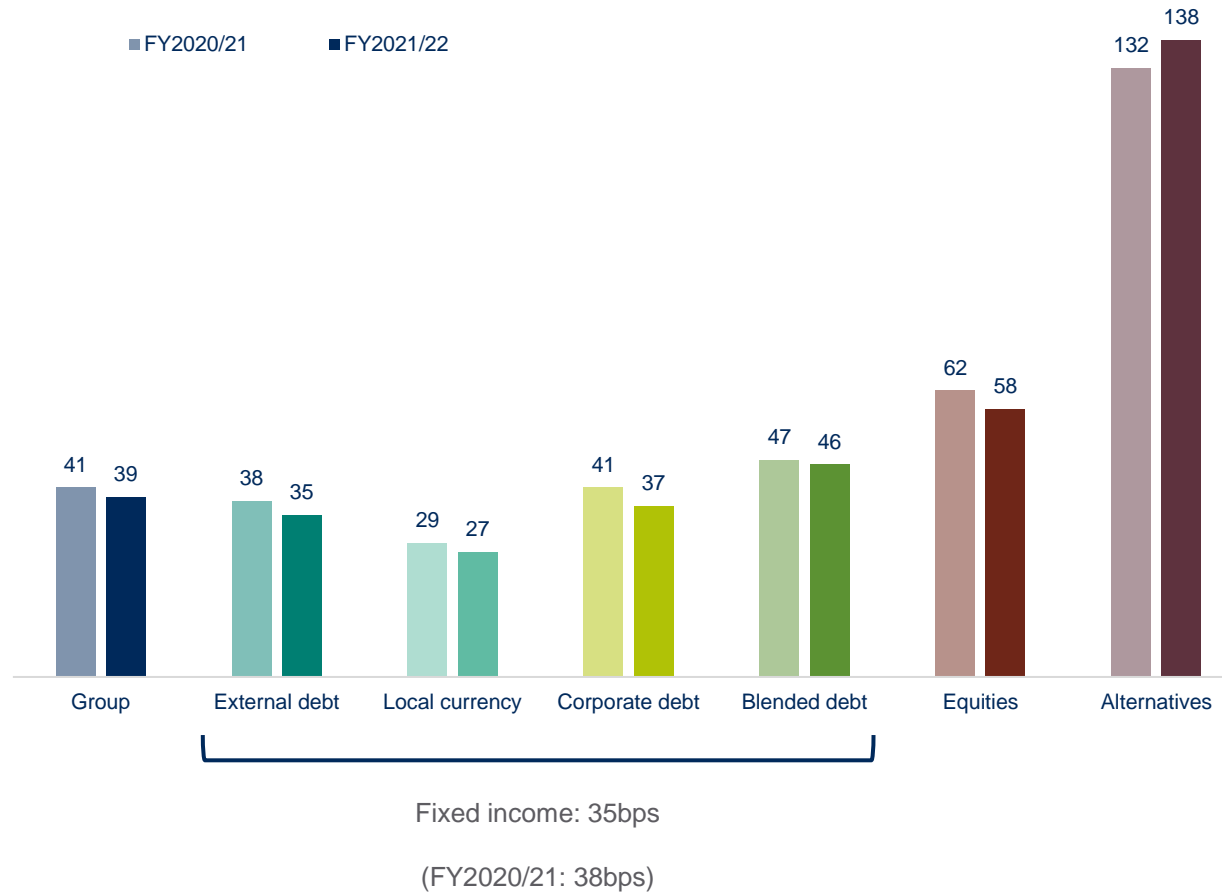
Appendix 2a

Net management and performance fees by theme

	FY2021/22 £m	FY2020/21 £m	FY2021/22 US\$m	FY2020/21 US\$m
External debt	46.7	52.0	62.0	70.6
Local currency	54.9	60.4	72.9	81.8
Corporate debt	26.0	34.6	34.6	46.8
Blended debt	69.3	82.7	92.2	112.0
Equities	33.1	28.9	43.9	39.2
Alternatives	13.5	12.3	17.8	16.7
Total net management fee income	243.5	270.9	323.4	367.1

	FY2021/22 £m	FY2020/21 £m	FY2021/22 US\$m	FY2020/21 US\$m
External debt	2.0	1.8	2.7	2.4
Local currency	0.8	1.8	1.1	2.5
Corporate debt	-	4.2	-	5.7
Blended debt	1.3	2.6	1.8	3.5
Equities	0.4	0.8	0.5	1.1
Alternatives	-	0.7	-	1.0
Total performance fee income	4.5	11.9	6.1	16.2

