



Full year results 2023

Announced 29 February 2024

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LSE:EMG



Business update

Robyn Grew
Chief Executive Officer



Well-positioned for future growth

A technology-empowered, solutions-oriented diversified investment firm

A competitive edge from combining exceptional talent and cutting-edge technology

Track record of delivering strong and consistent returns to clients and shareholders

Clear strategy and key priorities to drive the next chapter of growth for Man Group

Results demonstrate the resilience of our diversified business model

\$167.5bn

Assets under management

Net inflows reflect the continued demand for our range of investment strategies

- Net inflows of \$3.0 billion for the year ended 31 December 2023, 4.9% ahead of the industry¹
- Asset-weighted relative investment outperformance versus peers across our strategies of 1.6%²

18.4¢

Core MF EPS

Resilient core management fee EPS highlights the merits of our diversified business model

- Run rate net management fees of \$1,087 million
- Run rate net management fee margin of 65bps

\$313m

Return of capital

Unchanged, disciplined capital policy to drive growth and consistent shareholder returns

- 4% increase in the total dividend per share to 16.3¢, in line with our progressive dividend policy
- Intention to repurchase up to \$50 million of shares

1. Based on asset-weighted industry net flows. Source: HFR, Morningstar, Man Group analysis

2. Relative performance versus peers is calculated using an asset-weighted average performance relative to peers for all strategies where we have identified and can access an appropriate peer composite. As at 31 December 2023, it excludes infrastructure managed account mandates, real estate, US direct lending and collateralised loan obligations. Past performance is not an indication of future performance

Note: all earnings per share measures shown above are on a diluted basis

Positive investment performance across both alternative and long-only

Investment performance

	Absolute		Relative ¹		Highlights ²
Alternative	\$1.8bn	+1.9%	\$0.6bn	+0.8%	<ul style="list-style-type: none"> TargetRisk +14.1% Alpha Select +10.2% Evolution +3.7%
Long-only	\$7.9bn	+16.4%	\$1.4bn	+2.8%	<ul style="list-style-type: none"> Sterling Corporate Bond +14.6% Undervalued Assets +8.3% Continental European Growth +4.3%
Total	\$9.7bn	+6.8%	\$2.0bn	+1.6%	

1. Relative performance versus peers is calculated using an asset-weighted average performance relative to peers for all strategies where we have identified and can access an appropriate peer composite. As at 31 December 2023, it excludes infrastructure managed account mandates, real estate, US direct lending and collateralised loan obligations

2. Return (net of fees) for the 12 months to 31 December 2023. Outperformance versus relevant benchmark shown for long-only strategies
Past performance is not an indication of future performance

Broad-based client demand for our differentiated offering

Net flows

	2022	2023	
Alternative	\$3.4bn	\$2.4bn	<ul style="list-style-type: none"> Continued client demand for alternative strategies Solutions offering continues to be a commercial differentiator
Long-only	\$(0.3)bn	\$0.6bn	<ul style="list-style-type: none"> Inflows despite industry headwinds Strong growth in liquid credit strategies
Total	\$3.1bn	\$3.0bn	<ul style="list-style-type: none"> Fourth consecutive year of net inflows



Financial results

Antoine Forterre
Chief Financial Officer



Stable management fee profitability despite the challenging environment

\$1,196m

Core net revenue

- Core net management fees of \$963 million, 4% higher than 2022
- Core performance fees of \$180 million reflecting a testing year for trend-following strategies
- Core gains on investments of \$48 million

\$340m

Core PBT

- Fixed cash costs of \$370 million¹, reflecting planned investment to support growth
- 50% compensation ratio, at the top of our guided range
- Decrease in core PBT primarily driven by decrease in core performance fees

\$555m

Net financial assets

- Varagon acquisition completed in September 2023, integration progressing well
- Seed investments² of \$595 million
- Strong and liquid balance sheet supports future growth opportunities

1. Includes fixed compensation and core other cash costs

2. Net of \$230m exposure via total return swaps

\$167.5 billion of assets under management

AUM, \$bn

	AUM at 31 Dec 2022	Net flows	Investment performance	FX & other ¹	AUM at 31 Dec 2023
Absolute return	46.0	2.3	0.2	(0.8)	47.7
Total return	28.8	1.1	1.1	11.5	42.5
Multi-manager	20.2	(1.0)	0.5	(0.3)	19.4
Alternative	95.0	2.4	1.8	10.4	109.6
Systematic	31.6	(0.9)	5.4	0.4	36.5
Discretionary	16.7	1.5	2.5	0.7	21.4
Long-only	48.3	0.6	7.9	1.1	57.9
Total	143.3	3.0	9.7	11.5	167.5

