

# HALF-YEAR REPORT 2022



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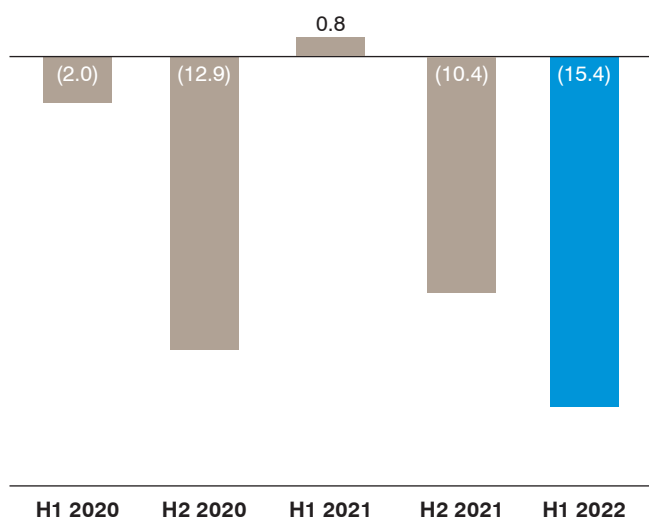
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# KEY FIGURES

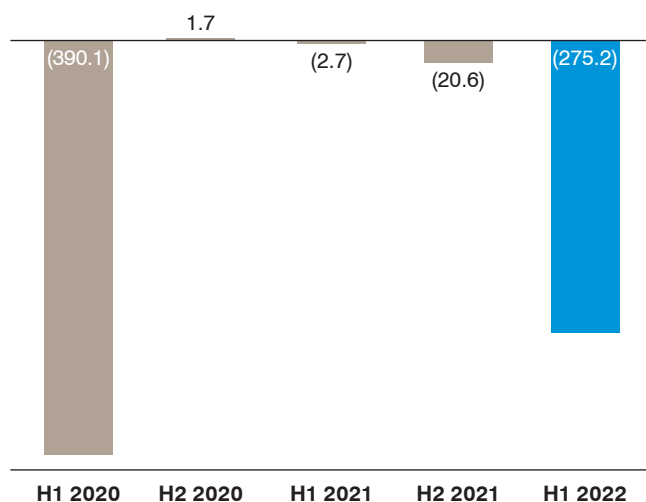
Underlying (loss)/profit before taxes (CHF m)

CHF (15.4) m



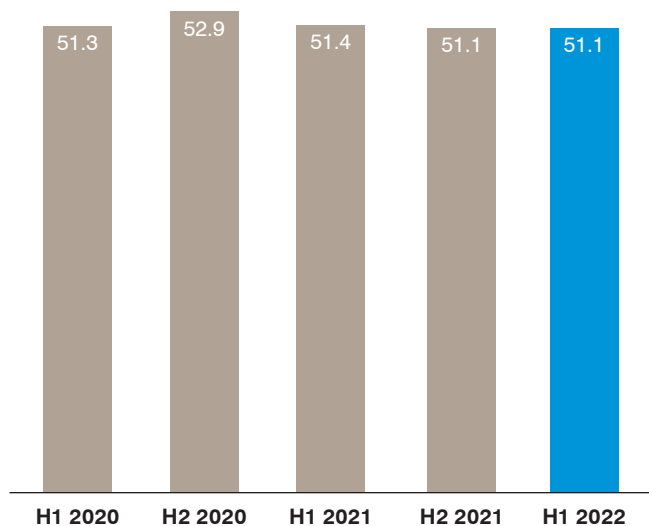
IFRS net (loss)/profit (CHF m)

CHF (275.2) m



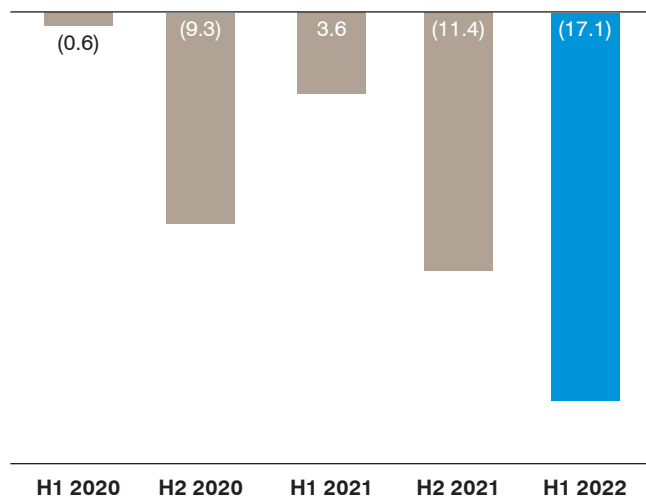
Management fee margin – investment management (bps)

51.1 bps



Operating margin (%)

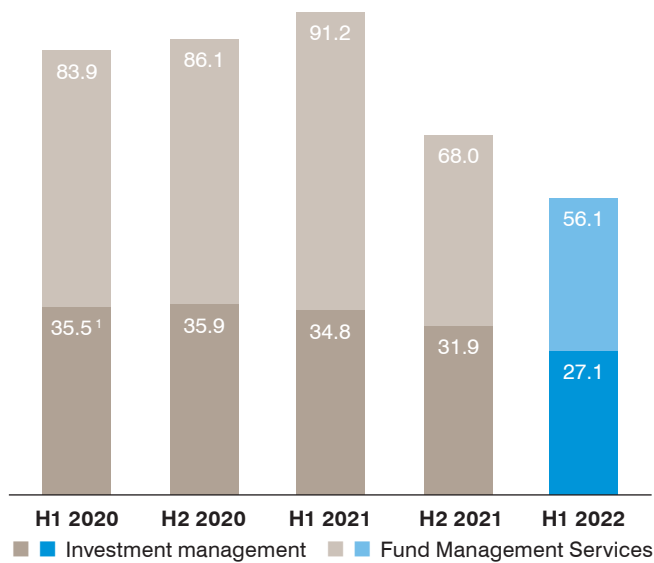
(17.1) %



# KEY FIGURES

## Assets under management (CHF bn)

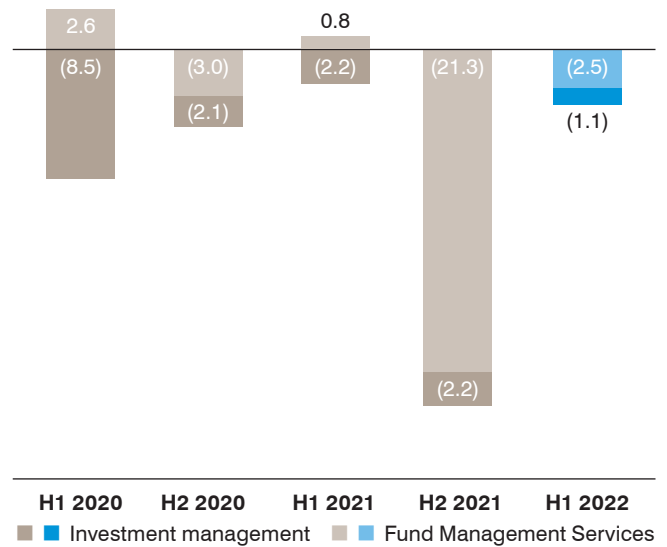
CHF **83.2** bn



<sup>1</sup> Including CHF 0.3 billion of money market funds as at 30 June 2020, which GAM agreed to sell to ZKB as announced with the H1 2019 results and which were sold in Q4 2020.

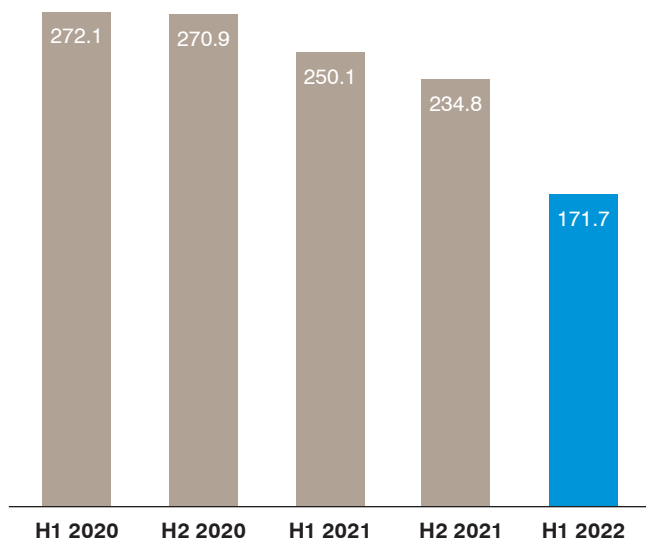
## Net flows (CHF bn)

CHF **(3.6)** bn



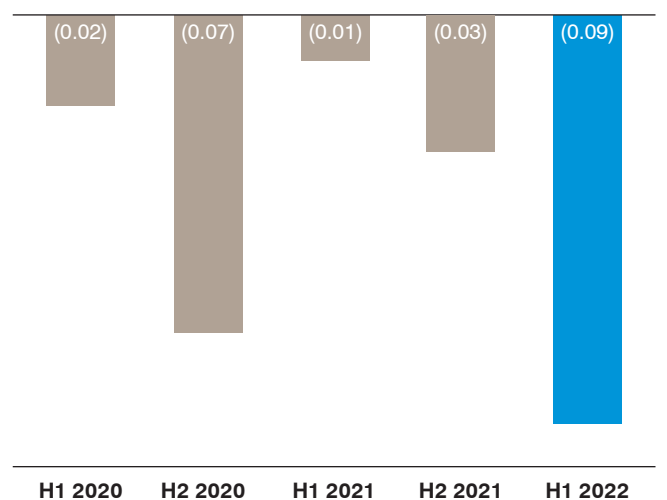
## Net cash (CHF m)

CHF **171.1** m



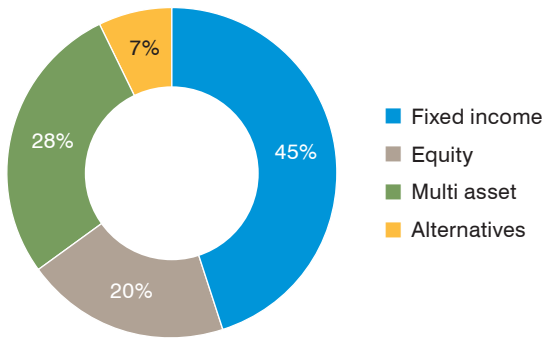
## Diluted underlying EPS (CHF)

CHF **(0.09)**

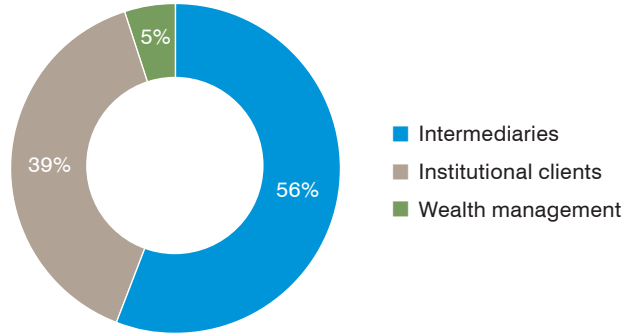


# KEY FIGURES

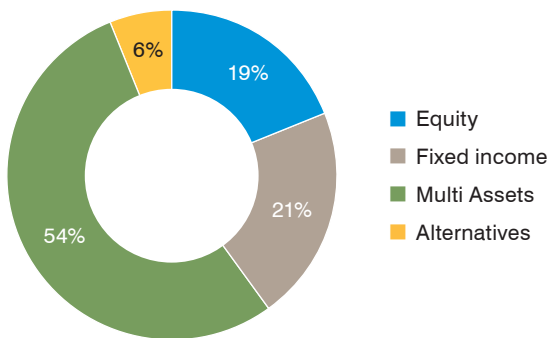
Investment management assets by capability



Investment management assets by client segment

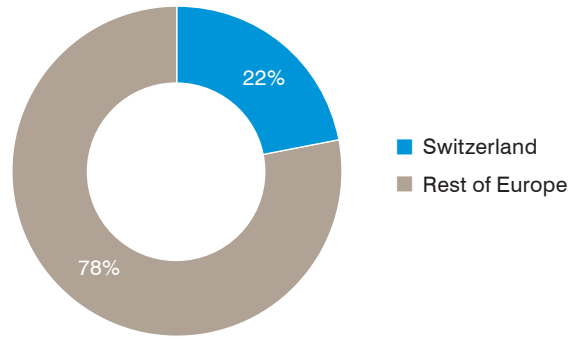


Fund Management Services assets by asset class<sup>1</sup>



<sup>1</sup> Not including AuM managed for GAM funds.

