Alpha

Financial Markets Consulting

A leading global consultancy to the asset and wealth management industry

Interim Results

for the six months ended 30 September 2017

November 2017

Presentation team

Euan Fraser
Chief Executive Officer

- Has led Alpha as CEO from 2013 and during this period the business has increased EBITDA 4-fold and been through two successful private equity transactions
- Alpha UK CEO from 2011 to 2015
- Over 20 years financial services experience in both consulting and industry at Merrill Lynch
- Qualified as a Chartered Accountant with KPMG

Stuart McNulty
UK Chief Executive Officer

- UK CEO from 2015
- Has led the sale and delivery of many of Alpha's most significant programmes of work
- Experienced across all key areas of the asset management value chain
- Joined Alpha in 2007 from JP Morgan Investment Bank
- Prior to this worked within Accenture's Capital Markets Practice

Maria Stricker
Chief Financial Officer

- Joined Alpha as CFO in May 2017
- 15 years of experience across commercial finance, strategy, infrastructure, international tax and legal functions
- Qualified as a chartered accountant with KPMG
- Whilst at KPMG, worked across several departments including transaction services, strategy, business modeling and audit

Agenda

Introduction & Highlights

Financial Highlights H1 to 30 September 2017

Group Revenue growth of 50%

- Group revenue increased by 50% to £28.7 million (H1 2016/17: £19.1 million)
- Continued growth in all core markets
- Strong contributions from all Group business practices

Adjusted EBITDA increase of 71%

- Gross profit up 59% to £10.5 million (H1 2016/17: £6.6 million)
- Group adjusted EBITDA increased by 71% to £5.8 million (H1 2016/17: £3.4 million)
- Uninterrupted growth during and following the IPO process

Interim Dividend of 1.48p

- Following the IPO, net debt has been entirely paid down, leaving a clean balance sheet (30 September 2017: £84.7 million)
- The Board has declared a 1.48p interim dividend for H1 2017/18
- Initial dividend in line with policy of 50% pay-out ratio

Operational Highlights H1 to 30 September 2017

Continued strengthening of **global teams**

- Ongoing investment in hiring the highest calibre people
- Promotion of two Directors and hiring of two Directors
- Number of consultants incl. contractors increased by 33% to 286 (H1 2016/17: 215)

Geographic footprint of group extended

- Alpha Switzerland office launched in Geneva
- Alpha Singapore office launched
- Larger office space secured in Luxembourg and Paris

Investment in capabilities to expand offering

- A comprehensive range of services reflecting client demand
- Acquisition of TrackTwo GmbH completed
- New Alpha Digital practice launched

Agenda

Financial Review

Group Income Statement

For the period 1 April 2017 to 30 September 2017

Unaudited interim results	H1 2017/18 (£'000)	H1 2016/17 (£'000)	% Change
Revenue	**28,746**	**19,066**	**50%**
Cost of Sales	(18,254)	(12,505)	
Gross Profit	**10,492**	**6,561**	**59%**
Administration Expenses	(7,495)	(4,352)	
Operating Profit	**2,997**	**2,209**	**36%**
+ Depreciation	(143)	(125)	
+ Amortisation	(1,115)	(1,066)	
+ Exceptional Items	(1,583)	-	
Adjusted EBITDA	**5,838**	**3,400**	**71%**
Interim Dividend per Share	1.48p	-	-

Key highlights:

- Strong growth in Group Revenue and Adjusted EBITDA vs H1 2016/17
- Full benefit to revenues of growth in number of consultants to be seen in H2 2017/18
- The Group remains highly cash generative: the vast majority of projects are invoiced monthly in full on a time and materials basis
- Interim dividend of 1.48p, in line with policy of paying 50% of post-tax profits to shareholders each year
- Exceptional items relate primarily to costs associated with the IPO and the restructuring of the US team