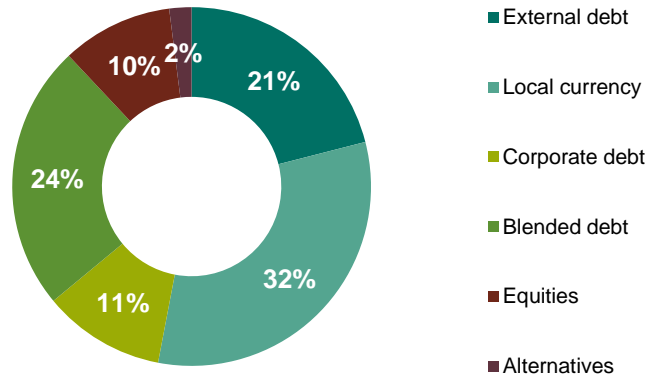
Appendix 2b Management fee margins



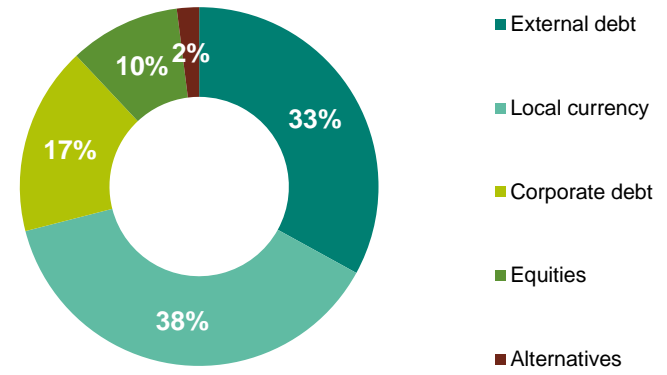
Appendix 3a

Assets under management

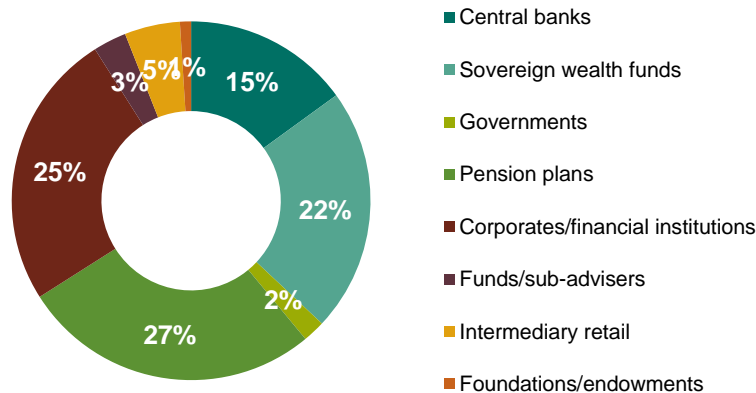
AuM by theme



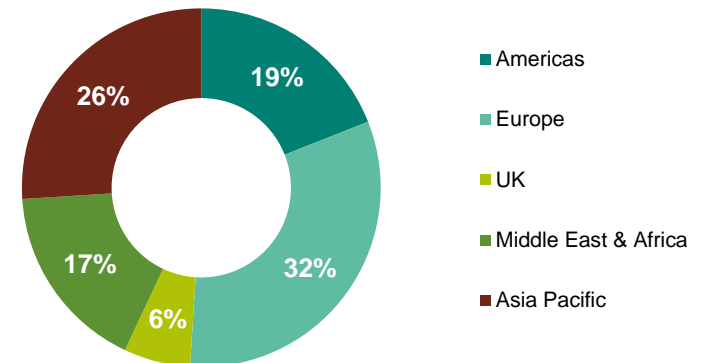
AuM as invested



AuM by client type



AuM by client location



Appendix 3b

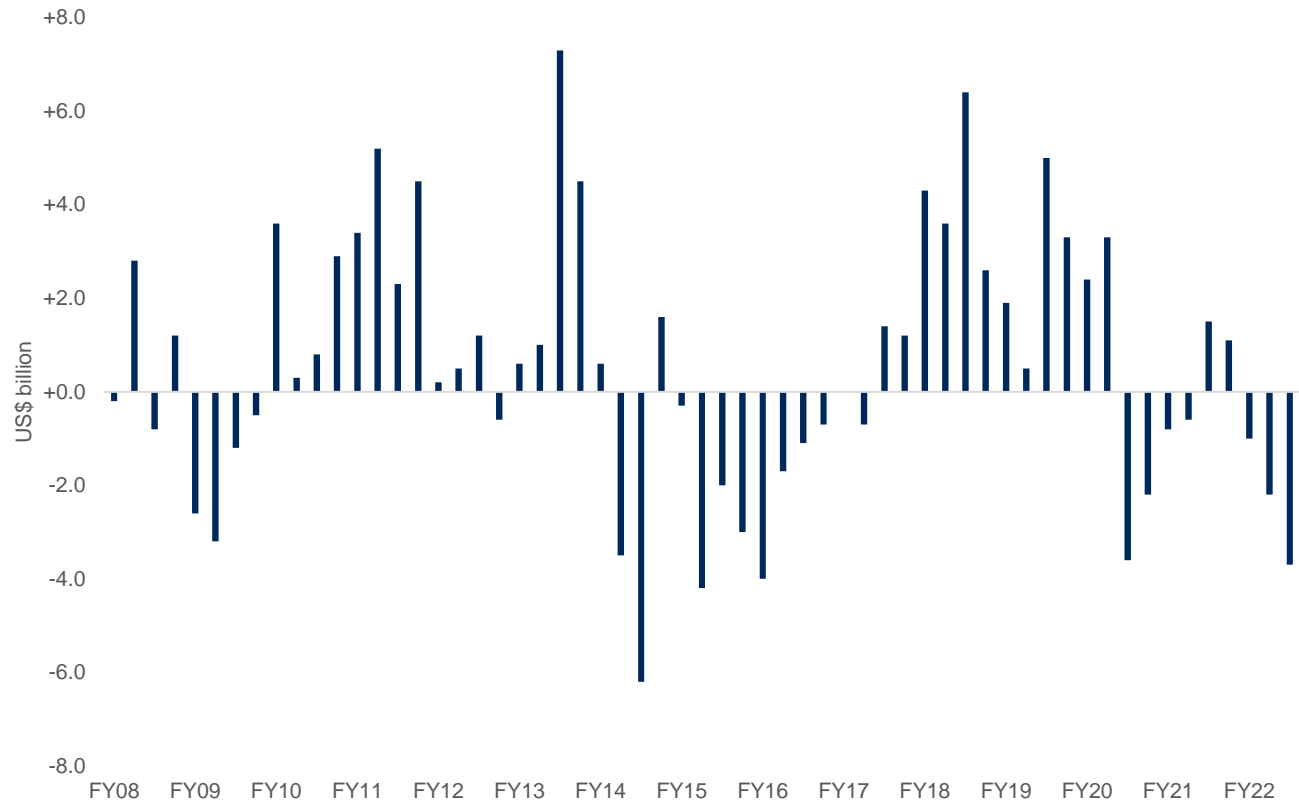
Investment themes

	FIXED INCOME (US\$56.2bn)				EQUITIES (US\$6.3bn)			ALTERNATIVES (US\$1.5bn)
THEME	External Debt (US\$14.4bn)	Local Currency (US\$20.6bn)	Corporate Debt (US\$6.8bn)	Blended Debt (US\$14.4bn)				
GLOBAL STRATEGIES	<ul style="list-style-type: none"> Broad Sovereign Sovereign, investment grade Short duration ESG Cash management 	<ul style="list-style-type: none"> Bonds Bonds (Broad) FX+ Investment grade Volatility-managed bonds Overlay 	<ul style="list-style-type: none"> Broad High yield Investment grade Short duration Investment grade Short duration ESG 	<ul style="list-style-type: none"> Blended Investment grade Absolute return ESG 	<ul style="list-style-type: none"> Active Active ex China Shariah Multi-asset 	<ul style="list-style-type: none"> EM Equity (All Cap) ESG Small Cap 	<ul style="list-style-type: none"> Frontier 	<ul style="list-style-type: none"> Private equity – Healthcare Infrastructure Special situations Distressed debt Real estate
REGIONAL / COUNTRY STRATEGIES	<ul style="list-style-type: none"> Indonesia 	<ul style="list-style-type: none"> China Indonesia Saudi Arabia 	<ul style="list-style-type: none"> Asia high yield 			<ul style="list-style-type: none"> Andean India India Small Cap Indonesia Indonesia Small Cap Indonesia ESG Indonesia Multi-asset 	<ul style="list-style-type: none"> Africa Middle East Saudi Arabia Saudi Arabia Shariah 	<ul style="list-style-type: none"> Andean Middle East (GCC)