Fund Management Services assets by fund domicile<sup>1</sup>



<sup>1</sup> Not including AuM managed for GAM funds.



# **BUSINESS REVIEW**



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# Our purpose, vision & strategy

The heart of GAM's purpose is to protect and enhance our clients' financial future.

Peter Sanderson, Group Chief Executive Officer

GAM's purpose is to protect and enhance our clients' financial future by attracting and empowering the brightest minds to provide investment leadership, innovation and sustainable thinking.

One pillar of our strategy is the new, simpler, 'One GAM' operating platform, and we are capitalising on this to deliver excellence and further efficiencies. We are continuing to drive capital efficiency across our legal entities and businesses and taking action to reduce our costs given the decrease in our revenues.

Our transparency pillar was designed to deliver better reporting and improved processes based on clarity, accountability and trust. In particular, we have increased our transparency on ESG – both as a firm and as an investor.

GAM's business performance was resilient in the face of the extraordinary economic and geopolitical conditions during the first half of 2022. Despite clients being cautious in the face of market volatility, we are encouraged to see them allocating to a number of our diverse, high-conviction strategies designed to help them navigate the risks and opportunities during this challenging period. As a result, investment management saw an improving trajectory of flows. We also continue to attract high calibre talent and since the beginning of 2022, we have seen a number of key hires with experienced industry professionals joining GAM.

We are confident that our approach to active management is well placed to assist our clients in the current market environment.



# Our businesses

## Investment management

The first half of 2022 saw extraordinary economic and geopolitical conditions leading to volatile markets and the reduction in the value of assets under management across our industry. GAM was not immune and saw negative market and foreign exchange movements contributing to almost 80% of the CHF 4.8 billion reduction in our AuM. However our business showed resilience and we saw an improving trajectory for flows.

Assets under management totalled CHF 27.1 billion as at 30 June 2022, compared with CHF 31.9 billion as at 31 December 2021. The AuM reduction was driven by negative market movement and foreign exchange of CHF 3.7 billion and net outflows of CHF 1.1 billion.

Clients are allocating to a number of our high-conviction strategies designed to help them navigate this challenging environment. Among those strategies seeing net inflows during the first half were Cat Bonds with CHF 480 million; UK Equity Income CHF 129 million; Mortgage-backed Securities CHF 86 million and Commodities CHF 80 million.

Client engagement remains strong and following our successful 'Beyond the Obvious' client conference in March 2022, we have seen an increase in client meetings, many with one of our investment specialists or portfolio managers present. There has been particular interest in our specialist fixed income and alternative strategies. This interest is reflected in both the strategies seeing positive flows during the first half of the year and also the pipeline of potential future flows.

Investment performance continues to be good. Year to date as at 30 June 2022, 62% of AuM in GAM funds outperformed their respective benchmarks. Over the three-year period to 30 June 2022, 73% of AuM in funds outperformed their respective benchmark, compared with 68% as at 31 December 2021. Over the five-year period to 30 June 2022, 40% of AuM in funds outperformed their respective benchmark, compared with 60% as at 31 December 2021. Of GAM's AuM tracked by Morningstar, 69% and 58% outperformed their respective peer groups over the three- and five-year periods to

30 June 2022, respectively, compared with 70% and 62% as at 31 December 2021.

Our **fixed income** strategies saw net client outflows of CHF 0.6 billion. The majority of these were from the GAM Star Credit Opportunities and GAM Local Emerging Bond funds. However, we saw strong net inflows into our Cat Bond strategies, which now amount to CHF 4.7 billion of AuM. This reflects client demand for our high-conviction strategies designed to help them navigate this challenging environment. Other fixed income strategies attracting client interest and net flows include Mortgage-backed Securities.

In **equities**, net outflows amounted to CHF 0.3 billion and were mainly driven by the GAM Star Disruptive Growth, GAM Star Continental European Equity, GAM Japan Equity, and GAM Star Japan Leaders funds. These outflows were partially offset by inflows into the GAM UK Equity Income, GAM Emerging Markets Equity and GAM Swiss Equity funds.

Our **multi asset** strategies saw inflows of CHF 0.1 billion.

**Alternatives** recorded net inflows of CHF 0.1 billion, primarily reflecting inflows into the GAM Commodity fund, again reflecting client demand for our high-conviction strategies.

**Systematic** saw net outflows of CHF 0.4 billion. This was driven by outflows from the GAM Systematic Alternative Risk Premia strategy.

**Absolute return** flows remained flat with inflows into the GAM Star Global Rates fund offset by small outflows from EM Rates and the GAM Star Lux Merger Arbitrage funds.

Total assets under management in investment management include all assets that generate a management fee for the Group. As at 30 June 2022, CHF 0.8 billion of assets generated two levels of fees. They represent assets reinvested in our own funds, where we perform an additional level of investment management services for our clients, including advisory or discretionary management, and for which we earn an additional fee.

### Changes to our reporting by capabilities

We are changing how we report our Investment Management and Fund Management Services assets under management and net flows to reflect how our clients engage with our

strategies and how we manage the business. The current six capabilities in Investment Management will be reduced to four, with some fixed income and equities strategies moving into multi asset and our systematic and absolute return strategies will be combined under alternatives.

The table below shows the impact of this change in reporting on our Investment Management business as at 30 June 2022. All future reporting of assets under management, net flows, investment performance and fee margins will be based on the four capabilities.

### Investment management assets (CHF bn)

Capability	Opening AuM 1 Jan 2022	Net flows H1 2022	Market/FX H1 2022	Closing AuM 30 Jun 2022	Asset Class Reclassification <sup>1</sup>	Closing AuM 30 Jun 2022 by Asset Class <sup>1</sup>	Management fee margin H1 2022 (bps)	Management fee margin H1 2022 (bps) by Asset Class
Fixed income	14.1	(0.6)	(0.9)	12.6	(0.5)	12.1	61	61
Multi asset	7.7	0.1	(0.8)	7.0	0.7	7.7	24	24
Equity	8.0	(0.3)	(2.1)	5.6	(0.3)	5.3	61	61
Systematic	1.2	(0.4)	0.1	0.9	(0.9)	-	28	-
Alternatives	0.4	0.1	-	0.5	1.5	2.0	57	47
Absolute return	0.5	-	-	0.5	(0.5)	-	81	-
<b>Total</b>	<b>31.9</b>	<b>(1.1)</b>	<b>(3.7)</b>	<b>27.1</b>	<b>-</b>	<b>27.1</b>	<b>51.1</b>	<b>51.1</b>

<sup>1</sup> As of June 2022 GAM changed its six capabilities to four asset classes (Absolute Return and Systematic are now merged into Alternatives) and recognition basis to direct methodology. CHF 0.8 bn is included in the total assets under management and generates two levels of fees. This represents assets reinvested in our own funds.

As a result of the reclassifications above and a recalibration on how clients are allocated to segments, the client segment assets under management have been reclassified as shown in the table below:

Client segment	Opening AuM 1 Jan 2021	Net flows H1 2022	Market/FX H1 2022	Closing AuM 30 Jun 2022	Client Segment Reclassification	Closing AuM 30 Jun 2022 adjusted
Intermediaries	17.1	(0.8)	(3.0)	13.3	1.9	15.2
Institutional clients	11.9	(0.2)	(0.4)	11.3	(0.8)	10.5
Wealth management	2.9	(0.1)	(0.3)	2.5	(1.1)	1.4
<b>Total</b>	<b>31.9</b>	<b>(1.1)</b>	<b>(3.7)</b>	<b>27.1</b>	<b>-</b>	<b>27.1</b>

<sup>1</sup> As of June 2022, based on the new approach, GAM reclassified various clients between clients segments. CHF 0.8 bn is included in the total assets under management and generates two levels of fees. This represents assets reinvested in our own funds.

## Investment performance<sup>1</sup>

Capability	3 years 30 Jun 2022	3 years 31 Dec 2021	5 years 30 Jun 2022	5 years 31 Dec 2021
Fixed income	83%	56%	41%	46%
Equity	52%	91%	30%	83%
Systematic	28%	0%	0%	0%
Alternatives <sup>2</sup>	36%	68%	51%	68%
Absolute return	100%	100%	100%	100%
<b>Total</b>	<b>73%</b>	<b>68%</b>	<b>40%</b>	<b>60%</b>

<sup>1</sup> % of AuM in funds outperforming their benchmark (excluding mandates and segregated accounts). Three- and five-year investment performance based on applicable AuM of CHF 16.6 billion and CHF 15.9 billion, respectively.

<sup>2</sup> Reflects performance of products in alternative investment solutions.

As a result of the assets under management reclassification the Alternatives investment performance has been restated based on the new classification.

Asset Class <sup>2</sup>	3 years 30 Jun 2022	3 years 31 Dec 2021	5 years 30 Jun 2022	5 years 31 Dec 2021
Fixed income	82%	56%	40%	46%
Equity	52%	91%	30%	83%
Alternatives <sup>3</sup>	67%	41%	76%	74%
<b>Total</b>	<b>73%</b>	<b>68%</b>	<b>40%</b>	<b>60%</b>

<sup>1</sup> % of AuM in funds outperforming their benchmark (excluding mandates and segregated accounts). Three- and five-year investment performance based on applicable AuM of CHF 16.6 billion and CHF 15.9 billion, respectively.

<sup>2</sup> Based on the new asset class split.

<sup>3</sup> Reflects performance of products in alternative investment solutions.

## Fund Management Services

Our Fund Management Services business is core for GAM, built on a simple but compelling premise – by managing our clients' day-to-day fund operations on their behalf, efficiently and cost-effectively, we enable them to maintain a focus on their core competencies: fund distribution and investment decisions. This enables clients to benefit from a host of complementary services within the overall management company and fund management services offering. These range from fund launch to distribution support, fund structuring and engineering, risk management, compliance, corporate secretarial, reporting, custody, administration and other ancillary services. We also provide clients with advice on their approach to ESG and sustainability. Being a global asset manager ourselves, clients benefit from a depth of understanding and knowledge that is unique in the fund management services business.

As at 30 June 2022, AuM decreased to CHF 56.1 billion from CHF 68.0 billion as at 31 December 2021, with net negative market and foreign exchange movements of CHF 9.4 billion and net outflows of CHF 2.5 billion, most of which relates to a client transferring their business to another provider as a part of a broader strategic relationship with that provider and which was announced in January 2021.

## Wealth Management

With a vision to provide innovative, global investment solutions for sophisticated clients, our wealth management offering is ingrained in GAM's heritage. Today, we continue to be known for delivering investment services to some of the world's most successful high-net-worth individuals, corporates, family offices and charitable institutions. Having pioneered the concept of independent, open architecture investment, we remain committed to working with a well-established platform of investment managers, across multiple asset classes, in order to maximise our clients' chances of investment success. Recognising that wealth preservation is as imperative as wealth creation, our investment professionals have a substantial network of external, independent, leading service providers operating in the fields of financial planning, legal and tax advice, and lending, as well as trust and fiduciary services to assist and guide our clients in meeting the full spectrum of their objectives.

We report the Wealth Management assets under management in our Investment Management business, and as at 30 June 2022, after net outflows of CHF 0.1 billion and negative market and foreign exchange movements of CHF 0.3 billion, GAM Wealth Management assets under management were CHF 2.5 billion. After the reclassification of CHF 1.1 billion outlined in the table on page 12, the AuM is CHF 1.4 billion.

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## Spotlight

### **GAM Systematic Core Macro**

Traditionally, investors have been advised to hold a balanced portfolio that is well diversified across cash, equities and fixed income. Over the past decade, such portfolios have performed well, boosted by a period of strong global growth and a supportive regime of low rates across key developed markets. However, the forward-looking picture now looks more challenging, and compared to history both bonds and equities appear fully priced.

When risk assets sell off, we believe a systematic macro strategy can potentially assist a portfolio, of which trend following is a well-known style, but can also include other styles such as value or carry investing. Systematic macro portfolios typically invest across a broad range of highly liquid markets, thereby accessing returns that are not driven primarily by global growth or interest rates, for example, capturing trends in commodity markets or foreign exchange. These strategies are highly dynamic, with the ability to adjust positions rapidly in response to market developments. This provides convexity by design, as portfolios can react to, and benefit from, a sustained fall in market prices as well as, to a limited extent, a sharp market dislocation.

For almost any investor, finding true diversification likely means finding an investment strategy that can deliver positive performance during such turbulent periods. For this reason, we believe a systematic macro strategy is a strong candidate for diversifying and protecting a traditional portfolio, with the capability of delivering crisis alpha, ie to generate gains by exploiting the persistence of trends that occur across different markets during times of crisis.