\$9.7bn

Investment performance

+4.9%

Relative net flows²

+1.6%

Relative performance³

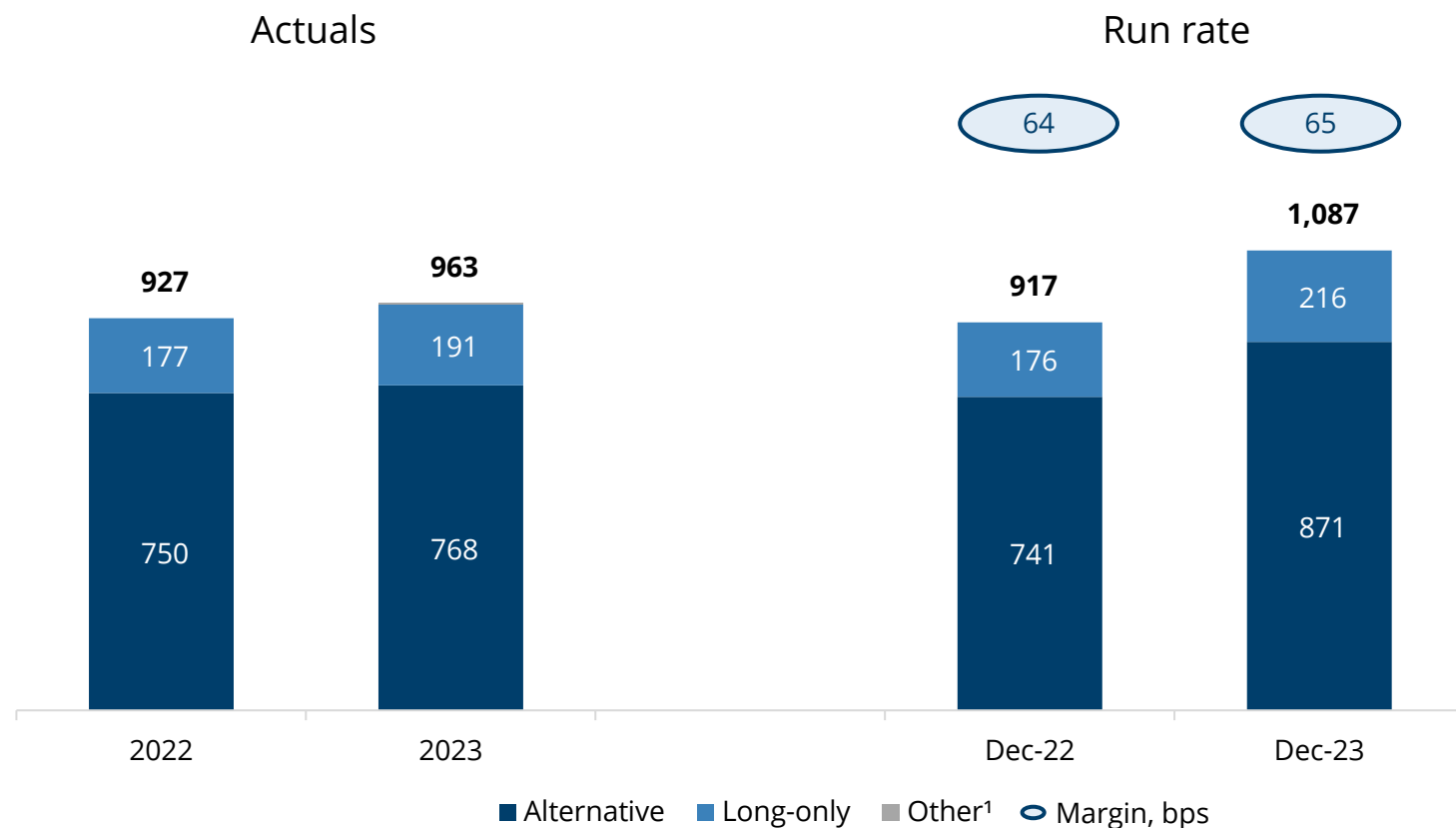
1. Other movements relate to assets under management added following the acquisition of Varagon, maturities and leverage movements

2. Based on asset-weighted industry net flows. Source: HFR, Morningstar, Man Group analysis

3. Relative performance versus peers is calculated using an asset-weighted average performance relative to peers for all strategies where we have identified and can access an appropriate peer composite. As at 31 December 2023, it excludes infrastructure managed account mandates, real estate, US direct lending and collateralised loan obligations. Past performance is not an indication of future performance