1. Local currency AuM includes US\$7.2bn of overlay/liquidity AuM

Appendix 3c

Quarterly net flows



Appendix 4

AuM movements by theme and fund classification

US\$bn	AuM 30 June 2021	Performance	Gross subscriptions	Gross redemptions	Net flows	Reclassifications / other	AuM 30 June 2022
External debt	18.7	(4.2)	3.6	(3.7)	(0.1)	-	14.4
Local currency	31.9	(3.2)	3.5	(10.8)	(7.3)	(0.8)	20.6
Corporate debt	11.3	(3.2)	0.9	(2.2)	(1.3)	-	6.8
Blended debt	23.4	(5.2)	2.1	(6.4)	(4.3)	0.5	14.4
Equities	7.7	(0.7)	2.8	(3.5)	(0.7)	-	6.3
Alternatives	1.4	(0.1)	0.2	-	(0.2)	-	1.5
Total	94.4	(16.6)	13.1	(26.6)	(13.5)	(0.3)	64.0

US\$bn	30 June 2022	30 June 2021
Ashmore sponsored funds	12.0	19.9
Segregated accounts	49.2	70.9
White label / other	2.8	3.6
Total	64.0	94.4

Appendix 5 Foreign exchange

- Sterling strengthened against the US dollar over the period
 - Period-end rate moved from 1.3815 to 1.2145
 - Average rate 1.3289 vs 1.3472 in FY2020/21
- P&L FX effects in FY2021/22:
 - Translation of net management fees +£3.4 million
 - Translation of non-Sterling balance sheet items +£5.3 million
 - Net FX hedges +£6.3 million
 - Operating costs -£0.4 million
 - Unrealised seed capital +£1.2 million

FX sensitivity:

- ~£3.0 million PBT for 5c movement in GBP:USD rate
 - £2.0 million for cash deposits (in 'foreign exchange')
 - £1.0 million for seed capital (in 'finance income')

Currency exposure of cash⁽¹⁾

	30 June 2022 £m	%	30 June 2021 £m	%
US dollar	238.5	44	341.3	77
Sterling	273.1	50	76.0	17
Other	30.4	6	28.4	6
Total	542.0		445.7	

(1) Excludes consolidated funds

Currency exposure of seed capital

	30 June 2022 £m	%	30 June 2021 £m	%
US dollar	222.4	82	297.6	88
Colombian peso	19.0	7	16.2	5
Other	30.6	11	23.0	7
Total	272.0		336.8	

Appendix 6

Cash flows and consolidated funds FY2021/22

£m	As reported	Consolidated funds	Group ex funds
Cash from operations	182.1	(2.8)	184.9
Taxation	(24.7)	-	(24.7)
Interest	7.7	7.4	0.3
Seeding activities	48.3	(6.4)	54.7
Dividends paid	(121.5)	-	(121.5)
EBT purchases	(34.5)	-	(34.5)
Other	(3.0)	-	(3.0)
FX	41.5	1.4	40.1
Increase/(decrease) in cash	95.9	(0.4)	96.3
Opening cash & cash equivalents	456.1	10.4	445.7
Closing cash & cash equivalents	552.0	10.0	542.0