Year to date, the GAM Systematic Core Macro (Cayman) portfolio has comfortably outperformed the S&P 500 and Bloomberg Global Aggregate Bond indices, which ended down 19.96% and 13.91% respectively, comparing to a positive performance of 8.63%.

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### **GAM Star Cat Bond**

In a world of specialist asset classes whose 'alternative' status has been undermined by correlations with other risk assets, catastrophe ('cat') bonds offer diversification on a fundamental level. Because their pricing is not driven by economic or corporate events, returns from cat bonds are largely independent of mainstream markets, making them attractive to investors looking for portfolio diversification and protection from broad financial market volatility. Moreover, cat bonds typically offer higher yields than similarly rated traditional securities, with the potential to generate stable, attractive returns.

Cat bonds are a form of insurance-linked security (ILS) and provide an efficient solution for insurers and reinsurers to transfer risk from their balance sheets to capital markets. Returns are linked to the occurrence of catastrophes – such as earthquakes or windstorms. The uncorrelated nature of the asset class to the broader market means there is low exposure to credit, interest rate and financial market risk. The track record of delivering positive returns during differing market environments underpins the value of this asset class as a portfolio diversifier.

As an asset class, the performance of cat bonds has been robust and consistent through all financial crises and major natural catastrophes of the last 15 years.

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## Spotlight

### Protection from inflation

Adrian Owens, Investment Director of GAM Star Global Rates, explains how to provide protection from inflation

In the first half of the year, we saw a lot of major events. Obviously, we had Russia's invasion of Ukraine. We have seen China's reaction to Covid-19 in terms of having more lockdowns than perhaps many expected, and the impact that this has had on supply chains. But the big factor driving all asset classes has been inflation and a growing realisation among investors that this is not temporary and is instead set to continue, and that the levels of inflation or the rates of inflation are much higher than anticipated.

To protect against this, one needs to have various forms of inflation protection on their portfolio. One of the purest ways of playing this is through breakeven inflation rates. This is where investors receive inflation and they're short interest rates against it. As we see higher yields across the curve, we think there will be opportunities once we start to see possible signs that inflation may be peaking.

The second way is by taking outright short positions, in particular in some of the more developed markets like the US, the UK and the euro area. With yields rising across the curve, investors can express this view either in the front end or further out. Typically, these types of strategies do best in an environment where central banks are active and on the move, as we are seeing. This is also going to be a period, we believe, where relative value trades offer a lot of opportunities. Finally, this has a knock-on effect for currencies. What we observe is that currencies are being driven more by what central banks are doing and by relative interest rates. The opportunity set in currency markets is better than we have seen for many years. So, the four areas are breakevens, short rates, relative value trades in interest rates and in currency.

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### About GAM Star Global Rates

The investment objective of the strategy is to achieve absolute returns through a process of economic analysis in both global currency and fixed income markets. There are both medium- and short-term-based themes involved in the fund's strategy. A highly qualified and experienced management team actively manages the fund on the basis of a fundamental valuation approach by investing in government bond instruments and currencies globally. In the first half of 2022, the fund outperformed its benchmark by 8.8% (source: Morningstar).

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# Financial review

## Our financial result

In the first half of 2022, we reported an **IFRS net loss after tax of CHF 275.2 million**, compared with an IFRS net loss of CHF 2.7 million in the first half of 2021. The loss in the first half of 2022 was mainly driven by the **underlying net loss after tax of CHF 14.0 million** and non-core items of CHF 261.4 million that included the impairment of legacy brand intangible

value of CHF 263.6 million which was originally created by the acquisition of GAM by Julius Baer in 2005 offset by acquisition-related items of CHF 0.2 million. This compares to an IFRS net loss after tax of CHF 2.7 million in H1 2021 which was mainly driven by the underlying net loss after tax of CHF 2.3 million and non-core items of CHF 7.3 million offset by acquisition-related items of CHF 6.9 million.

## Underlying net loss / IFRS net loss reconciliation

	H1 2022	H1 2021
<b>IFRS net loss after tax</b>	<b>(275.2)</b>	<b>(2.7)</b>
Income tax (credit)/expense	(0.7)	9.1
<b>IFRS (loss)/profit before taxes</b>	<b>(275.9)</b>	<b>6.4</b>
Non-core items <sup>1</sup>	260.7	1.2
Acquisition-related items <sup>2</sup>	(0.2)	(6.8)
<b>Underlying (loss)/profit before taxes</b>	<b>(15.4)</b>	<b>0.8</b>
<b>Underlying effective tax rate (%)</b>	<b>9.1%</b>	<b>-</b>

<sup>1</sup> Items which arise out of a business decision or an event outside the control of the business, resulting in a significant gain or loss being recognised in the P&L, which are not expected to be of a recurring nature.

<sup>2</sup> Items which are an accounting consequence of completed acquisitions, not directly relating to the operating activities of the acquired business.

### Non-core and acquisition-related items excluded from underlying profits

The following items, all net of taxes, reflected in our results according to IFRS, are excluded from our underlying profits:

**Acquisition-related items, resulting in a net gain of CHF 0.2 million before taxes.** In H1 2022, this includes performance fees attributed to external interests of CHF 0.5 million. It further includes adjustments to the financial liability relating to 40% of future GAM Systematic performance fees following the acquisition of GAM Systematic of CHF 0.2 million. In the first half of 2021, the acquisition-related items resulted in a net gain CHF 6.8 million, this included adjustments to the financial liability relating to 40% of future GAM Systematic performance fees following the acquisition of GAM Systematic of CHF 6.6 million, finance charges on the deferred consideration liability of CHF 1.7 million

and performance fees attributed to external interests of CHF 2.2 million.

**Non-core items, resulting in a net loss of CHF 260.7 million before taxes** were mainly related to the impairment of the legacy brand intangible value of CHF 263.6 million, net foreign exchange gains pension on loan note of CHF 4.5 million, and reorganisation charges of CHF 1.7 million in respect of redundancy payments. In the first half of 2021, non-core items totalled CHF 1.2 million from a number of items, including the acceleration of software amortisation of CHF 1.1 million.

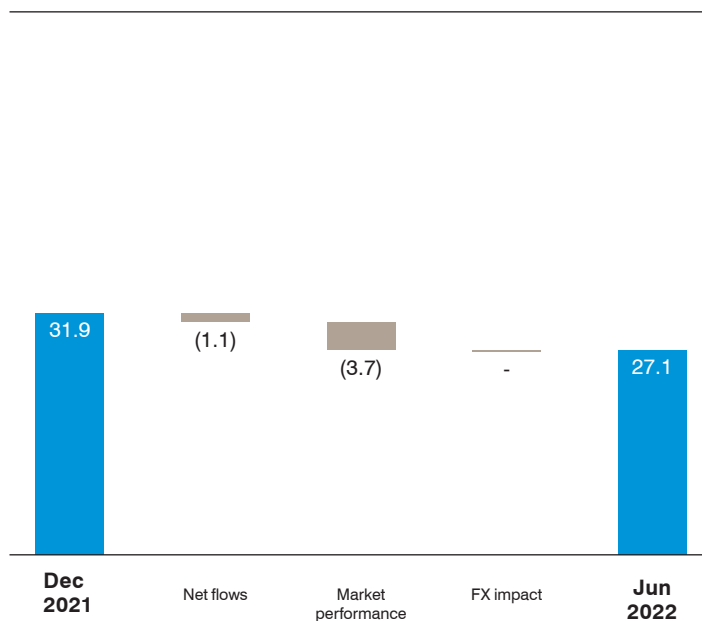
In order to ensure reader-friendliness, in the following chapter, we will be commenting on underlying Group KPIs. Whenever there is a difference relative to the IFRS numbers, these figures are disclosed and commented on separately.

## How we report results

Our key performance indicators (KPIs) and business metrics reflect our internal approach to analysing our results and are disclosed externally. They guide us in managing the Group, making investment decisions and helping us gauge how successful we have been in the implementation of our strategy. See page 38 of our Annual Report 2021 for a summary of our Group KPIs.

Our results are reported in accordance with International Financial Reporting Standards (IFRS) but as in previous years, our internal analysis and external disclosure of our financial performance focuses on underlying profitability, which is considered by the Board of Directors as a better indicator of the performance and the future potential of our business. The adjustments we make from IFRS to underlying results are always related to specific non-core items or items related to acquisition activities, that in our view, are neither indicative of underlying performance of our business nor of its future potential. Where applicable, our KPIs are disclosed and discussed on the same adjusted basis.

## Investment management AuM movements (CHF bn)



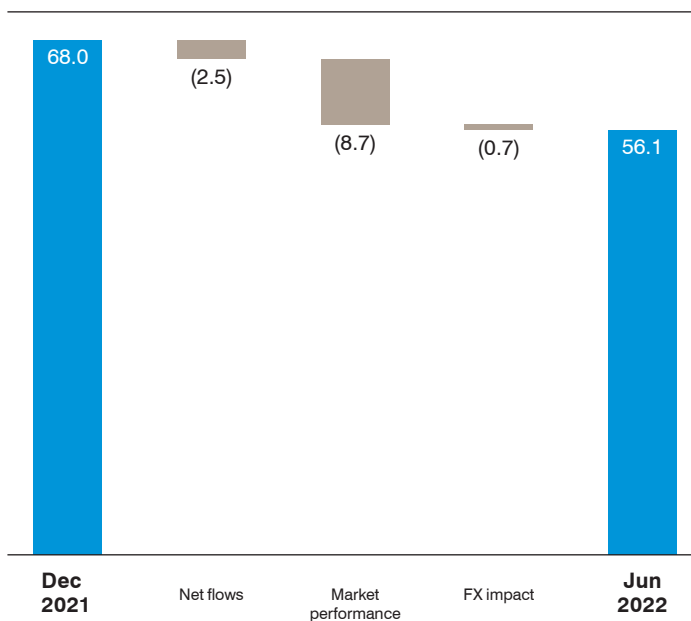
## Assets under management and net flows

Group assets under management, including investment management and fund management services, were CHF 83.2 billion as at 30 June 2022, compared with CHF 99.9 billion as at 31 December 2021.

Investment Management saw total net outflows during the first half of 2022 of CHF 1.1 billion and net negative market and foreign exchange movements of CHF 3.7 billion. As at 30 June 2022, assets under management totalled CHF 27.1 billion, compared with CHF 31.9 billion as at 31 December 2021.

Fund Management Services assets under management were CHF 56.1 billion as at 30 June 2022, compared with CHF 68.0 billion as at 31 December 2021. Net outflows totalled CHF 2.5 billion from an expected client outflow announced in January 2021, and net negative market and foreign exchange movements totalled CHF 9.4 billion. As communicated on 20 April 2022, a fund management services client announced their intention to insource their funds to their own management company from April 2023. As at 30 June 2022 the related AuM stood at CHF 10.7 billion with associated revenues of approximately CHF 6 million per annum.

## Fund Management Services AuM movements (CHF bn)



## Income drivers and developments

### Management fee margins

The management fee margin earned on investment management assets in the first half of 2022 was 51.1 basis points, compared with the average margin for financial year 2021 of 51.3 and 51.4 basis points for the first half of 2021. The change in average management fee margin reflects the mix of assets under management across products and client segments.

In fund management services, the management fee margin rose to 4.6 basis points in the first half of 2022, compared with 4.0 basis points for the full year 2021 and 3.9 basis points for the first half of 2021. The increase is driven by the impact of outflows in the lower margin products in the second half of 2021.

### Management fees

Net management fees and commissions in the first half of 2022 totalled CHF 90.9 million, down from CHF 107.8 million in the first half of 2021 due primarily to lower average assets under management of 15%.

### Performance fees

Underlying net performance fees totalled CHF 2.6 million, down from CHF 17.3 million in the first half of 2021. A number of strategies which performed well in the first half of 2021 did not generate fees in the first half of 2022 due to volatile markets. Systematic strategies continued to perform well and generated most of the CHF 2.6 million. The IFRS performance fees amount to CHF 3.1 million. The difference between the underlying and the IFRS performance fees of CHF 0.5 million relates to performance fees attributable to external interests.

### Net other income

Underlying net other income includes the net interest income and expenses, the impact of foreign exchange movements, net gains and losses on seed capital investments and hedging, as well as fund-related fees and service charges. In the first half of 2022, a net gain of CHF 0.6 million was recognised, compared with a CHF 3.7 million net expense in the first half of 2021. This was mainly driven by net foreign exchange gains, compared with a net loss in the corresponding period last year. The IFRS net other income amounts to CHF 5.1 million. The difference between the underlying and the IFRS net other income of CHF 4.5 million relates to the net foreign exchange gains pension on loan note.