Growth in run rate net management fees

Core net management fees (NMF), \$m



\$963m
Core NMF in 2023

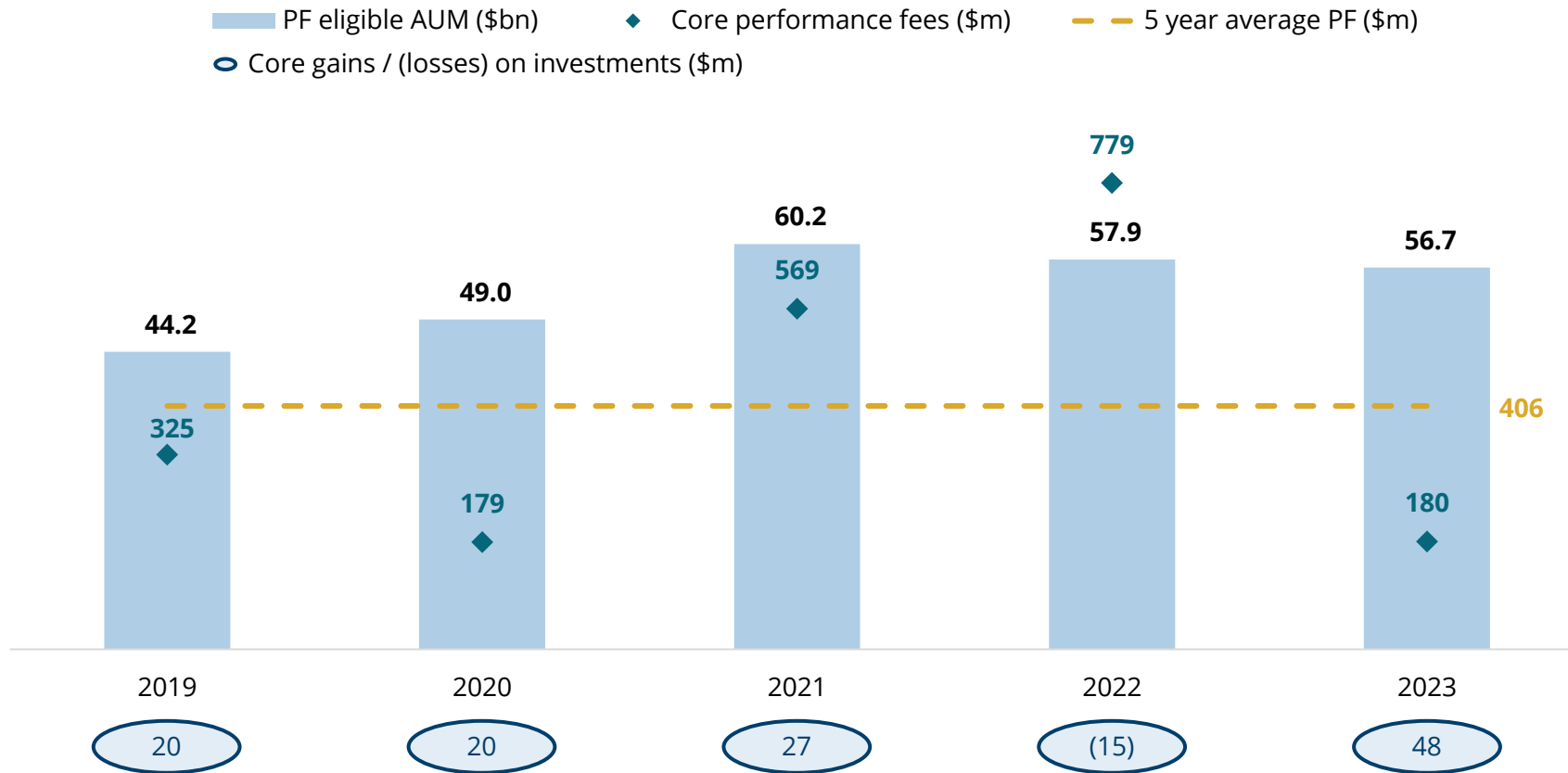
\$1,087m
Run rate NMF at Dec-23

65bps
Run rate NMF margin

1. Included in 2023 actuals. Other is comprised of \$4m of service-related fees

Lower performance fee generation but well-positioned for 2024

Core performance fees (PF), core gains on investments and PF eligible AUM



\$56.7bn
PF eligible AUM

\$26.9bn
AUM at high-water mark

c.\$50m
PF accrued as at Jan-24¹

1. Accrued and uncrystallised as at 31 January 2024, and due to crystallise in 2024
Past performance is not an indication of future performance

Costs reflect planned investment to support growth

Core costs, \$m

	2022	2023	Change	
Core costs	Fixed compensation	209	239	14%
	Variable compensation	469	356	(24)%
	Other cash costs	123	131	7%
	Asset servicing	58	58	-
	D&A	47	48	2%
	Net finance expense	11	21	91%
	Other ¹	-	3	-
Total	917	856	(7)%	
Key metrics	<i>Fixed cash costs²</i>	332	370	11%
	<i>Compensation ratio</i>	40%	50%	
	<i>Core PBT margin³</i>	46%	28%	

