

## MJ HUDSON GROUP PLC

(the "Company", "Group" or "MJ Hudson")

### Full Year Trading Update

*Accelerated revenue growth in second half,  
good momentum from M&A and new client wins*

MJ Hudson Group plc (AIM: MJH), the specialist service provider to the asset management industry, is pleased to issue the following update for the twelve months ended 30 June 2021 ('FY 2021').

MJ Hudson saw a marked improvement in its trading in the second half as the general recovery in activity in private markets accelerated and existing business momentum continued in outsourced regulation, ESG, data and analytics. Consequently, and despite the disruption from the COVID pandemic that impacted the first half to December 2020, the Group remains confident in delivering full year results broadly in line with market expectations.

- **Strong group performance in the second half** - Group underlying revenue grew over 25% in the twelve months ended 30 June 2021 compared with 14.4% in the first half to end December 2020. This includes maiden contributions from recent acquisitions, PERACS and Bridge. As in prior years, June was the strongest month in the period.
- **Organic growth continues improving trend** - Organic revenue growth (ie excluding acquisitions) in the second half was over 25% compared with 3.6% in the first half. This highlights the impact of the return of new fund launch activity in the Advisory division, the annuity aspects of the Outsourcing division and the strength of the more secular growth drivers in the Data & Analytics division, particularly in ESG where revenues were close to doubling compared with 2020. In addition, Organic Investments were EBITDA positive in aggregate in the second half.
- **Significant new client wins** - Following the significant new client wins during the first half for the fund services team in Luxembourg and the ESG services team in Amsterdam, the Group's Investment Advisory business saw client successes including a substantive new mandate. Elsewhere, the Group's new digital ESG and sustainability technology platform, is attracting new blue-chip clients (including the global bank announced at the interims) and both the prospects and the features development pipeline remain very strong.
- **M&A integrating well** - This was a productive period for M&A with three acquisitions in the full year, namely PERACs, Bridge Consulting in Ireland and Clarus. The integration of PERACS, now known as MJ Hudson Performance Analytics, and Bridge, now known as MJ Hudson Bridge, is well underway. MJ Hudson Performance Analytics won its largest single contract ever, an extended, multi-year arrangement with a major private equity client. Collaboration with MJ Hudson Bridge in Ireland has resulted in its new business pipeline accelerating ahead of that agreed at acquisition. The acquisition of Clarus, the risk analytics business, was completed at the end of the period. In the case of all acquisitions in the period, the incoming client base has reacted positively to the new ownership prompting cross selling opportunities for the

broader Group. The acquisition of SCFL, a Guernsey based fund administration business, was announced after the year end, with completion subject to regulatory approval.

- **Investment in technology and innovation** – As planned, the Group continued to invest in technology aimed at improving infrastructure, creating long term cost efficiencies and launching new software-driven products. The investments included, upgrading its CRM, enterprise accounting and HR software as well as its cyber security technology. In order to support its current product development and pipeline of innovations and joint ventures, the Group also expanded its team of application developers and programmers, which now includes an offshore hub in Sri Lanka, and quant developers in Barcelona.
- **Dividend payments to commence** – The Company expects to announce its maiden dividend with its preliminary results.

## Current trading

MJ Hudson has made a strong start to FY 2022, underpinned by the momentum generated in the second half of FY 2021 from improved organic revenue growth, new client wins and recent M&A. The Group continues to explore further M&A opportunities in discussions with growth-oriented management teams with business models that it believes could be accelerated with the support of the Group’s brand, capital and international client base.

## Notice of results

The Group intends to release its preliminary financial results in late October.

**Matthew Hudson, CEO of the Group said:**

*“Having seen signs of recovery among our clients in our interim results to end December 2020, I am delighted to see this translate into our financial results for the second half. Organic revenue growth has returned to double digits with new client wins across the group. We announced two new acquisitions in recent months (Clarus and SCFL) which add to the Outsourcing and Data & Analytics divisions. The business took off in the second half and this has continued into the new financial year.*

*Our three major growth trends of increased AuM in private markets, increased regulation (especially within ESG) and the growth of outsourcing in asset management operations are all accelerating out of the pandemic dip. Meanwhile, we are embracing a range of pressing growth opportunities and investing in new digital products and technology. The current financial year has started well and will benefit from a well-established recovery trend, a full contribution from deals done in FY 2021 and further investment.”*

**For further information, please contact:**

<b>MJ Hudson Group plc</b> Matthew Hudson, CEO Andrew Walsh, IRO Katherine Hazelden, PR Director	+44 20 3463 3200
<b>Cenkos Securities plc (Nomad and Broker)</b> Giles Balleny Stephen Keys Callum Davidson	+44 20 7397 8900
<b>Buchanan (PR Adviser)</b> Stephanie Whitmore Kim Looringh-van Beeck Hannah Ratcliff	+44 20 7466 5000

## About MJ Hudson

MJ Hudson is a one-stop-shop specialist service provider to the US\$100 trillion asset management industry, with a focus on its fastest growing segment, alternative investments (which includes private equity, venture capital, real estate and hedge funds).

As outlined at IPO in December 2019, our growth strategy is to develop and acquire new products and services that are needed by our core customer base of asset managers and institutional investors and to extend this customer base in the key markets of North America and Europe. Our strategy benefits from the underlying expansion of the alternative assets' subsector and the continuing and growing need for outsourcing and specialist advice as regulation and competition makes operating more challenging for our clients.

Founded in 2010 by CEO Matthew Hudson (a lawyer and former alternative assets fund manager), MJ Hudson has grown quickly to now support more than 1,000 clients, including 18 of the FTSE 100. Our business is transatlantic, with clients clustered around the major asset management centres of Europe and North America. Our team of 240 works out of 11 offices in those same centres.

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This announcement contains inside information as defined in Article 7 of the Market Abuse Regulation.