## Expense drivers and developments

### Personnel expenses

Underlying personnel expenses decreased by 20% to CHF 62.1 million in the first half of 2022, compared with CHF 77.9 million in first half of 2021. Fixed personnel costs decreased by 10%, driven by continued lower headcount. Headcount stood at 594 FTEs as at 30 June 2022, compared with 605 FTEs as at 31 December 2021 and 652 FTEs as at 30 June 2021. Variable compensation fell to CHF 12.5 million from CHF 22.9 million in the first half of 2021, mainly due to lower management and performance fees. This compares to IFRS personnel expenses of CHF 63.8 million. The difference between the underlying and the IFRS personnel expenses of CHF 1.7 million relates to a reorganisation charge. (For further information, see note 7 of the consolidated financial statements).

### Compensation ratio

Our compensation ratio increased to 66.4% from 62.3 % in the first half of 2022, primarily driven by a 25% fall in net fee and commission income only partially offset by the 20% decline in personnel expenses.

### General expenses

Underlying general expenses in the first half of 2022 were CHF 37.9 million, up from CHF 33.9 million in the corresponding period last year. Increases in marketing and travel costs given the lesser impact of Covid-19, were partially offset by declines in technology and administration costs. Professional fees and consulting fees also increased on the corresponding period last year due to certain one-off costs. This compares to IFRS general expenses of CHF 38.1 million. The difference between the underlying and the IFRS general expenses of CHF 0.2 million mainly relates to the professional and consulting fees.

### Depreciation and amortisation

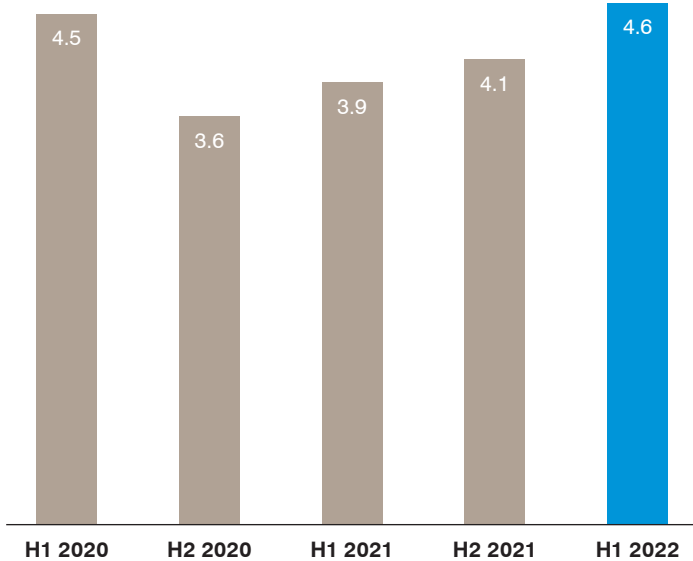
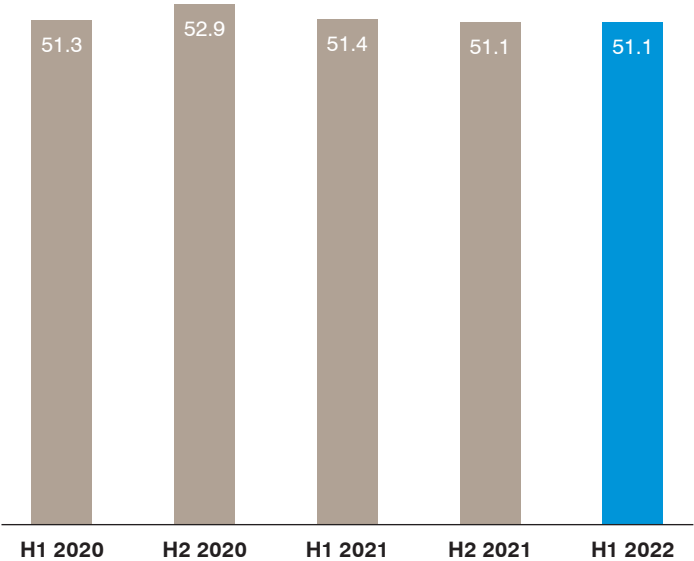
Underlying depreciation and amortisation charges were CHF 9.5 million, up 7% from CHF 8.8 million in the corresponding period last year as the investment into the operating platform started to be amortised. The IFRS depreciation and amortisation expenses are the same. (For further information, see note 7 of the consolidated financial statements).

### Underlying operating margin

The underlying operating margin stood at negative 17.1%, compared with positive 3.6 % in the first half of 2021, primarily driven by a 25% fall in net fee and commission income, partially offset by the 9% decline in personnel and general expenses. The difference between the underlying and the IFRS operating margin mainly relates to higher IFRS expenses of CHF 265.5 million. (For further information, see note 7 of the consolidated financial statements).

Management fee margin – investment management (bps)

Management fee margin – fund management services (bps)



## Profitability and earnings per share

### Underlying loss before taxes

The underlying pre-tax loss in the first half of 2022 was CHF 15.4 million, compared to a CHF 0.8 million underlying pre-tax profit in the first half of 2021. The loss was driven mainly by lower net fee and commission income and higher general expenses partially offset by lower personnel expenses. This compares to an IFRS net loss before tax of CHF 275.9 million. The difference between the underlying and the IFRS net loss before tax of CHF 260.5 million mainly relates to the impairment of the brand intangible of CHF 263.6 million offset by the net foreign exchange gains on pension loan note of CHF 4.5 million. (For further information, see note 7 of the consolidated financial statements).

### Effective tax rate

The underlying income taxes in the first half of 2022 was a tax credit of CHF 1.4 million, representing effective tax rate of 9.1% compared a tax expense of CHF 3.1 million the first half of 2021. The movement in the effective tax rate was primarily driven by changes in a tax credit between H1 2022 and a tax charge in H1 2021. (For further information, see note 7 of the consolidated financial statements).

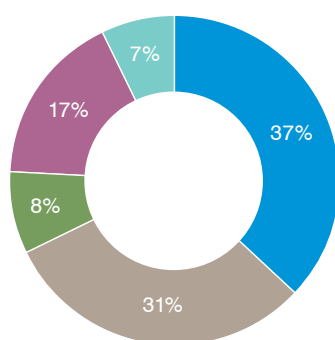
### Underlying net loss after taxes

The underlying loss after taxes was CHF 14.0 million, compared with a CHF 2.3 million loss in the first half of 2021. The main driver for the increase was lower net fee and commission income and higher general expenses offset by lower personnel expenses. This compares to an IFRS net loss after tax of CHF 275.2 million. The difference between the underlying and the IFRS net loss after tax of CHF 261.2 million, mainly relates to the impairment of the brand intangible of CHF 263.6 million offset by net foreign exchange gains on pension loan note of CHF 4.5 million and the reorganisation charges of CHF 1.7 million, net of taxes. (For further information, see note 7 of the consolidated financial statements).

### Earnings per share

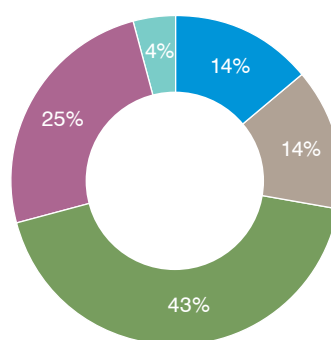
Diluted underlying losses per share were negative CHF 0.09, up from negative of CHF 0.01 in the first half of 2021 resulting from the underlying net loss. This compares to a diluted IFRS earnings per share of negative CHF 1.76. The difference between the diluted underlying and the diluted IFRS earnings per share of CHF 1.67, mainly relates to the higher IFRS net loss of CHF 275.2 million compared to an underlying net loss of CHF 14.0 million. (For further information, see note 7 of the consolidated financial statements).

## Group income<sup>1</sup>



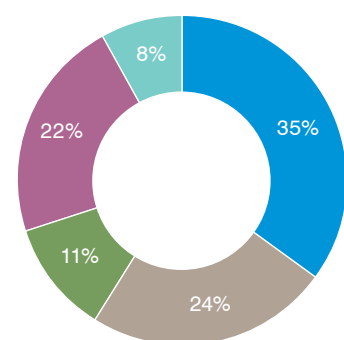
■ USD ■ GBP ■ Other  
■ EUR ■ CHF

## Group expenses<sup>2</sup>



■ USD ■ GBP ■ Other  
■ EUR ■ CHF

## Investment management AuM



■ USD ■ GBP ■ Other  
■ EUR ■ CHF

<sup>1</sup> Percentage splits are estimated based upon the currency exposure of the underlying AuM on which the revenues are earned.

<sup>2</sup> Percentage splits are estimated based upon the transactional currency, except for contractual bonuses which follow the same basis as revenue.

## Underlying group income statement

This group income statement is mainly based on underlying numbers which differ to the IFRS income statement on

page 27. Further information about the reconciliation of the underlying net loss to the IFRS net loss can be found in note 7 of the consolidated financial statements.

	H1 2022 CHF m	H2 2021 CHF m	H1 2021 CHF m	Change from H2 2021 in %	Change from H1 2021 in %
Net management fees and commissions	90.9	100.2	107.8	(9)	(16)
Net performance fees	2.6	2.0	17.3	30	(85)
<b>Net fee and commission income</b>	<b>93.5</b>	<b>102.2</b>	<b>125.1</b>	<b>(9)</b>	<b>(25)</b>
Net other income/(expenses)	0.6	1.3	(3.7)	(54)	-
<b>Income</b>	<b>94.1</b>	<b>103.5</b>	<b>121.4</b>	<b>(9)</b>	<b>(22)</b>
Personnel expenses	62.1	65.2	77.9	(5)	(20)
Fixed personnel expenses	49.6	49.8	55.0	0	(10)
Variable personnel expenses	12.5	15.4	22.9	(19)	(45)
General expenses	37.9	39.3	33.9	(4)	12
Occupancy	2.8	3.3	2.9	(15)	(3)
Technology and communication	8.3	7.7	8.6	8	(3)
Data and research	9.9	11.4	8.6	(13)	15
Professional and consulting services	5.5	4.4	3.4	25	62
Marketing and travel	2.8	3.7	2.1	(24)	33
Administration	1.8	2.6	2.6	(31)	(31)
Other general expenses	6.8	6.2	5.7	10	19
Depreciation and amortisation	9.5	9.4	8.8	1	8
<b>Expenses</b>	<b>109.5</b>	<b>113.9</b>	<b>120.6</b>	<b>(4)</b>	<b>(9)</b>
<b>Underlying (loss)/profit before taxes</b>	<b>(15.4)</b>	<b>(10.4)</b>	<b>0.8</b>	<b>-</b>	<b>-</b>
Underlying income tax (credit)/expense	(1.4)	(5.2)	3.1	-	-
<b>Underlying net loss</b>	<b>(14.0)</b>	<b>(5.2)</b>	<b>(2.3)</b>	<b>-</b>	<b>-</b>
Acquisition-related items	0.2	1.3	6.8	-	-
Non-core items	(260.7)	(12.5)	(1.2)	-	-
Tax on acquisition-related items	-	-	0.1	-	-
Tax on non-core items	(0.7)	0.2	0.2	-	-
Non-core tax item	-	(4.4)	(6.3)	-	-
<b>IFRS net loss</b>	<b>(275.2)</b>	<b>(20.6)</b>	<b>(2.7)</b>	<b>-</b>	<b>-</b>



## Balance sheet and capital management

### Assets and net cash

Total assets as at 30 June 2022 were CHF 427.3 million, compared with CHF 755.2 million as at 31 December 2021. The reduction reflects a non-cash impairment charge to the value of the GAM brand intangible which reduced intangible assets from CHF 305.0 million to CHF 40.8 million. The remaining brand value is CHF 9.4 million.

Cash and cash equivalents as at 30 June 2022 were CHF 171.7 million, down from CHF 234.8 million as at 31 December 2021 and CHF 250.1 million as at 30 June 2021. This reduction was driven by the underlying loss, annual bonus payments relating to 2021, the payment of the FCA fine, further investments in our operating platform, pension deficit repair payments, and net impact of foreign exchange movements.

### Liabilities and tangible equity

Total liabilities as at 30 June 2022 were CHF 223.2 million, down from CHF 276.7 million as at 31 December 2021 and CHF 319.3 million as at 30 June 2021. The decrease in the first half of 2022 is mainly related to reductions in accrued expenses and lower pension deficit.

Adjusted tangible equity as at 30 June 2022 was CHF 164.3 million, down from CHF 174.2 million as at 31 December 2021 and CHF 196.2 million as at the end of 30 June 2021. The main contributors to this decrease were the IFRS net loss after tax (adjusted for intangibles), pension remeasurements, investment in the platform and foreign exchange movements. See page 38 of our Annual Report 2021 for full definition of adjusted tangible equity.