Geographic Split of Revenues

For the period 1 April 2017 to 30 September 2017

Unaudited interim results	H1 2017/18 (£'000)	H1 2016/17 (£'000)	% Change
UK	**17,759**	12,750	**39%**
Europe	**6,750**	4,380	**55%**
USA	**3,840**	1,936	**100%**
Asia	**396**	-	-

Key highlights:

- UK continues to constitute the Group's largest geography
- Continued growth in all core geographic markets
- European expansion strengthened by new Alpha office in Geneva and acquisition of TrackTwo GmbH (Germany)
- US Leadership team restructured during H1 2017/18, together with execution of successful secondment scheme
- First Alpha office opened in Asia, with a core team fully deployed from Singapore

Group Balance Sheet

For the period 1 April 2017 to 30 September 2017

Unaudited interim results	H1 2017/18 (£'000)	H1 2016/17 (£'000)
Non-current assets	76,882	76,323
Current assets	22,647	15,968
Total assets	**99,529**	**92,291**
Non-current liabilities	94,026	89,540
Current liabilities	11,451	7,003
Total liabilities	**105,477**	**96,543**
Total equity	**(5,948)**	**(4,252)**
Total equity and liabilities	**99,529**	**92,291**

Key highlights:

- Historic private equity balance sheet structure dominated by external and shareholder debt
- Group had net debt of £84.7m as at 30 September 2017; and interest expenses on borrowings totalled £3.9m for H1 2017/18
- In October 2017, proceeds from the IPO were used to pay down all debt and, going forward, the unleveraged Group will no longer incur these expenses

Group Cash Flow Statement

For the period 1 April 2017 to 30 September 2017

Unaudited interim results	H1 2017/18 (£'000)	H1 2016/17 (£'000)
Cash from operating activities	**4,253**	**3,401**
Working capital adjustments	(3,463)	(2,182)
Taxes paid	(691)	(458)
Net cash from operating activities	**99**	**761**
Net cash used in investing activities	**(2,174)**	**(95)**
Net Cash used in financing activities	**(1,547)**	**(1,530)**
Net decrease in cash and cash equivalents	(3,622)	(864)
Cash & cash equivalents at end of period	**4,508**	**5,900**

Key highlights:

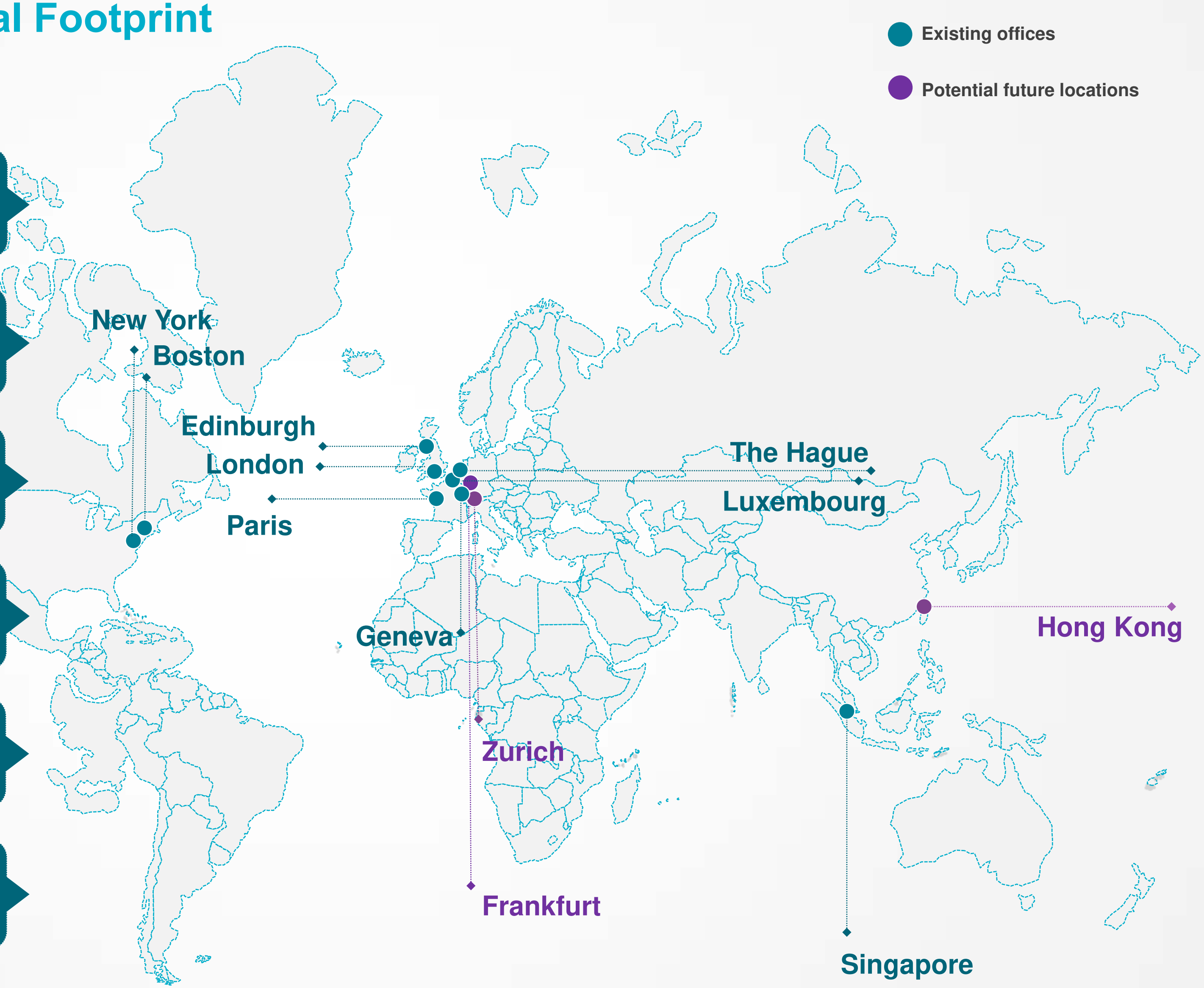
- Following the IPO, and repayment of Group debt, a new three-year revolving £5m credit facility has been established
- This facility, and the Group's strong cash generation, strongly equip the Group for future working capital requirements

Agenda

Operational Review

Overview of Alpha's Global Footprint

- Launch of **Alpha Switzerland** office in Geneva
- An office in four out of five of the **top European markets**
- US offers most **significant opportunity for expansion**
- Broad **range of clients and projects** building in US
- Launch of **Alpha Singapore** office
- Opportunities for further **geographical extension**



Integrations & Acquisitions Update

Alpha's Digital Practice

- Launched in September 2017, the Digital practice is led by new Director hire Kevin O'Shaughnessy
- Represents a top priority for many clients, and a delivery area that is very much in demand
- Exemplifies how Alpha responds to market demand and continues to grow its business in order to support clients across the asset and wealth management value chain

TrackTwo GmbH

- Acquired in July 2017, TrackTwo will form the core of a new division: Alpha Data Solutions
- Based upon a proprietary market leading data solution, 360 SalesVista, which enables asset managers to match client transactions and AUM to create a golden source of client data
- Committed revenue from an existing blue-chip client base in continental Europe; with the opportunity to take the 360 SalesVista proposition to Alpha's wider client base
- Expectation that TrackTwo will contribute c. €0.7m of Adjusted EBITDA for the full financial year

- Benchmarking
- Operations & Outsourcing
- M&A Integration
- Front Office
- Distribution
- Alpha Technology Solutions (ATS)
- Regulatory Compliance
- Investment Guidelines
- Digital
- Alpha Data Solutions (ADS)

People & Culture

Alpha attracts and retains some of the highest calibre consultants in the industry