50%

Compensation ratio

28%

Core PBT margin³

\$425m

2024 fixed cash costs target⁴

1. Includes rollover equity and third-party share of post-tax profits

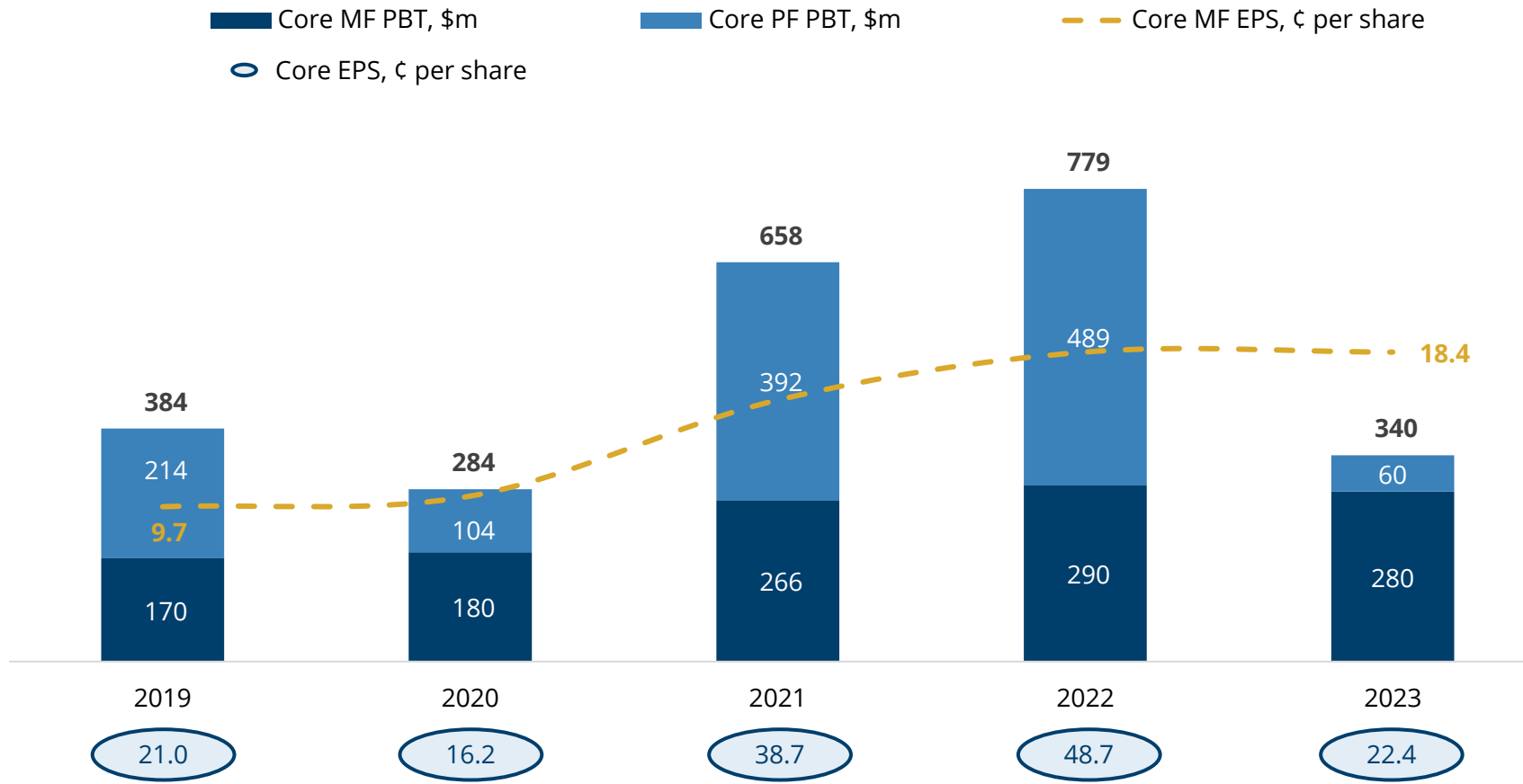
2. Includes fixed compensation and other cash costs