As at 30 June 2022, the Group had no financial debt, as in previous years.

### Treasury shares

IFRS requires a company that holds its own shares for trading and non-trading purposes to record those shares as treasury shares and deduct them from shareholders' equity. As at 30 June 2022, the holding of 3.4 million own shares was equivalent to 2.2% of shares in issue. All of these shares were bought back over the regular trading line at the SIX Swiss Exchange (the first trading line) and held to cover the

obligations under share-based compensation plans. This position decreased by 0.6 million shares compared with full year 2021, reflecting shares delivered to settle obligations under share-based compensation plans partially offset by share repurchases under the share buy-back programme 2020-2023.

### Share buy-back programme 2020-2023

The new 2020-2023 share buy-back programme for the purpose of capital reduction came into effect on 5 May 2020. It allows for the purchase of a maximum of 16.0 million shares over a maximum period of three years. The programme is designed to purchase shares on the ordinary trading line to cover share-based payments and to purchase shares on the second trading line designated for cancellation. When shares are purchased over the second trading line on the SIX Swiss Exchange, GAM Holding AG acts as sole buyer. A total of 2.2 million shares were repurchased over the first trading line during the first half of 2022 to cover share-based payments. Since the programme commenced, no shares have been repurchased for cancellation.

### Definitions of business metrics for Investment Management and Fund Management Services:

**Net fee and commission income** is defined as fee and commission income minus distribution fee and commission expenses. It includes performance fees, and excludes net other (expenses)/income.

**Management fee margin** is calculated as net management fees and commissions divided by average assets under management. For Investment Management, we additionally report a total fee margin that includes performance fees (ie net fee and commission income divided by average assets under management).

**Assets under management** in Investment Management are broken down by capability, client segment and currency. In Fund Management Services, assets are disclosed by fund domicile and asset class.

**Net flows** represent the net asset additions or redemptions by clients. For our Investment Management business, we additionally disclose the net flows by individual capability and client segment. These developments are discussed in the 'Our businesses' section on page 12.

**CONDENSED INTERIM**

**CONSOLIDATED**

**FINANCIAL**

**STATEMENTS**

**(UNAUDITED)**

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# CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	H1 2022 CHF m	H1 2021 CHF m	Change in %
Investment management, advisory and other fees	2	255.0	332.1	(23)
Distribution, fee and commission expenses	2	(164.1)	(224.3)	(27)
<b>Net management fees and commissions</b>	2	<b>90.9</b>	<b>107.8</b>	<b>(16)</b>
Net performance fees	2	3.1	19.5	(84)
<b>Net fee and commission income</b>	2	<b>94.0</b>	<b>127.3</b>	<b>(26)</b>
Net other income	3	5.1	1.4	264
<b>Income</b>		<b>99.1</b>	<b>128.7</b>	<b>(23)</b>
Personnel expenses	4	63.8	77.9	(18)
General expenses	5	38.1	34.2	11
Depreciation and amortisation		9.5	10.2	(7)
Impairment losses	7	263.6	-	-
<b>Expenses</b>		<b>375.0</b>	<b>122.3</b>	<b>207</b>
<b>(Loss)/profit before taxes</b>		<b>(275.9)</b>	<b>6.4</b>	<b>-</b>
Income tax (credit)/expense		(0.7)	9.1	-
<b>Net loss attributable to the shareholders of the Company</b>		<b>(275.2)</b>	<b>(2.7)</b>	<b>-</b>
<b>Loss per share</b>				
Basic loss per share (CHF)	8	(1.76)	(0.02)	-
Diluted loss per share (CHF)	8	(1.76)	(0.02)	-

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	H1 2022 CHF m	H1 2021 CHF m
<b>Net loss attributable to the shareholders of the Company</b>	<b>(275.2)</b>	<b>(2.7)</b>
Remeasurements of pension assets and liabilities	11.1	21.0
Income tax (expense) relating to remeasurements of pension liabilities	(3.1)	(5.7)
<b>Items that will not be reclassified subsequently to the income statement, net of taxes</b>	<b>8.0</b>	<b>15.3</b>
Translation differences	(8.4)	4.8
<b>Items that may be reclassified subsequently to the income statement, net of taxes</b>	<b>(8.4)</b>	<b>4.8</b>
<b>Other comprehensive (loss)/income, net of taxes</b>	<b>(0.4)</b>	<b>20.1</b>
<b>Total comprehensive (loss)/income attributable to the shareholders of the Company</b>	<b>(275.6)</b>	<b>17.4</b>

# CONDENSED CONSOLIDATED BALANCE SHEET

	Note	30.06.2022 CHF m	31.12.2021 CHF m	Change in %
Cash and cash equivalents		171.7	234.8	(27)
Trade and other receivables		40.5	25.4	59
Accrued income and prepaid expenses		59.4	69.3	(14)
Financial investments		4.9	11.1	(56)
Employee benefit asset		0.9	2.9	(69)
Assets held for sale	9	6.5	6.0	8
<b>Current assets</b>		<b>283.9</b>	<b>349.5</b>	<b>(19)</b>
Financial investments and other financial assets		1.5	2.6	(42)
Employee benefit asset		2.1	0.3	600
Deferred tax assets		48.2	35.0	38
Property and equipment		50.9	55.9	(9)
Pension assets		1.1	6.9	(84)
Intangible assets		40.8	305.0	(87)
<b>Non-current assets</b>		<b>144.6</b>	<b>405.7</b>	<b>(64)</b>
<b>Assets</b>		<b>428.5</b>	<b>755.2</b>	<b>(43)</b>
Trade and other payables		32.9	20.3	62
Other financial liabilities		7.5	8.6	(13)
Accrued expenses and deferred income		118.5	157.6	(25)
Current tax liabilities		2.0	1.5	33
Provisions	10	1.3	2.3	(43)
Liabilities held for sale	9	0.2	0.1	100
<b>Current liabilities</b>		<b>162.4</b>	<b>190.4</b>	<b>(15)</b>
Financial liabilities		41.6	48.0	(13)
Provisions	10	3.4	4.0	(15)
Pension liabilities		14.7	32.0	(54)
Deferred tax liabilities		2.3	2.3	-
<b>Non-current liabilities</b>		<b>62.0</b>	<b>86.3</b>	<b>(28)</b>
<b>Liabilities</b>		<b>224.4</b>	<b>276.7</b>	<b>(19)</b>
Share capital		8.0	8.0	-
Capital reserves		893.4	893.4	-
Retained earnings		(551.2)	(275.6)	100
Foreign currency translation reserve		(132.4)	(124.0)	7
Treasury shares	13	(13.7)	(23.3)	(41)
<b>Equity attributable to the shareholders of the Company</b>		<b>204.1</b>	<b>478.5</b>	<b>(57)</b>
<b>Liabilities and equity</b>		<b>428.5</b>	<b>755.2</b>	<b>(43)</b>

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Note	Share capital CHF m	Capital reserves CHF m	Retained earnings CHF m	Foreign currency translation reserve CHF m	Treasury shares CHF m	Equity attributable to the shareholders of the Company CHF m
<b>Balance at 1 January 2021</b>		<b>8.0</b>	<b>893.4</b>	<b>(272.5)</b>	<b>(119.8)</b>	<b>(35.2)</b>	<b>473.9</b>
Net loss attributable to the shareholders of the Company		-	-	(2.7)	-	-	(2.7)
Other comprehensive income, net of taxes <sup>1</sup>		-	-	15.3	4.8	-	20.1
<b>Total comprehensive income</b>		-	-	<b>12.6</b>	<b>4.8</b>	-	<b>17.4</b>
Share-based payment expenses, net of taxes <sup>2</sup>	6	-	-	5.2	-	-	5.2
Acquisitions of own shares	13	-	-	-	-	(4.1)	(4.1)
Disposals of own shares	13	-	-	(15.1)	-	15.1	-
<b>Total transactions with shareholders of the Company</b>		-	-	<b>(9.9)</b>	-	<b>11.0</b>	<b>1.1</b>
<b>Balance at 30 June 2021</b>		<b>8.0</b>	<b>893.4</b>	<b>(269.8)</b>	<b>(115.0)</b>	<b>(24.2)</b>	<b>492.4</b>
<b>Balance at 31 December 2021</b>		<b>8.0</b>	<b>893.4</b>	<b>(275.6)</b>	<b>(124.0)</b>	<b>(23.3)</b>	<b>478.5</b>
Net loss attributable to the shareholders of the Company		-	-	(275.2)	-	-	(275.2)
Other comprehensive income/(loss), net of taxes <sup>1</sup>		-	-	8.0	(8.4)	-	(0.4)
<b>Total comprehensive income/(loss)</b>		-	-	<b>(267.2)</b>	<b>(8.4)</b>	-	<b>(275.6)</b>
Share-based payment expenses, net of taxes <sup>2</sup>	6	-	-	3.5	-	-	3.5
Acquisitions of own shares	13	-	-	-	-	(2.3)	(2.3)
Disposals of own shares	13	-	-	(11.9)	-	11.9	-
<b>Total transactions with shareholders of the Company</b>		-	-	<b>(8.4)</b>	-	<b>9.6</b>	<b>1.2</b>
<b>Balance at 30 June 2022</b>		<b>8.0</b>	<b>893.4</b>	<b>(551.2)</b>	<b>(132.4)</b>	<b>(13.7)</b>	<b>204.1</b>

<sup>1</sup> Details of the line item 'other comprehensive income, net of taxes' are shown in the consolidated statement of comprehensive income.

<sup>2</sup> Equity settled share-based payment expenses, net of taxes



# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	H1 2022 CHF m	H1 2021 CHF m
<b>Net loss attributable to the shareholders of the Company</b>		<b>(275.2)</b>	<b>(2.7)</b>
<b>Adjustments to reconcile net loss to cash flow from operating activities</b>			
Non-cash items included in net loss:			
– Impairment losses		263.6	-
– Depreciation and amortisation		9.3	10.1
– Share-based payment expenses		3.5	5.2
– Other non-cash items		(2.0)	(4.7)
Net changes in:			
– Financial investments and other financial assets		7.4	29.3
– Trade and other receivables (excluding tax receivable)		(8.2)	(2.2)
– Accrued income and prepaid expenses (excluding accrued interest)		19.0	(19.4)
– Trade and other payables		7.1	(1.8)
– Accrued expenses and deferred income (excluding accrued interest)		(36.7)	0.9
– Other liabilities		(5.7)	(18.4)
Net interest expenses		(0.3)	2.9
Interest received		-	0.3
Interest paid		(0.2)	(0.8)
Fund unit purchases for contractual bonuses		(4.6)	(3.2)
Pension payments		(9.3)	(5.0)
Payment of FCA fine		(11.3)	-
Income tax expense		(0.7)	9.0
Income taxes paid		(0.2)	(2.4)
<b>Cash flow from operating activities</b>		<b>(44.5)</b>	<b>(2.9)</b>
Payments of acquisition-related deferred consideration		-	(4.9)
Purchase of property, equipment and intangible assets		(6.9)	(10.2)
Disposal of property, equipment and intangible assets		-	0.2
<b>Cash flow from investing activities</b>		<b>(6.9)</b>	<b>(14.9)</b>
Purchase of treasury shares	13	(2.3)	(4.1)
Payments of lease liabilities		(6.9)	(4.8)
<b>Cash flow from financing activities</b>		<b>(9.2)</b>	<b>(8.9)</b>
Effects of exchange rate changes on cash and cash equivalents		(2.5)	5.9
<b>Net (decrease)/increase in cash and cash equivalents</b>		<b>(63.1)</b>	<b>(20.8)</b>
Cash and cash equivalents at the beginning of the period		234.8	270.9
<b>Cash and cash equivalents at the end of the period</b>		<b>171.7</b>	<b>250.1</b>

# NOTES TO THE CONDENSED CONSOLIDATED INCOME STATEMENT

## 1. Volatility of earnings

Management fees are recognised throughout the period and can vary, among other things, due to fluctuations in the levels of assets under management. However, performance fees are only recognised if performance hurdles have been achieved at certain defined dates when it is highly probable that a significant reversal will not occur. As a result, the earnings of GAM Holding AG (the Company) and all its subsidiaries (together referred to as the Group) can be volatile and therefore the income and the related expenses generated in the second half of the year may vary from those generated in the first half.