- People and culture are the most critical factor of Alpha's success
- In H1 2017/18, we have continued to invest in expanding and developing our global teams, to add further strength to our proposition and ensure we build upon our successes to date
- We strive to offer and provide the most supportive and progressive environment for our people to work in
- We deliver on the industry's most challenging change projects and our clients recognise the quality of our people
- Our track record evidences our ability to identify and employ the very best performers in the market and at graduate level
- Following the IPO, we have been awarded "Funds Europe Consultant of the Year 2017" for the third consecutive year
- Appointments have been made across our core geographies and practices. Key growth features include (not incl. contractors):

Headcount Growth

- UK – consultants increased by 16% to 117 (H1 2016/17: 101)
- Europe – consultants increased by 49% to 70 (H1 2016/17: 47)
- US – consultants increased by 33% to 28 (H1 2016/17: 21)
- Asia – new location of 3 consultants (H1 2016/17: 0)

Director Team

- Head of Scotland *Promotion*
- Distribution Practice *Promotion*
- Head of Digital *New Hire*
- Alpha Data Solutions *New Hire*

Agenda

Market Drivers & Alpha Capabilities

Macro Market Themes Driving Significant Client Change

A series of key market drivers….

- **Cost Pressure**
- **Regulatory Demands**
- **Growth in Global AUM**

Enabled by…

Technology and digital innovation

Driving a targeted product offering…

- Benchmarking
- Operations & Outsourcing
- M&A Integration
- Front Office
- Distribution
- Alpha Technology Solutions (ATS)
- Regulatory Compliance
- Investment Guidelines
- Digital
- Alpha Data Solutions (ADS)

Practice Development Over Time

Agenda

Outlook

Strong Pipeline Driven By Continued Market Demand

Alpha's Comprehensive Service Offering

- Increasing regulation and pressure on fees driving need for change to front, middle and back office operating models
- Growth opportunities across service areas and geographies
- Supporting a number of the largest strategic projects in the industry

Confident Financial Outlook

- Strong revenue and EBITDA growth in H1 2017/18
- Strong client demand and a compelling pipeline
- Group expects to deliver in line with expectations for full year

Appendices

- Alpha is a leading global consultancy to the asset and wealth management industry

- We have worked with 85% of the top 20 global asset managers, and a wide range of other buy-side firms

- We support our clients with change in almost every area of the value chain, post the investment decision