3. Defined as: core profit before tax / core net revenue

4. Reflects a full year of Varagon fixed cash costs. Target assumes GBPUSD of 1.27

Core earnings impacted by lower core performance fees

P&L



18.4¢
Core management fee EPS

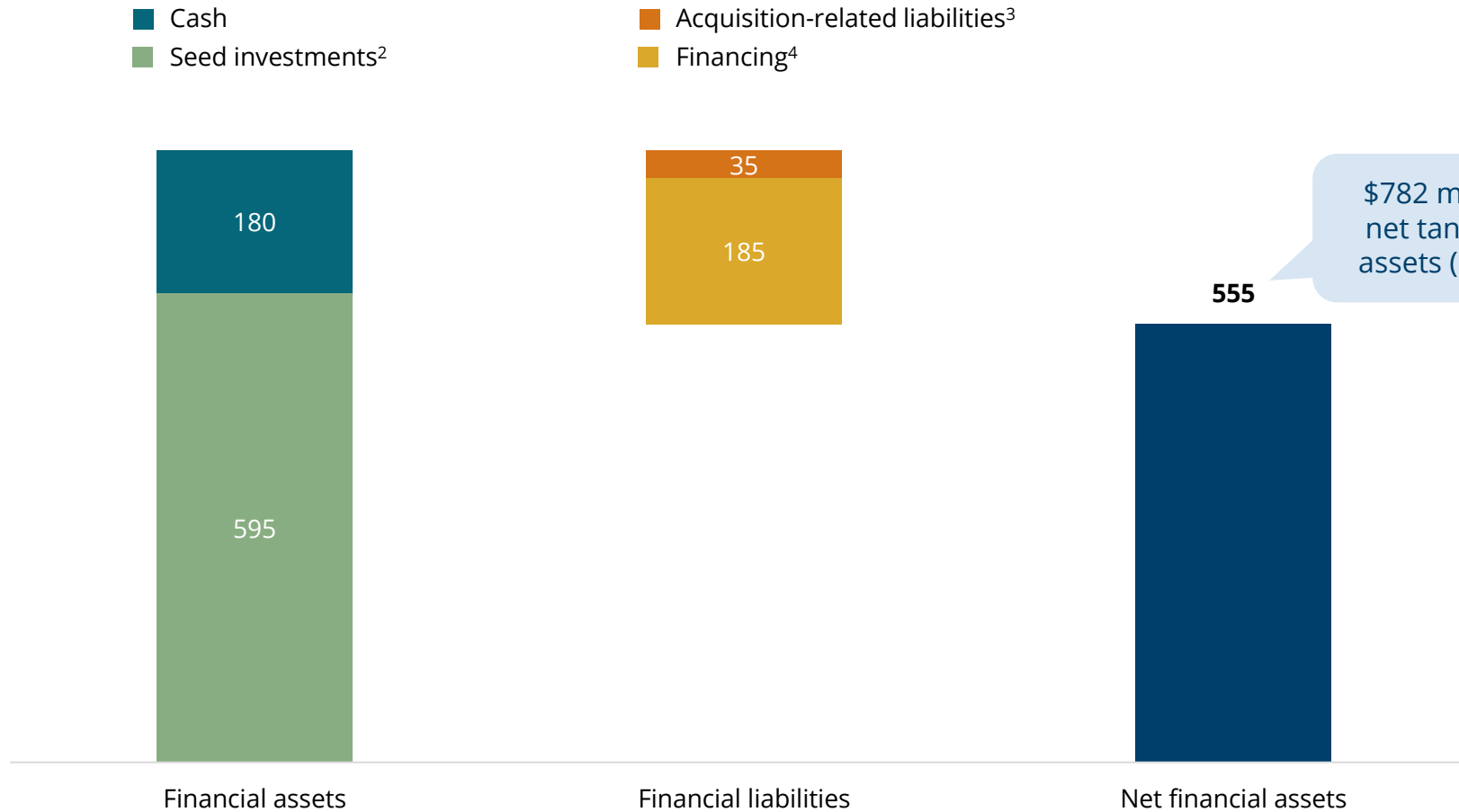
22.4¢
Core EPS

10%
Core MF PBT CAGR
2019 - 2023

Note: all earnings per share measures shown above are on a diluted basis

Robust and highly liquid balance sheet

Net financial assets as at 31 December 2023, \$m¹



\$782 million net tangible assets (NTA)⁵

\$555m

Net financial assets

14

Strategies seeded in 2023

60¢

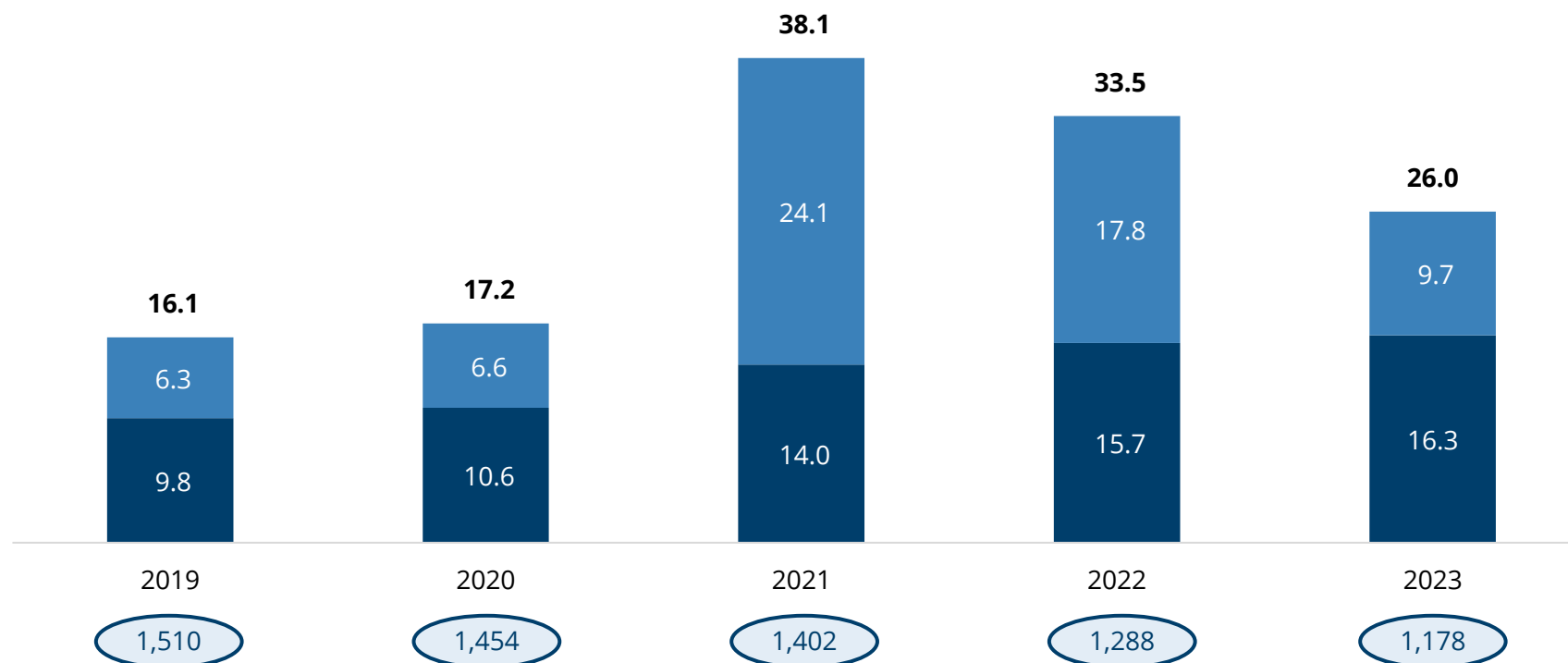
NTA per share⁶

1. Excludes December performance fee receipts, the payment of variable compensation and the proposed 2023 final dividend
 2. Net of \$230m exposure via total return swaps
 3. Includes deferred payments in relation to Asteria and Varagon transactions
 4. Financing comprises \$45m of payables under repo arrangements and \$140m of borrowings under our revolving credit facility
 5. Defined as net assets less goodwill and acquired intangibles, and other intangibles
 6. Calculated using total number of shares outstanding at period end (undiluted)

Consistent and significant capital returns

Dividends and share repurchases, ¢ per share¹

■ Dividends ■ Share repurchases² ○ Number of shares³



\$313m

Shareholder returns⁴
2023

\$1.8bn