## 2. Net fee and commission income

	H1 2022 CHF m	H1 2021 CHF m	Change in %
Investment management, advisory and other fees	255.0	332.1	(23)
of which investment management	113.4	143.9	(21)
of which fund management services	141.6	188.2	(25)
Distribution, fee and commission expenses	(164.1)	(224.3)	(27)
of which investment management	(37.1)	(53.3)	(30)
of which fund management services	(127.0)	(171.0)	26
<b>Net management fees and commissions</b>	<b>90.9</b>	<b>107.8</b>	<b>(16)</b>
Performance fees	3.7	24.1	(85)
Performance fees paid to external investment managers	(0.6)	(4.6)	(87)
<b>Net performance fees</b>	<b>3.1</b>	<b>19.5</b>	<b>(84)</b>
<b>Net fee and commission income</b>	<b>94.0</b>	<b>127.3</b>	<b>(26)</b>

## 3. Net other income

	H1 2022 CHF m	H1 2021 CHF m	Change in %
Net foreign exchange gains/(losses)	7.4	(1.2)	-
Interest expenses	(0.3)	(2.9)	90
Net loss on financial instruments at fair value through profit or loss	(1.4)	(1.0)	(40)
Adjustment to financial liability for performance fees attributable to external interests	(0.2)	6.6	-
Other	(0.4)	(0.1)	-
<b>Net other income</b>	<b>5.1</b>	<b>1.4</b>	<b>-</b>

Interest expenses shown above includes negative interest on cash and cash equivalents of CHF 0.4 million (H1 2021: CHF 0.5 million), finance charges of CHF 0.1 million (H1 2021: CHF 1.7 million) on the discounted financial liability for performance fees attributable to external interests.

## 4. Personnel expenses

	H1 2022 CHF m	H1 2021 CHF m	Change in %
Salaries and bonuses	46.5	57.1	(19)
Social security expenses	6.0	6.7	(10)
Defined benefit pension plan expenses	2.5	3.6	(31)
Defined contribution pension plan expenses	2.5	2.7	(7)
Share-based payment expenses	3.6	5.4	(33)
Other personnel expenses	2.7	2.4	13
<b>Personnel expenses</b>	<b>63.8</b>	<b>77.9</b>	<b>(18)</b>

## 5. General expenses

	H1 2022 CHF m	H1 2021 CHF m	Change in %
Occupancy	2.8	2.9	(3)
Technology and communication	8.3	8.6	(3)
Data and research	9.9	8.6	15
Professional and consulting services	5.7	3.6	58
Marketing and travel	2.8	2.1	33
Administration	1.8	2.6	(31)
Other general expenses	6.8	5.8	17
<b>General expenses</b>	<b>38.1</b>	<b>34.2</b>	<b>11</b>

## 6. Income taxes

### Tax effects recognised in the income statement

In H1 2022, no adjustment to deferred tax assets recognised in profit or loss (H1 2021: write-down CHF 6.3 million) on previously recognised tax losses due to changes to expected future profits (for further information see note 18).

### Tax effects recognised directly in equity

Tax effects on share-based payments resulted in a debit to equity of CHF 0.1 million (H1 2021: CHF 0.2 million). With the share-based payment expenses of CHF 3.6 million (H1 2021: CHF 5.4 million) and these tax effects, CHF 3.5 million (H1 2021: CHF 5.2 million) is included in the respective line item within equity as shown in the condensed consolidated statement of changes in equity.

## 7. Reconciliation between net profit (IFRS) and underlying net profit

	H1 2022			H1 2021		
	IFRS CHF m	Reconciling items CHF m	Underlying CHF m	IFRS CHF m	Reconciling items CHF m	Underlying CHF m
Net management fees and commissions	90.9	-	90.9	107.8	-	107.8
Net performance fees	3.1	(0.5)	2.6	19.5	(2.2)	17.3
<b>Net fee and commission income</b>	<b>94.0</b>	<b>(0.5)</b>	<b>93.5</b>	<b>127.3</b>	<b>(2.2)</b>	<b>125.1</b>
Net other income	5.1	(4.5)	0.6	1.4	(5.1)	(3.7)
<b>Income</b>	<b>99.1</b>	<b>(5.0)</b>	<b>94.1</b>	<b>128.7</b>	<b>(7.3)</b>	<b>121.4</b>
Personnel expenses	63.8	(1.7)	62.1	77.9	-	77.9
General expenses	38.1	(0.2)	37.9	34.2	(0.3)	33.9
Depreciation and amortisation	9.5	-	9.5	10.2	(1.4)	8.8
Impairment losses	263.6	(263.6)	-	-	-	-
<b>Expenses</b>	<b>375.0</b>	<b>(265.5)</b>	<b>109.5</b>	<b>122.3</b>	<b>(1.7)</b>	<b>120.6</b>
<b>(Loss)/profit before taxes</b>	<b>(275.9)</b>	<b>260.5</b>	<b>(15.4)</b>	<b>6.4</b>	<b>(5.6)</b>	<b>0.8</b>
Income tax (credit)/expense	(0.7)	(0.7)	(1.4)	9.1	(6.0)	3.1
<b>Net loss</b>	<b>(275.2)</b>	<b>261.2</b>	<b>(14.0)</b>	<b>(2.7)</b>	<b>0.4</b>	<b>(2.3)</b>
<b>Loss per share</b>						
Basic loss per share (CHF)	(1.76)		(0.09)	(0.02)		(0.01)
Diluted loss per share (CHF)	(1.76)		(0.09)	(0.02)		(0.01)

## Reconciling items

	Acquisition- related items CHF m	Non- core items <sup>1</sup> CHF m	H1 2022 Total reconciling items CHF m	Acquisition- related items CHF m	Non- core items <sup>1</sup> CHF m	H1 2021 Total reconciling items CHF m
Performance fees attributed to external interests	(0.5)	-	(0.5)	(2.2)	-	(2.2)
<b>Net fee and commission income</b>	<b>(0.5)</b>	<b>-</b>	<b>(0.5)</b>	<b>(2.2)</b>	<b>-</b>	<b>(2.2)</b>
Net foreign exchange gains on pension loan note	-	(4.5)	(4.5)	-	-	-
Foreign exchange (gains)/losses on deferred consideration liabilities	-	-	-	(0.1)	-	(0.1)
Adjustment to financial liability for performance fees attributable to external interests	0.2	-	0.2	(6.6)	-	(6.6)
Other Income	-	(0.3)	(0.3)	-	-	-
Finance charges on discounted liabilities	0.1	-	0.1	1.7	-	1.7
Income from insurance recovery relating to ARBF matters	-	-	-	-	(0.1)	(0.1)
<b>Net other income</b>	<b>0.3</b>	<b>(4.8)</b>	<b>(4.5)</b>	<b>(5.0)</b>	<b>(0.1)</b>	<b>(5.1)</b>
Reorganisation charge	-	(1.7)	(1.7)	-	-	-
<b>Personnel expenses</b>	<b>-</b>	<b>(1.7)</b>	<b>(1.7)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Reorganisation charge	-	-	-	-	(0.1)	(0.1)
Other expenses	-	(0.2)	(0.2)	-	(0.2)	(0.2)
<b>General expenses</b>	<b>-</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>-</b>	<b>(0.3)</b>	<b>(0.3)</b>
Accelerated amortisation of software	-	-	-	-	(1.1)	(1.1)
Amortisation of investment management and client contracts	-	-	-	(0.4)	-	(0.4)
Other depreciation	-	-	-	-	0.1	0.1
<b>Depreciation and amortisation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(0.4)</b>	<b>(1.0)</b>	<b>(1.4)</b>
Impairment of intangible asset	-	(263.6)	(263.6)	-	-	-
<b>Total reconciling items before taxes</b>	<b>(0.2)</b>	<b>260.7</b>	<b>260.5</b>	<b>(6.8)</b>	<b>1.2</b>	<b>(5.6)</b>
Adjustment to deferred tax assets	-	-	-	-	(6.3)	(6.3)
Income tax (credit)/expense	-	(0.7)	(0.7)	0.1	0.2	0.3
<b>Total reconciling items after taxes</b>	<b>(0.2)</b>	<b>261.4</b>	<b>261.2</b>	<b>(6.9)</b>	<b>7.3</b>	<b>0.4</b>

<sup>1</sup> Non-recurring items renamed to Non-core items at year end 31 December 2021.

The Group has defined principles for reporting non-IFRS profit information – including labelling, transparency, prominence and presentation, comparability, consistency and materiality – which are considered to be appropriate to meet the needs of users of financial information. The Group discloses underlying profit before and after taxes as alternative performance measures representing a measure of earnings adjusted to exclude items which are not viewed as part of the Group's underlying operating activities. This enables better comparison of business performance across periods.

According to its policy, the Group distinguishes between two categories of excluded items, in adherence to the principles mentioned above, being acquisition-related items and non-core items.

Below items are stated before taxes.

### Acquisition-related items

#### Performance fees attributed to external interests

The Group has a contractual obligation, through the agreement to acquire GAM Systematic LLP (formerly Cantab Capital Partners LLP), to pay 40% of performance fees received by GAM Systematic LLP to employees (in the first five years and capped at USD 50 million as determined by previous partners) and previous partners thereafter indefinitely. The performance fees payable in relation to GAM Systematic amount to CHF 0.5 million (H1 2021: CHF 2.2 million).

#### Adjustment to financial liability for performance fees attributable to external interests

The remeasurement of the financial liability for performance fees attributable to external interests resulted in a loss of CHF 0.2 million (H1 2021: gain of CHF 6.6 million).

#### Finance charges on discounted liabilities

H1 2022 includes finance charges of CHF 0.1 million on the discounted financial liability for performance fees attributable to external interests (H1 2021: CHF 1.7 million).

### Non-core items

#### Reorganisation charge

In H1 2022, the CHF 1.7 million was recognised in respect of the Group's reorganisation programme in the line item 'personnel expenses' (H1 2021: CHF nil) (for further information see note 10).

#### Net foreign exchange gains pension loan note

In H1 2022 a gain of CHF 4.5 million (H1 2021: CHF nil) relates to the revaluation of the GBP 70.7 million non-transferable loan note for the UK pension scheme.

#### Impairment of intangible asset

For further information on the CHF 263.6 million impairment loss on brand see note 12.

#### Other income/expenses

Other income/expenses include certain costs which have been combined in one line item considering materiality.

## 8. Earnings per share and shares outstanding

### 8.1. Earnings per share

	H1 2022	H1 2021
<b>Basic loss per share</b>		
Net loss attributable to the shareholders of the Company (CHF m)	(275.2)	(2.7)
Weighted average number of shares outstanding (millions)	156.5	156.0
<b>Basic loss per share (CHF)</b>	<b>(1.76)</b>	<b>(0.02)</b>
<b>Diluted loss per share</b>		
Net loss attributable to the shareholders of the Company for diluted EPS (CHF m)	(275.2)	(2.7)
Weighted average number of shares outstanding (millions)	156.5	156.0
Dilution effect (millions)	-	-
Weighted average number of shares outstanding for diluted EPS (millions)	156.5	156.0
<b>Diluted loss per share (CHF)</b>	<b>(1.76)</b>	<b>(0.02)</b>

At 30 June 2022, 4.8 million potential shares were excluded from the weighted average number of shares outstanding for diluted EPS calculation as their effect would have been anti-dilutive due to the net loss recognised in H1 2022 (30 June 2021: 5.4 million potential shares were excluded).

### 8.2. Shares outstanding

	H1 2022	H1 2021
Shares issued at the end of the period	159,682,531	159,682,531
Treasury shares – share-based payment plans	(3,445,495)	(3,495,210)
<b>Shares outstanding at the end of the period</b>	<b>156,237,036</b>	<b>156,187,321</b>

# NOTES TO THE CONDENSED CONSOLIDATED BALANCE SHEET

## 9. Financial instruments – fair value determination

For financial investments whose prices are quoted in an active market, the fair value is derived directly from the quoted market prices.

For financial instruments for which quoted market prices are not directly available, fair values are estimated using valuation techniques or models based, where possible, on assumptions supported by observable market prices or rates existing at the balance sheet date.

For a small portion of financial instruments, neither quoted market prices nor valuation techniques or models based on observable market prices are available for determining the fair value. In these cases, fair values are estimated indirectly using valuation techniques or models based on reasonable assumptions reflecting market conditions.

These valuation techniques remained unchanged from those disclosed in the consolidated financial statements as at and for the year ended 31 December 2021.

The carrying amount of the financial assets and liabilities, including cash and cash equivalents, accrued income and expenses, trade and other receivables and payables, and other financial assets and liabilities, approximates their fair value.

