The information communicated in this announcement is inside information for the purposes of Article 7 of Regulation 596/2014

4 September 2019

KINGSWOOD HOLDINGS LIMITED

('**KWG**', '**Kingswood**', the '**Company**' or the '**Group**')

Acquisition of WFI Financial

Kingswood Holdings Limited (AIM: KWG), the integrated wealth management group, is delighted to announce the acquisition of the business and assets of WFI Financial ('**WFI**'), a significant independent regional financial planning business based in Sheffield (the '**Acquisition**'). The Acquisition marks the continuation of the Group's expansion of its national wealth management footprint to the Midlands and the North. The Acquisition is expected to be immediately earnings accretive to the Group.

Kingswood has exchanged contracts to acquire the WFI book of business for a maximum cash consideration of £14.0 million (the '**Consideration**'), which will be payable over a 30-month period; £3.5m will be payable at closing of the Acquisition (which is expected to take place at the end of September 2019 ('**Completion**')) and the balance on a deferred basis subject to WFI meeting pre-agreed asset migration, recurring revenue and EBITDA hurdles over a 30 month period, with the final deferred payment due in February 2022. In the most recent financial year to 30 June 2019, the WFI business generated EBITDA in the order of £1.8 million.

Based in Sheffield, WFI is a major regional independent financial planning business, with other offices in Derby, Lincoln and Grimsby. WFI has in excess of £550m AUM/AUA from over 970 family clients and has 37 partners and employees, including 16 financial planners and 19 support staff. WFI has enjoyed a successful track record of profitability and growth through an expanded advisory platform, a Centralised Investment Proposition, the acquisition of client banks from retiring IFAs and the implementation of a lean but efficient operating structure. Upon Completion, the Group will have c. 5,500 active clients and AUM/AUA of c. £2.5 billion.

Corporate Update

As previously announced, the Company is in final stages of due diligence with a major institutional provider of growth capital regarding the subscription for a significant investment in the Company in the form of irredeemable convertible preference shares, the terms of which are in the process of being finalised. This injection of capital is consistent with the Group's stated strategy of pursuing accretive acquisitions across the UK and internationally, a number of which are in advanced stages of negotiation. Further announcements will be made as and when it is appropriate to do so. The closing of WFI is not dependent upon the subscription of the proposed growth capital.

Gary Wilder, Group CEO at Kingswood, said:

"The acquisition of WFI doubles the size of our wealth planning business and provides Kingswood with an opportunity to own a very profitable regional financial planning business with built-in expertise and capacity to expand. Both principals, Charlie Gillespie and Mark Rendall, are exceptional individuals with great track records in the industry and they will remain with the Group post integration and assume expanded roles on the Kingswood platform. They, along with their excellent team, will continue to focus on their core strengths of client advice and business development, with Kingswood centrally managing regulatory & compliance, finance, HR and IT responsibilities. There is also a major opportunity to migrate existing and new clients across to Kingwood's DFM platform, especially onto our recently re-launched Managed Portfolio Service ('MPS') offering, underpinning the value of a fully integrated wealth management business."

For further details, please contact:

Kingswood Holdings Limited	+44 (0)20 7293 0730
Gary Wilder / Patrick Goulding	www.kingswood-group.com
finnCap Ltd (Nomad and Broker)	+44 (0)20 7220 0500
Scott Mathieson / Anthony Adams – Corporate Finance	
Tim Redfern / Richard Chambers – ECM	
Greentarget (for media)	+44 (0)20 7324 5498
Jamie Brownlee / Alice Gasson / Ellie Basle	Jamie.Brownlee@greentarget.co.uk

About Kingswood

Kingswood Holdings Limited (trading as Kingswood) is an AIM-listed (AIM: KWG) integrated wealth management group, with more than 4,500 active clients and c. £2 billion of Assets under Management and Advice. It has a growing network of offices in the UK including Abingdon, Beverley, London, Maidstone, Manchester and Worcester and an office in Johannesburg, South Africa.

Kingswood offers a range of services to its clients, which range from private individuals to some of the UK's largest universities and institutions, including investment advice and management, personal and company pensions and wealth planning. Kingswood is focused on becoming a leading player in the wealth management market through targeted acquisitions in the UK, with the ultimate goal of creating a global business through strategic partnerships. The firm recently acquired a strategic stake in US-based, Manhattan Harbor.