Shareholder returns⁴
2019 - 2023

28%

Increase in earnings
participation⁵

1. Dividends are shown for the financial year in relation to which they were declared, calculated using basic number of shares at period end. Share repurchases are shown in the year of announcement

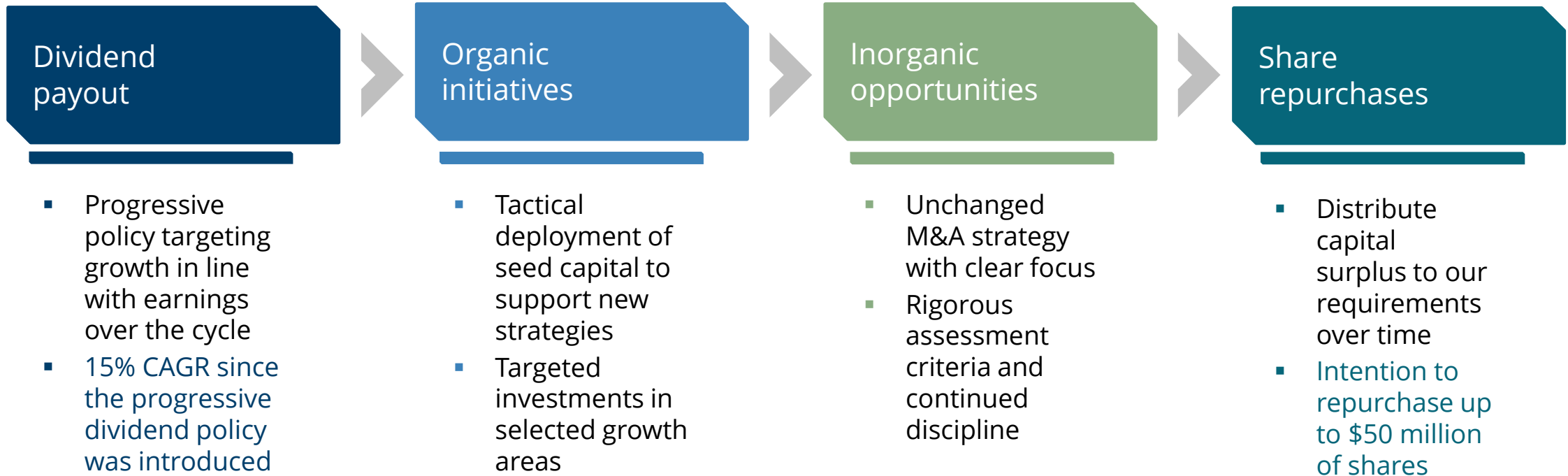
2. Calculated as announced returns / weighted average basic number of shares at the beginning of the year

3. Weighted average basic number of shares, in millions

4. Excludes intention to repurchase \$50 million of shares announced in February 2024

5. Calculated using weighted average basic number of shares, in millions, between 2019 and 2023

Supported by our disciplined capital policy





Business and strategy update

Robyn Grew
Chief Executive Officer



Continuously evolving to perform for our clients

The challenges investors face...



Meeting **risk and return targets** with access to liquidity



Finding **trusted partners** who they can work with over the long-term



Navigating greater **operating, technological and regulatory complexity**

How Man Group addresses these challenges...

Providing **diversifying investment strategies** and uncorrelated returns

Adapting quickly as requirements evolve while building **deep relationships**

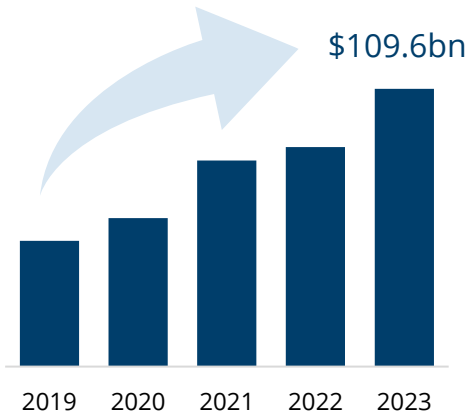
Delivering customised **investment solutions at scale**, with flexibility and transparency