The table below analyses financial instruments, measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorised:

	Level 1 CHF m	Level 2 CHF m	Level 3 CHF m	30.06.2022 Total CHF m
Derivative financial instruments	-	0.3	-	0.3
Seed capital and product management investments at fair value through profit or loss	6.3	4.7	-	11.0
Other financial assets at fair value through profit or loss	-	0.6	-	0.6
<b>Financial assets measured at fair value</b>	<b>6.3</b>	<b>5.6</b>	<b>-</b>	<b>11.9</b>
Derivative financial instruments	-	0.6	-	0.6
Financial liabilities at fair value through profit or loss	0.2	-	-	0.2
<b>Financial liabilities measured at fair value</b>	<b>0.2</b>	<b>0.6</b>	<b>-</b>	<b>0.8</b>

	Level 1 CHF m	Level 2 CHF m	Level 3 CHF m	30.06.2021 Total CHF m
Derivative financial instruments	-	2.9	-	2.9
Seed capital and product management investments at fair value through profit or loss	6.1	5.4	-	11.5
Other financial assets at fair value through profit or loss	-	0.9	-	0.9
<b>Financial assets measured at fair value</b>	<b>6.1</b>	<b>9.2</b>	<b>-</b>	<b>15.3</b>
Derivative financial instruments	-	0.3	-	0.3
Financial liabilities at fair value through profit or loss	-	-	0.4	0.4
<b>Financial liabilities measured at fair value</b>	<b>-</b>	<b>0.3</b>	<b>0.4</b>	<b>0.7</b>

The categories 'seed capital and product management investments at fair value through profit or loss' and 'financial liabilities at fair value through profit or loss' include the balance sheet line items 'assets held for sale' in the amount of CHF 6.5 million (30 June 2021: CHF 6.2 million), which mainly contain the controlled funds' direct investments. As at 30 June 2022, CHF 0.2 million (30 June 2021: none) were held under the balance sheet item 'liabilities held for sale' which contain the direct liabilities of those controlled funds. These direct investments are invested into financial instruments.



Transfers into and transfers out of the fair value hierarchy levels are recognised as of the date of the event or change in circumstances that caused the transfer.

In H1 2022 financial assets in the amount of CHF 0.3 million (H1 2021: CHF 4.1 million were transferred from level 2 to level 1) were transferred from level 1 to level 2 due to less regularly occurring market transactions.

The following table presents the changes in level 3 financial instruments:

	Financial assets at fair value through profit or loss CHF m	Financial liabilities at fair value through profit or loss CHF m
Balance at 1 January 2021	-	5.0
Additions	-	-
Disposals/settlements	-	(4.7)
Total gains/losses in profit or loss	-	-
Translation differences	-	0.1
<b>Balance at 30 June 2021</b>	<b>-</b>	<b>0.4</b>
Balance at 1 January 2022	-	-
Disposals/settlements	-	-
Total losses/gains in profit or loss	-	-
Translation differences	-	-
<b>Balance at 30 June 2022</b>	<b>-</b>	<b>-</b>

Level 3 financial liabilities at fair value through profit or loss represent deferred consideration liabilities relating to previous acquisitions. These are measured based on their contractual terms and expected future business performance.

In H1 2022 no net gains or losses (H1 2021: no net gains or losses) included in profit or loss relate to level 3 financial instruments held at the end of the reporting period. These gains and losses are included in the line item 'net other income'. For further information on the financial liabilities see note 7 regarding adjustments to the deferred consideration liabilities.

## 10. Provisions

	Restructuring CHF m	Reinstatement of leasehold improvements CHF m	Other CHF m	H1 2022 Total CHF m
Balance at the beginning of the period	1.5	4.0	0.8	6.3
Recognised during the period	2.1	-	0.3	2.4
Utilised during the period	(2.0)	(0.5)	(0.7)	(3.2)
Reversed during the period	(0.5)	-	-	(0.5)
Translation differences	(0.1)	(0.1)	(0.1)	(0.3)
<b>Balance at the end of the period</b>	<b>1.0</b>	<b>3.4</b>	<b>0.3</b>	<b>4.7</b>
Current	1.0	-	0.3	1.3
Non-current	-	3.4	-	3.4
<b>Balance at the end of the period</b>	<b>1.0</b>	<b>3.4</b>	<b>0.3</b>	<b>4.7</b>

## 11. Pension plans

Due to the changes in the market environment (increased discount rates and negative plan asset performance), GAM remeasured its defined benefit obligations and plan assets. This resulted in a gain of CHF 11.1 million in other comprehensive income.

## 12. Impairment losses

### Impairment testing – intangible assets

The volatile market environment has led to a decline in the Group's assets under management and as a result, the Group has undertaken an assessment of the carrying value of its intangible assets. When reviewing the carrying value of these assets, the Board of Directors and the Group Management Board consider the current situation of the Group and its prospects by taking into account both Group-specific matters and the broader economic environment in which the Group operates. Significant management judgement is required with respect to the key assumptions used.

### Brand

The brand relates to the acquisition of GAM by Julius Baer in 2005. As the brand is directly linked with the ongoing operations of GAM, the brand is considered to have an indefinite useful life.

The recoverable amount based on the value in use is determined for the respective cash-generating unit (ie for the smallest identifiable group of assets that generate cash inflows independently from other assets).

The Group uses a model based on the discounted cash flow method to calculate the recoverable amount. The Group estimates the free cash flows expected to be generated from the continuing use of the respective cash-generating unit based on its own five-year financial planning, taking into account the following key parameters and their individual components:

- assets under management
- management fee margin on assets under management
- performance fees
- income and expenses
- expected tax rate.

Other key assumptions are the discount rate and terminal growth rate. The Group's approach to determining the key assumptions is based on management's knowledge and reasonable expectations of future business, using internal and external market information, planned business initiatives and other reasonable intentions of management. For that purpose, the Group uses historical information as well as the current and expected market conditions and the current and expected future relative market position of its products vis-à-vis its respective competitors and its industry.

The resulting free cash flows are discounted to their present value, using a pre-tax discount rate of 13.64% (31 December 2021:14.5%) based on the risk-free rate obtained from the yield on 30-year bonds issued by the governments in the relevant markets and in the same currency as the expected cash flows. The data used in calculating the discount rate originates from information obtained from data service providers and external professional service providers. The discount rates used in the above calculation represent the Group's specific risk-weighted rates. To calculate the recoverable amount of the brand, the Group applies a 1.9% (31 December 2021:1.5%) terminal growth rate, which is in line with the expected long-term growth rate of the gross domestic products for markets relevant to the Group.

The resulting recoverable amount for the brand, from the impairment test performed for the cash-generating unit, amounted to CHF 9.4 million and was significantly lower than the carrying value of CHF 273.0 million as at 31 December 2021, therefore the impairment loss of CHF 263.6 million was recognised and allocated to brand in H1 2022 (H1 2021: nil). The carrying value of other assets as at 30 June 2022 are supported by the value in use of those assets and therefore no impairment was allocated on a pro rata basis to those assets.

## 13. Treasury shares

As at 30 June 2022, the Group held 3.4 million treasury shares to meet the Group's obligation to deliver shares for the various share-based payment plans (31 December 2021: 4.0 million), all of which are expected to be net equity settled.

No treasury shares were acquired under the Company's 2020–2023 share buy-back programme, which commenced on 5 May 2020 (the year to 31 December 2021: no treasury shares acquired), for the purpose of capital reduction.

	Shares	CHF m
Balance at 1 January 2021	3,688,131	35.2
Acquisition of own shares	1,771,328	4.1
Disposals of own shares	(1,964,249)	(15.1)
<b>Balance at 30 June 2021</b>	<b>3,495,210</b>	<b>24.2</b>
Acquisition of own shares	1,650,000	2.6
Disposals of own shares	(1,116,427)	(3.5)
<b>Balance at 31 December 2021</b>	<b>4,028,783</b>	<b>23.3</b>
Acquisition of own shares	2,205,000	2.3
Disposals of own shares	(2,788,288)	(11.9)
<b>Balance at 30 June 2022</b>	<b>3,445,495</b>	<b>13.7</b>

The purpose of the GAM Employee Benefit Trust (EBT) is to encourage, motivate and retain the Group's employees by providing benefits, through a trust, to such employees. As a result, the EBT holds shares in the Company. Generally, the funding for current and future plans will be provided by the Company. As the EBT is under control of the Group in accordance with IFRS 10, the EBT is fully consolidated. As at 30 June 2022, of the 3.4 million treasury shares (31 December 2021: 4.0 million), GAM Holding AG holds 2.2 million (31 December 2021: 3.0 million) and the EBT holds 1.2 million (31 December 2021: 1.0 million).

# ADDITIONAL NOTES

## 14. Share-based payments

### Share plan for members of the Board of Directors

On 28 April 2022, the members of the Board of Directors were granted a total of 875,298 GAM Holding AG shares at a fair value of CHF 0.95 per share. These shares will vest and be delivered on the day before the Company's 2023 Annual General Meeting, subject to certain conditions being met. The fair value at grant date is recognised as an expense over the relevant vesting period. In H1 2022, an expense of CHF 0.1 million was recognised.

### Other equity-settled share-based grants

#### Share awards

In H1 2022, certain new employees were granted a total of 519,301 GAM Holding AG shares with a fair value between CHF 1.04 and CHF 1.16 per share. The shares will vest and be delivered within three years after the grant date subject to the recipient continuing to be employed with the Group on each vesting date. In H1 2022, an expense of CHF 0.1 million was recognised.

#### Option awards

In H1 2022, certain new employees were granted a total of 512,821 options. Subject to certain terms and conditions, the Group will deliver through shares in GAM Holding AG the value of the option at exercise. The options have an exercise period of six months after their vesting date of 4 April 2025.

As at the date of the grant, the aggregate fair value of the 2022 option awards amounted to CHF 0.2 million. In H1 2022, an expense of less than CHF 0.1 million was recognised.

## 15. Events after the reporting period

The Board of Directors approved these condensed interim consolidated financial statements on 3 August 2022.

## 16. General information

The Company is a Swiss corporation domiciled in Zurich and listed on the SIX Swiss Exchange. The condensed interim consolidated financial statements as at and for the six months ended 30 June 2022 are unaudited and comprise those of the Company and all its subsidiaries including structured entities under the Group's control. The Group provides asset management services. The core investment management business is complemented by fund management services, which include management company and other support services to third-party asset managers.

## 17. Basis of preparation

These condensed interim consolidated financial statements were prepared in accordance with IAS 34 Interim Financial Reporting. They do not include all the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements as at and for the year ended 31 December 2021, which were prepared in accordance with International Financial Reporting Standards (IFRS).

Except where otherwise indicated in these condensed interim consolidated financial statements, all financial information is presented in millions of Swiss francs.

## 18. Significant accounting policies

These condensed interim consolidated financial statements were prepared on the basis of accounting policies and valuation principles consistent with those used in the consolidated financial statements as at and for the year ended 31 December 2021.

In line with the consolidated financial statements for the year end 31 December 2021 the line net management fee and commissions was split into separate lines for income and expenses. In addition, to increase clarity, fund unit purchases for contractual bonuses and pension payments are presented separately from net changes in other liabilities in the reconciliation of cashflow from operating activities. Comparative amounts were adjusted accordingly.

There were no new accounting pronouncements with effective date 1 January 2022 that had an impact on the condensed interim consolidated financial statements of the Group.

#### **Use of accounting estimates and judgments affected by the Covid-19 pandemic and volatile market environment**

GAM has continued to consider the uncertainties resulting from the Covid-19 pandemic and volatile market environment experienced in 2022, and has applied appropriate judgement when determining the effects of this uncertainty, for example by applying probability-weighted estimates. The following estimates and assumptions have been specifically considered, given the significant uncertainty that still exists, in particular when assessing the macroeconomic and financial impact on assets under management, and subsequently the related fee income and the Group's budget and forecasts, which serve as the basis for the measurement of various assets and liabilities:

- utilisation of tax losses and measurement of deferred tax assets;
- determining the carrying amount of the financial liability for performance fees attributable to external interests;
- measurement of the recoverable amount of intangible assets.

#### **Significant events and transactions**

As a consequence of the volatile market environment and negative market movements effect on the reduction in assets under management in the reporting period, the carrying amount of intangible assets relating to brand has been impaired (see notes 7 and 12 for further information).