Appendix 7

Investment performance

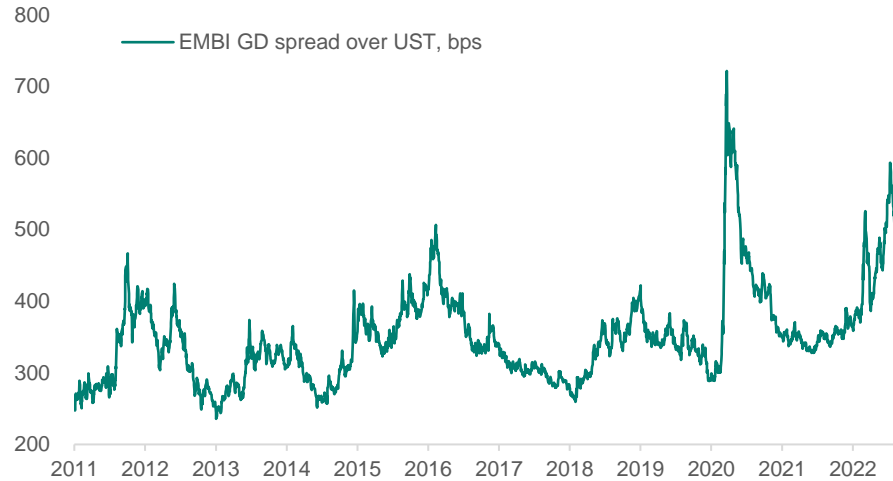
30th June 2022	1yr		3yr		5yr	
	Ashmore	Benchmark	Ashmore	Benchmark	Ashmore	Benchmark
External debt						
Broad	-28.5%	-21.2%	-9.5%	-5.2%	-3.6%	-1.2%
Sovereign	-24.0%	-21.2%	-7.9%	-5.2%	-2.7%	-1.2%
Sovereign IG	-17.8%	-19.3%	-2.5%	-3.4%	1.0%	0.2%
Local currency						
Bonds	-16.1%	-19.3%	-4.6%	-5.8%	-1.3%	-2.3%
Corporate debt						
Broad	-23.7%	-14.3%	-4.5%	-1.1%	-0.3%	1.3%
HY	-30.8%	-15.4%	-6.0%	-1.0%	-0.9%	1.4%
IG	-13.5%	-15.5%	-1.3%	-0.6%	1.1%	2.0%
Blended debt						
Blended	-28.5%	-18.5%	-9.7%	-4.8%	-3.9%	-1.4%
Blended IG	-18.2%	-17.6%	-3.7%	-3.6%	-0.2%	-0.3%
Equities						
All Cap	-31.5%	-25.3%	4.9%	0.6%	-	-
Active	-27.5%	-25.3%	-1.0%	0.6%	3.2%	2.2%
Small Cap	-28.0%	-20.7%	8.0%	5.8%	4.1%	3.5%
Frontier markets	-4.5%	-5.3%	4.4%	2.5%	3.0%	2.8%