We are a global leader in alternatives



Providing diversifying investment strategies and uncorrelated returns

AUM in alternative strategies



35+ years of experience investing in alternatives and managing liquidity

AUM in quantitative strategies

\$100bn+
2019: \$70bn

Data-driven culture, with AI employed in investment process for 10+ years

Selected returns¹

Evolution	11.9%
GCMS	10.8%
Alpha	10.1%
TargetRisk	7.6%
Man 1783	5.0%

A track-record of delivering for clients in varying market regimes

1. Annualised returns (net of fees) since inception to 31 December 2023. Past performance is not an indication of future performance
As at 31 December 2023 unless otherwise stated

We have a proven ability to broaden client relationships



Adapting quickly as requirements evolve while building deep relationships

No. of investment strategies



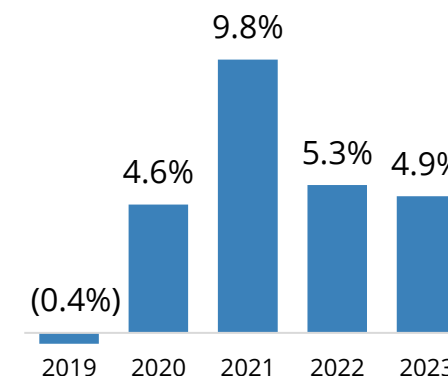
Capabilities in liquid and private markets, with recent strong growth in credit

Top 25 client statistics¹

	No. of strategies	AUM per strategy
Dec-18	4.1	\$0.5bn
Dec-23	4.5	\$0.8bn

Doing more with our existing clients by continuously adding to our offering

Relative net flows²



Consistently growing our market share by delivering inflows ahead of the industry

1. For holdings >\$25m
 2. Based on asset-weighted industry net flows. Source: HFR, Morningstar, Man Group analysis

We bring an allocator's mindset and high-quality institutional resources



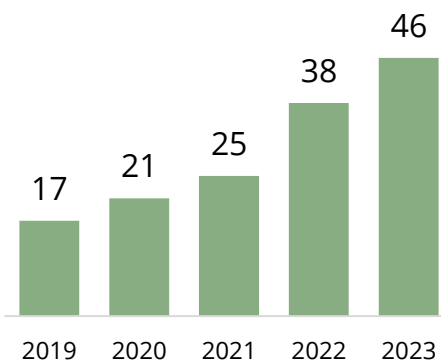
Delivering customised investment solutions at scale, with flexibility and transparency

AUM customised for client need

\$108.8bn

The ability to deliver for clients based on their unique requirements

No. of institutional solutions



Regularly service the world's largest and most sophisticated institutions

Selected key statistics

825+ markets traded

\$7 trillion notional

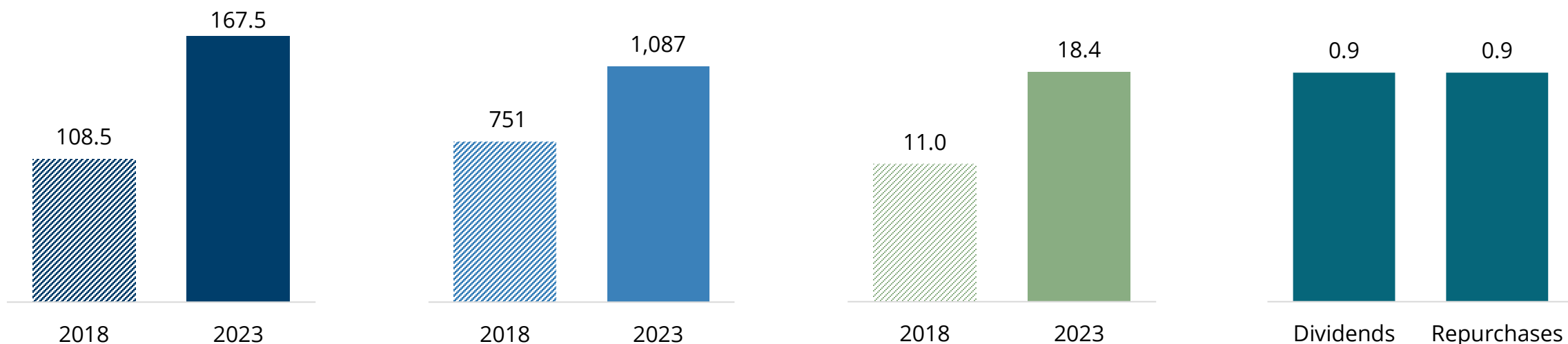
~21 million trades

675+ tech employees¹

Tech-enabled platform that can deliver better outcomes efficiently, flexibly and at scale

1. Includes quants and engineers
As at 31 December 2023 unless otherwise stated

Our track record of growth highlights the quality of our business...