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# FIVE-YEAR FINANCIAL SUMMARY

	H1 2022 CHF m	H2 2021 CHF m	H1 2021 CHF m	2021 CHF m	2020 CHF m	2019 CHF m	2018 CHF m
Net management fees and commissions	90.9	100.2	107.8	208.0	230.4	317.1	495.4
Net performance fees	2.6	2.0	17.3	19.3	2.8	12.8	4.5
<b>Net fee and commission income</b>	<b>93.5</b>	<b>102.2</b>	<b>125.1</b>	<b>227.3</b>	<b>233.2</b>	<b>329.9</b>	<b>499.9</b>
Net other income/(expenses)	0.6	1.3	(3.7)	(2.4)	(4.0)	(3.7)	0.3
<b>Income</b>	<b>94.1</b>	<b>103.5</b>	<b>121.4</b>	<b>224.9</b>	<b>229.2</b>	<b>326.2</b>	<b>500.2</b>
Personnel expenses	62.1	65.2	77.9	143.1	150.5	197.0	239.6
Fixed personnel expenses	49.6	49.8	55.0	104.8	118.3	139.9	153.9
Variable personnel expenses	12.5	15.4	22.9	38.3	32.2	57.1	85.7
General expenses	37.9	39.3	33.9	73.2	75.0	99.6	127.7
Occupancy	2.8	3.3	2.9	6.2	5.6	8.0	22.2
Technology and communication	8.3	7.7	8.6	16.3	15.2	19.0	14.1
Data and research	9.9	11.4	8.6	20.0	20.6	20.7	23.4
Professional and consulting services	5.5	4.4	3.4	7.8	8.3	18.1	17.6
Marketing and travel	2.8	3.7	2.1	5.8	7.0	13.9	17.6
Administration	1.8	2.6	2.6	5.2	5.5	7.0	9.5
Other general expenses	6.8	6.2	5.7	11.9	12.8	12.9	23.3
Depreciation and amortisation	9.5	9.4	8.8	18.2	18.6	19.1	6.2
<b>Expenses</b>	<b>109.5</b>	<b>113.9</b>	<b>120.6</b>	<b>234.5</b>	<b>244.1</b>	<b>315.7</b>	<b>373.5</b>
<b>Underlying (loss)/profit before taxes</b>	<b>(15.4)</b>	<b>(10.4)</b>	<b>0.8</b>	<b>(9.6)</b>	<b>(14.9)</b>	<b>10.5</b>	<b>126.7</b>
Underlying income tax (credit)/expense	(1.4)	(5.2)	3.1	(2.1)	-	5.6	28.5
<b>Underlying net (loss)/profit</b>	<b>(14.0)</b>	<b>(5.2)</b>	<b>(2.3)</b>	<b>(7.5)</b>	<b>(14.9)</b>	<b>4.9</b>	<b>98.2</b>
Acquisition-related items	0.2	1.3	6.8	8.1	19.8	(12.5)	82.3
Non-core items	(260.7)	(12.5)	(1.2)	(13.7)	(402.4)	3.2	(1,130.1)
Tax on acquisition-related items	-	-	0.1	0.1	0.6	1.3	4.8
Tax on non-core items	(0.7)	0.2	0.2	0.4	1.7	0.3	32.6
Non-core tax item	-	(4.4)	(6.3)	(10.7)	6.8	(0.7)	(4.6)
<b>IFRS net (loss)/profit</b>	<b>(275.2)</b>	<b>(20.6)</b>	<b>(2.7)</b>	<b>(23.3)</b>	<b>(388.4)</b>	<b>(3.5)</b>	<b>(916.8)</b>
Operating margin (%) <sup>1</sup>	(17.1)	(11.4)	3.6	(3.2)	(4.7)	4.3	25.3
Compensation ratio (%) <sup>2</sup>	66.4	63.8	62.3	63.0	64.5	59.7	47.9
Average personnel (FTEs)	602	629	688	657	767	872	932

<sup>1</sup> (Net fee and commission income – expenses) / net fee and commission income.

<sup>2</sup> Personnel expenses / net fee and commission income.



	H1 2022	H2 2021	H1 2021	2021	2020	2019	2018
Assets under management at the end of the period (CHF bn)	83.2	99.9	126.0	99.9	122.0	132.7	132.2
in investment management	27.1	31.9	34.8	31.9	35.9 <sup>1</sup>	48.4 <sup>1</sup>	56.1 <sup>2</sup>
in fund management services	56.1	68.0	91.2	68.0	86.1	84.3	76.1
Average assets under management (CHF bn)	93.3	108.5	123.6	115.4	121.3	135.6	154.4
in investment management	29.9	33.2	35.2	34.2	37.9	52.6 <sup>3</sup>	76.8 <sup>3</sup>
in fund management services	63.4	75.3	88.4	81.2	83.4	83.0	77.6
Net flows (CHF bn)	(3.6)	(23.5)	(1.4)	(24.9)	(11.0)	(10.0)	(2.2)
in investment management	(1.1)	(2.2)	(2.2)	(4.4)	(10.6)	(11.1) <sup>4</sup>	(10.5) <sup>4</sup>
in fund management services	(2.5)	(21.3)	0.8	(20.5)	(0.4)	1.1	8.3
Net management fees and commissions (CHF m)	90.9	100.2	107.8	208.0	230.4	317.1	495.4
in investment management	76.3	85.0	90.6	175.6	196.5	284.9	453.6
in fund management services	14.6	15.2	17.2	32.4	33.9	32.2	41.8
Total fee margin in investment management (bps)	52.9	52.3	61.2	57.0	52.5	56.6	59.6
Management fee margin in investment management (bps)	51.1	51.1	51.4	51.3	51.8	54.2	59.1
Management fee margin in fund management services (bps)	4.6	4.0	3.9	4.0	4.1	3.9	5.4
Weighted average number of shares outstanding for basic EPS (m)	156.5 <sup>5</sup>	156.3 <sup>5</sup>	156.0 <sup>5</sup>	156.1	156.6	155.5	155.4
Basic underlying EPS (CHF)	(0.09)	(0.03)	(0.01)	(0.05)	(0.10)	0.03	0.63
Basic IFRS EPS (CHF)	(1.76)	(0.13)	(0.02)	(0.15)	(2.48)	(0.02)	(5.90)
Weighted average number of shares outstanding for diluted EPS (m)	156.5 <sup>5</sup>	156.3 <sup>5</sup>	156.0 <sup>5</sup>	162.0	161.3 <sup>5</sup>	157.0 <sup>5</sup>	156.6 <sup>5</sup>
Diluted underlying EPS (CHF)	(0.09)	(0.03)	(0.01)	(0.05)	(0.10)	0.03	0.63
Diluted IFRS EPS (CHF)	(1.76)	(0.13)	(0.02)	(0.15)	(2.48)	(0.02)	(5.90)
Dividend per share for the financial year (CHF)	-	-	-	-	-	-	-

<sup>1</sup> Including CHF 0.3 billion of money market funds as at 30 June 2020 and 31 December 2019, which GAM agreed to sell to ZKB as announced with the H1 2019 results and which were sold in Q4 2020.

<sup>2</sup> Excluding CHF 1.45 billion ARBF-related assets under management in liquidation as at 31 December 2018.

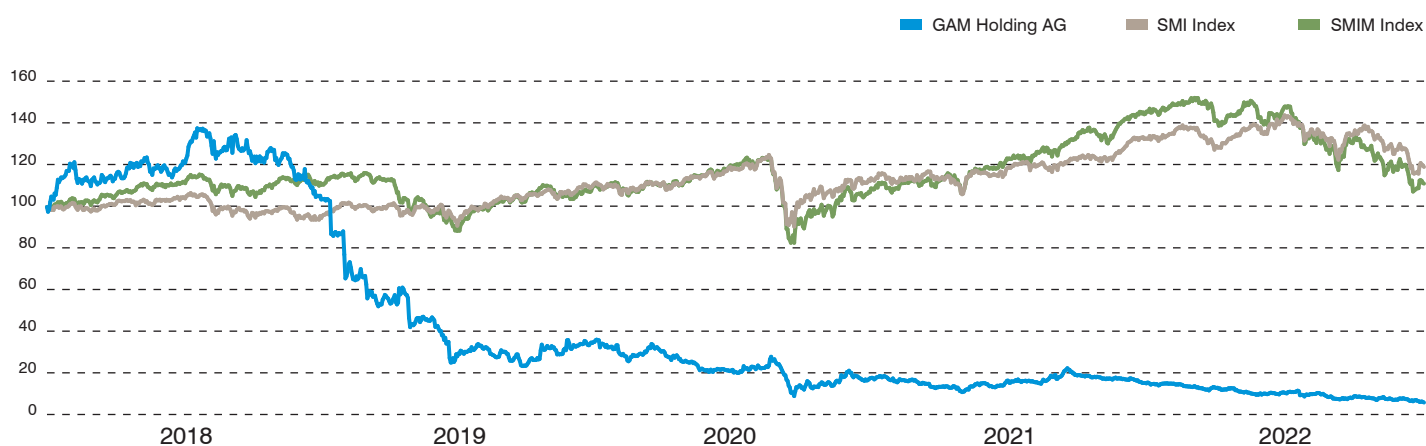
<sup>3</sup> Excluding ARBF-related assets under management in liquidation from August 2018 to June 2019.

<sup>4</sup> Including ARBF-related net inflows in H1 2018 of CHF 0.3 billion, excluding ARBF-related net flows in H2 2018 and 2019, and excluding fund assets liquidated as at 31 December 2018 and 30 December 2019.

<sup>5</sup> For periods reporting an underlying net loss or IFRS net loss, for the calculation of the diluted underlying EPS and diluted IFRS EPS respectively, the weighted average number of shares outstanding for diluted EPS equals the weighted average number of shares outstanding for basic EPS.

# SHARE INFORMATION

## Share price performance (indexed)



## Listing information

Swiss securities number	10265962
ISIN	CH0102659627
Listing	SIX Swiss Exchange

## Share information CHF

	H1 2022	H2 2021	H1 2021	Change from H2 2021 in %	Change from H1 2021 in %
Closing price at the end of the period	0.79	1.36	2.01	(42)	(61)
Highest price	1.56	2.05	2.94	(24)	(47)
Lowest price	0.77	1.25	1.97	(38)	(61)
Market capitalisation at the end of the period (CHF m) <sup>1</sup>	126	217	321	(42)	(61)

## Treasury shares

	30.06.2022	31.12.2021	30.06.2021	Change from 31.12.2021 in %	Change from 30.06.2021 in %
Shares issued	159,682,531	159,682,531	159,682,531	0	0
Treasury shares	(3,445,495)	(4,028,783)	(3,495,210)	(14)	(1)
Shares outstanding	156,237,036	155,653,748	156,187,321	0	0

<sup>1</sup> Based on shares issued.

### **‘Forward-looking statements’**

This half-year report contains statements that constitute ‘forward-looking statements’, including statements of the future financial performance of the Company, its plans and objectives and their anticipated effect on the Company’s future business and development, as well as other projections and statements that are forward-looking or contain subjective assessments, regarding the intent, belief or current expectations of the Company. The Company has tried to identify those forward-looking statements by using words such as ‘may’, ‘will’, ‘would’, ‘should’, ‘expect’, ‘intend’, ‘estimate’, ‘anticipate’, ‘project’, ‘believe’, ‘predict’ and similar expressions. Such statements are made on the basis of assumptions, estimates and expectations which, although the Company believes them to be reasonable at this time, may prove to be erroneous or unfounded in the future, as forward-looking statements are subject to risks and uncertainties that could cause the actual development, results and financial position of the Company to differ materially from the information presented herein. These risks and uncertainties facing the Company, which could affect the future accuracy of these forward-looking statements, include, but are not limited to, the effects of, and changes in, fiscal, monetary and tax policies; currency fluctuations; the effect of the current economic environment on the financial position or creditworthiness of the Company’s clients and counterparties; the Company’s ability to retain and attract the employees that are necessary to generate revenues and to manage its businesses effectively; possible political, legal and regulatory developments, including the effect of more stringent capital and liquidity requirements; changes in accounting standards or policies; limitations on the effectiveness of the Company’s internal risk management processes, including the occurrence of operational failures; political and social developments, including war, civil unrest or terrorist activity; the adverse resolution of litigation and other contingencies; and changes in the size, capabilities and effectiveness of the Company’s competitors. If one of these risks or uncertainties materialises or if underlying assumptions prove to be incorrect, actual outcomes may vary materially from those indicated in the forward-looking statements. Other than in accordance with the ad-hoc publicity rules of the SIX Swiss Exchange, the Company undertakes no obligation to release publicly any revisions or updates to any forward-looking statements herein to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events or to reflect any change in the Company’s expectations

# CONTACTS

## **GAM Holding AG**

Hardstrasse 201  
P.O. Box  
CH-8037 Zurich  
Switzerland

T +41 (0) 58 426 30 30  
gamholding@gam.com

## **Group Communications and Investor Relations**

Charles Naylor  
Head of Group Communications and Investor Relations  
T +44 (0) 207 917 22 41  
charles.naylor@gam.com

Stephen Gardner  
Group Head of Investor Relations  
T +44 (0) 7790 778 544  
stephen.gardner@gam.com

Ute Dehn  
Senior Communications Manager  
T +41 (0) 58 426 31 36  
ute.dehn@gam.com

## **Further information**

Our website provides further information on GAM Holding AG, including share price data, details of our share buy-back programmes, media releases, historical financial information and an events calendar.

[www.gam.com](http://www.gam.com)