See Appendix 9 for related disclosures

Appendix 8 Historical valuations relative to Developed Markets

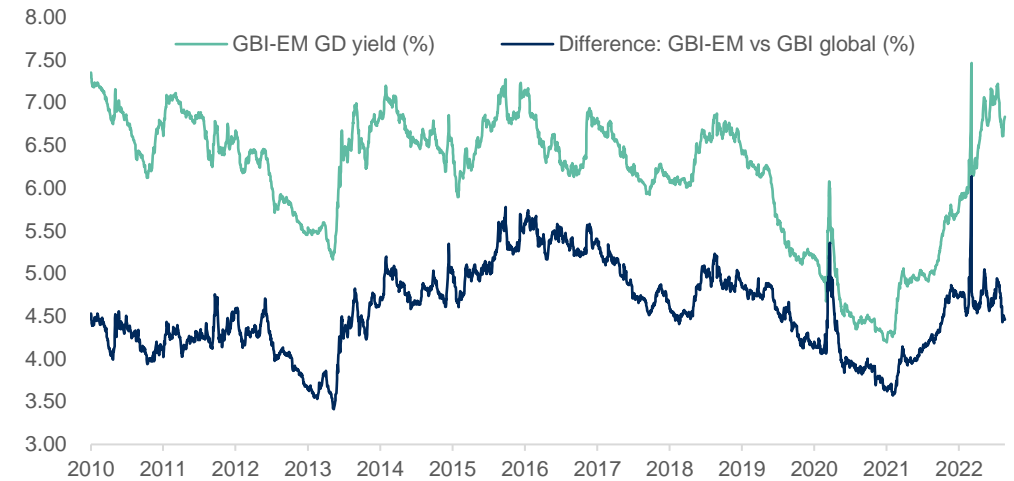
External debt

Index: 70 countries; 160 issuers; 943 bonds



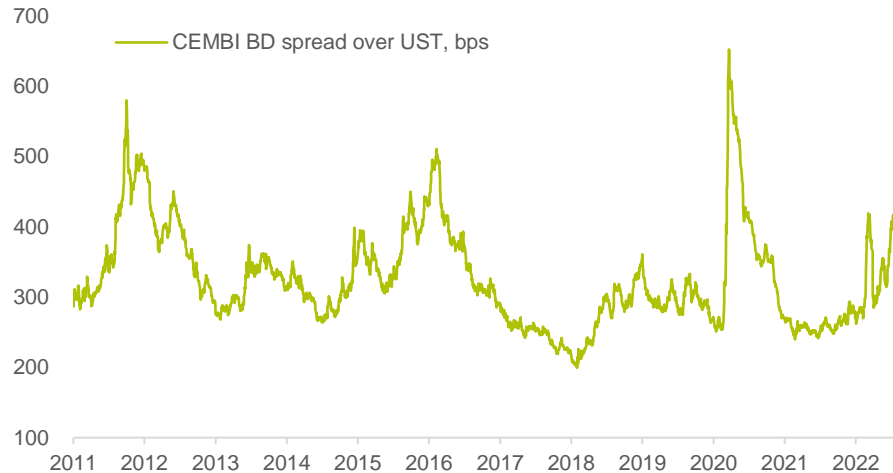
Local currency

Index: 20 countries; 20 issuers; 300 bonds



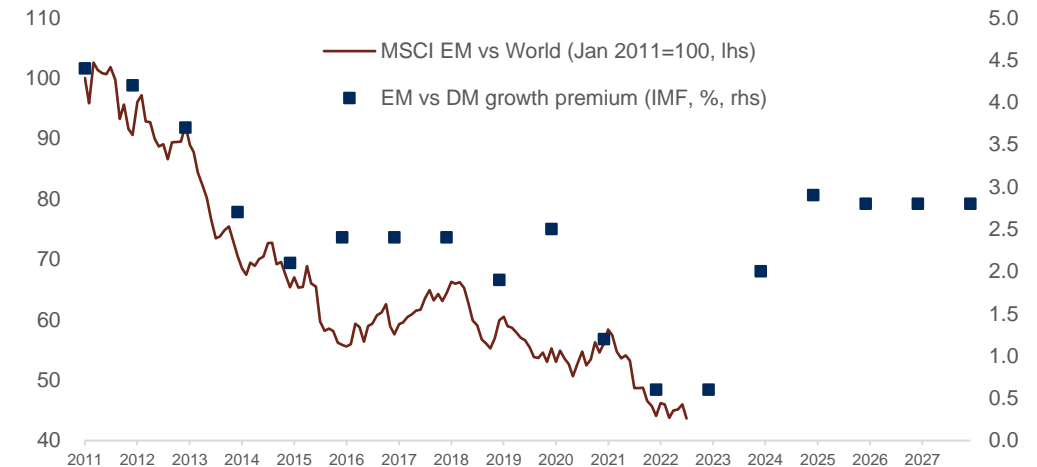
Corporate debt

Index: 60 countries; 794 issuers; 2,000 bonds



Equities

Index: 25 countries; 1,430 issuers



Appendix 9 Disclosures

Page 4:

- Gross performance is shown, weighted by fund AuM, to provide a representative view to analysts and shareholders of Ashmore's investment performance over relevant time periods
- Only funds at 30 June 2022 and with a performance benchmark are included, which specifically excludes funds in the alternatives theme and overlay/liquidity funds
- 84% of Group AuM at 30 June 2022 is in such funds with a one year track record; 75% with three years; and 64% with five years
- Reporting of investment performance to existing and prospective fund investors is specific to the fund and the investor's circumstances and objectives and may, for example, include net as well as gross performance

Appendix 7:

Source: Ashmore (un-audited), JP Morgan, Morgan Stanley

- Returns gross of fees, dividends reinvested.
- Annualised performance shown for periods greater than one year.
- Within each investment theme category, all relevant Ashmore Group managed funds globally that have a benchmark reference point have been included.

Benchmarks

External debt Broad	JPM EMBI GD
External debt Sovereign	JPM EMBI GD
External debt Sovereign IG	JPM EMBI GD IG
Local currency Bonds	JPM GBI-EM GD
Blended debt	50% EMBI GD, 25% GBI-EM GD, 25% ELMI+
Corporate debt Broad	JPM CEMBI BD
Corporate debt HY	JPM CEMBI BD NIG
Corporate debt IG	JPM CEMBI BD IG
Corporate debt Short duration	JPM CEMBI BD (1-3yr)
Global EM active equity	MSCI EM net
Global EM all cap equity	MSCI EM net
Global EM small cap	MSCI EM Small Cap net
Frontier markets	MSCI Frontier net

IMPORTANT INFORMATION

This document does not constitute an offer to sell or an invitation to buy shares in Ashmore Group plc or any other invitation or inducement to engage in investment activities. Certain statements, beliefs and opinions in this document are forward-looking, which reflect the Company's current expectations and projections about future events. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions that could cause actual results or events to differ materially from those expressed or implied by the forward-looking statements.

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