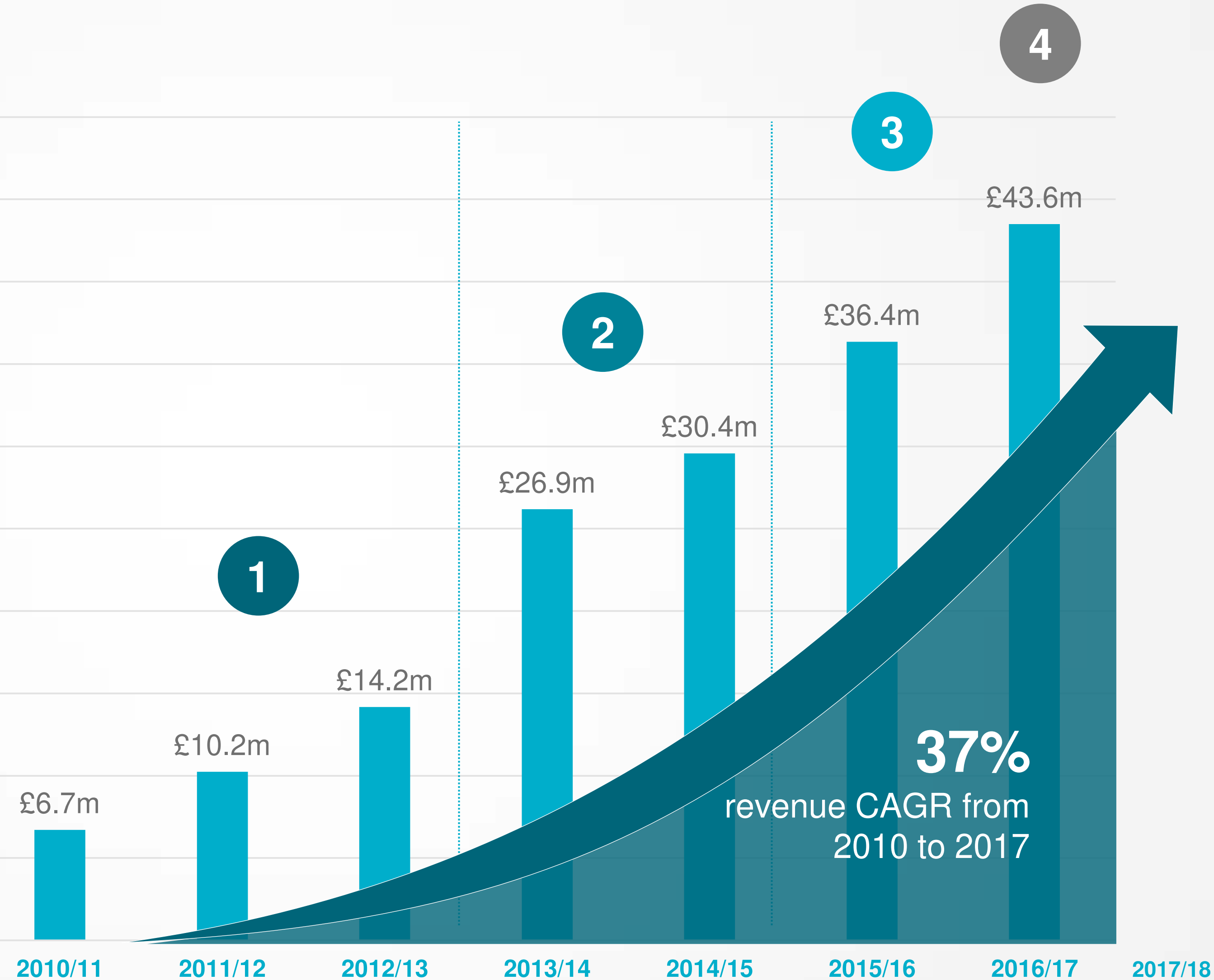
Proven Record of Growth

1
- Known to our clients for high quality team
- Focus on outsourcing, operational change and M&A integration, with emerging Distribution and Front Office capabilities

2
- Capitalised on our reputation for market-leading consulting advice
- Continued to develop consulting solutions across the asset management value chain

3
- Established global capability and reputation for delivering challenging and complex projects in the industry

4
- Successful IPO of company
- Strong pipeline and market reputation support prospect of continued future growth



Revenue (£m) build up *to end 2016/17*

Summary Highlights

Position
in the Market

- Record of strong organic growth
- An extending global footprint
- Broad, diversified and expanding base of clients

Proposition
And Capabilities

- Comprehensive offering across the value chain
- Advantage built on delivery excellence and subject matter expertise
- Experienced and high-calibre management team

Platform
for Growth

- Compelling financial performance and a confident outlook
- Multiple growth opportunities across the core services
- Blueprint to expand both geographically and into new FS sectors

Key Alpha Differentiators

Highly-focused industry proposition

- Exclusive focus on asset and wealth management – a key differentiator vs Big 4
- Proven track record with strong individual and corporate credentials
- Established platform which can also be applied to new geographies

Strong reputation amongst clients

- Recognised in the market for delivering challenging and complex projects
- Quality of work delivered is evidenced by significant repeat business
- Known for very high quality of team

Differentiating intellectual property and data

- Renowned investment operations benchmarking capability developed over 14 years
- Proprietary technology provider and TPA capability database
- Recent acquisition adding data and technology to support deep holdings analysis