+54%

AUM
\$bn

+45%

Run rate net mgmt. fees
\$m

+67%

Core management fee EPS
¢

\$1.8bn

Total shareholder returns
(5Y, 2019 – 2023)

... and we continue to innovate and evolve to sustain our growth

Our priorities to generate sustained, profitable growth:



Diversify our
investment
capabilities



Extend our reach
with clients around
the globe




Leverage our
strengths in talent
and technology

Our aim is to be indispensable
to sophisticated investors globally

Diversify our investment capabilities

Grow existing, or add new capabilities in areas where we have most credibility

 Our priorities	Quant equity		Credit	Solutions
	Mid-frequency ¹	Long-only		
Our strengths	~\$3bn AUM	~\$35bn AUM	~\$28bn (+22%) AUM (3Y CAGR)	~\$16bn (+30%) AUM (3Y CAGR)
Opportunity	~\$150bn Market size ²	\$500bn+ Market size ³	~\$30tn Market size ⁴	8% Forecast market growth ⁵
Drivers of client demand	<ul style="list-style-type: none"> ✓ Uncorrelated ✓ Liquid 	<ul style="list-style-type: none"> ✓ Scalable ✓ Liquid 	<ul style="list-style-type: none"> ✓ Yield ✓ Duration 	<ul style="list-style-type: none"> ✓ Uncorrelated ✓ Flexible

1. Mid-frequency is characterised as a quant equity long/short strategy trading a diversified set of models across timeframes of hours to weeks

2. Source: Barclays Capital Solutions

3. Estimated using total AUM of selected peers. Based on latest available filings


4. Source: Morgan Stanley Research, Man Group estimates

5. Source: Morgan Stanley Research. Forecast market growth based on estimated compound annual growth rate between 2022 and 2027

As at 31 December 2023 unless otherwise stated

Extend our reach with clients around the globe

Strengthen distribution presence, building on local partnerships and developing tailored product offerings

 Our priorities	North America	Wealth	Insurance
Share of Man Group AUM	35%	22%	9%
Share of global AUM¹	52%	59%	Growing credit capabilities enable access to a large, growing pool of institutional capital
Opportunity²	+7% Forecast market growth	+8% Forecast market growth	


1. Source: Morgan Stanley Research

2. Source: Morgan Stanley Research. Forecast market growth based on estimated compound annual growth rate between 2022 and 2027

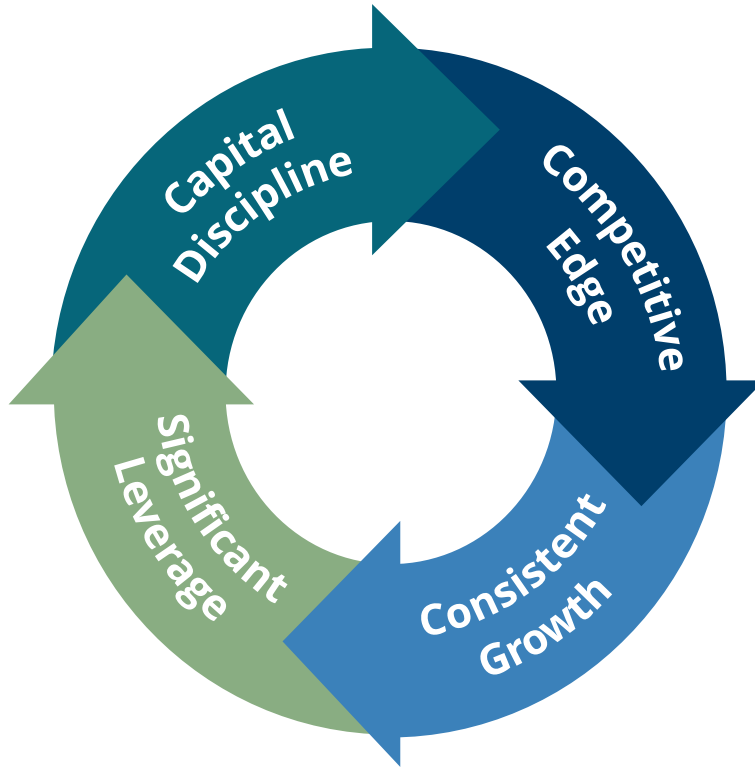
As at 31 December 2023 unless otherwise stated

Leverage our strengths in talent and technology

Continue to invest in the core strengths of our business and deploy resources strategically

 Our priorities	Operating platform	Technology	Capital
Our strengths	Industry-leading operating infrastructure Highly experienced management team	35+ years of tech IP ~\$600m of tech spend over the last 5 years	Strong balance sheet Clear capital policy
Our focus	Review brands, organisation and processes to remain efficient and nimble	Maintain technological edge Focus on quant platform and execution	Align resources with priorities Disciplined assessment of M&A opportunities to drive future growth

A clear value proposition with significant potential



Talent, technology and collaborative culture reinforcing our competitive edge.



Stable, sustainable growth from investment performance and long-term client partnerships.



Powerful, fully integrated platform driving significant operational leverage.



Strong capital generation to support growth, value creation and capital return.

Well-positioned for future growth

A technology-empowered, solutions-oriented diversified investment firm

A competitive edge from combining exceptional talent and cutting-edge technology

Track record of delivering strong and consistent returns to clients and shareholders

Clear strategy and key priorities to drive the next chapter of growth for Man Group

Q&A

A data pack with additional financial information and modelling guidance can be found on our website
www.man.com/investor-relations



- Karan Shirgaokar (Head of Investor Relations)



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