Key Alpha Differentiators

Alpha stands out for delivering a specialist skill set on a global basis

Big 4

- Partnerships operating under global brands
- Cross-industry consultants with financial services practices
- Alpha regularly pitches for work against the Big 4

Global consultancies

- Offer services across 40 industries
- Increasing proportion of sales from outsourcing
- Significant focus on IT delivery

Specialist consultancies

- Smaller scale than Alpha
- Typically serve a single region
- Recent acquisitions by global consultancies

Alpha

Broad, Diversified and Expanding Base of Clients

Worked with 85% of the top 20 global asset managers by AUM

Also cover **Wealth Managers, Asset Owners** and **Third Party Administrators**

No client more than **10% of annual revenue**

Example clients include…

Janus Henderson Investors
T.RowePrice Invest with confidence
Morgan Stanley Investment Management
State Street
TIAA CREF
J.P.Morgan Asset Management
M&G Investments
Aberdeen Standard Investments
Northern Trust
Schroders
Deutsche Asset Management
AXA
woodford
Legal & General Investment Management
Legg Mason Global Asset Management
Amundi Asset Management
BNP Paribas
Invesco
Franklin Templeton Investments
PIMCO
Natixis Global Asset Management
BNY Mellon
UBS Global Asset Management
HSBC Global Asset Management
Fidelity Investments

Talent Retention and Incentivisation

We have developed a **reputation** as the one of the best consultancies in the industry – candidates actively approach Alpha

There is a strong focus on **employee wellbeing** and **corporate culture** through diversity and inclusion programmes

We offer a market-leading compensation package, including a differentiating **profit share**

We have a rigorous in-house recruitment process targeting **top university graduates** and **experienced professionals**

We have invested in a **comprehensive training and development programme** which builds consulting skills and industry content

We have developed a **unique and strong culture** which puts our people at the heart of the business

Employee lock-ins

- Management and employees retained more than 20% post IPO
- Locked in for up to three years, one third released each year
- Two years orderly market undertaking on shares released from lock-in

Management Incentive Plan (MIP)

- Immediately following Admission, an MIP has been put in place to incentivise and retain key members of management:
  - Joint share ownership plan
  - Three year vesting followed by two year orderly market lock-in
  - Performance hurdles linked to EPS growth, TSR and individual performance targets relevant to the manager
- No further incentive share grants until post 2019 results

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Forward looking statements

This presentation may contain and the Company may make verbal statements containing "forward-looking statements" with respect to certain of the Company's plans and its current goals and expectations relating to its future financial condition, performance, strategic initiatives, objectives and results. Forward-looking statements sometimes use words such as "aim", "anticipate", "target", "expect", "estimate", "intend", "plan", "goal", "believe", "seek", "may", "could", "outlook" or other words of similar meaning. By their nature, all forward-looking statements involve risk and uncertainty because they relate to future events and circumstances which are beyond the control of the Company, including amongst other things, UK domestic and global economic business conditions, market-related risks such as fluctuations in interest rates and exchange rates, the policies and actions of governmental and regulatory authorities, the effect of competition, inflation, deflation, the timing effect and other uncertainties of future acquisitions or combinations within relevant industries, the effect of tax and other legislation and other regulations in the jurisdictions in which the Company and its respective affiliates operate, the effect of volatility in the equity, capital and credit markets on the Company's profitability and ability to access capital and credit, a decline in the Company's credit ratings; the effect of operational risks; and the loss of key personnel. As a result, the actual future financial condition, performance and results of the Company may differ materially from the plans, goals and expectations set forth in any forward-looking statements. Any forward-looking statements made herein by or on behalf of the Company speak only as of the date they are made. Except as required by applicable law or regulation, the Company expressly disclaims any obligation or undertaking to publish any updates or revisions to any forward-looking statements contained in this presentation to reflect any changes in the Company's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based.

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