



Independent, global provider of fund and corporate administration services

Interim Results Presentation
August 2015



Key highlights – H1 2015

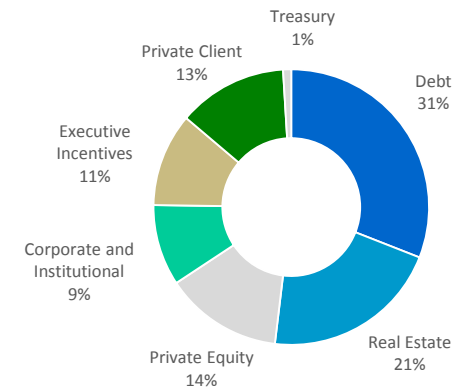
- **Successful IPO on the London Stock Exchange in April 2015**
- **Positive momentum in the business since IPO and strong pipeline of new business**
 - New business secured of approximately £7.8 million on an annualised basis (2014: £4.2 million)
- **Group revenue up 26.0% to £21.1 million (2014: £16.7 million)**
- **Adjusted operating profit before exceptionals up 32.5% to £7.1 million (2014: £5.4 million)**
- **Adjusted EBITDA up 27.5% to £8.3 million (2014: £6.5 million)**
 - Adjusted EBITDA margin of 39.3% (2014: 38.8%)
- **Net debt of £8.6m as of 30 June 2015**
- **Interim dividend of 1.4p per share**

Group overview

Specialist provider of outsourced corporate and fund administration, reporting and fiduciary services

Business line	Client profile	Services delivered
Debt	<ul style="list-style-type: none"> Global financial institutions and private debt funds 	<ul style="list-style-type: none"> Fund and corporate administration Accounting and reporting services
Real Estate	<ul style="list-style-type: none"> Real estate management, sovereign wealth funds, pension funds and institutions 	<ul style="list-style-type: none"> Loan agency and servicing Compliance monitoring
Private Equity	<ul style="list-style-type: none"> Private equity houses, institutions and family offices 	<ul style="list-style-type: none"> Transaction management SPV administration
Corporate and Institutional	<ul style="list-style-type: none"> International corporates, institutions, entrepreneurial groups and asset managers 	<ul style="list-style-type: none"> Company Secretary / governance support Regulatory reporting services
Executive Incentives	<ul style="list-style-type: none"> Internationally listed companies, private companies and fund managers 	<ul style="list-style-type: none"> Listing services (CISE)
Private Client	<ul style="list-style-type: none"> Ultra high net worth individuals and family offices 	<ul style="list-style-type: none"> Director and trustee services Portfolio reporting
Treasury	<ul style="list-style-type: none"> Sanne clients holding significant cash balances 	<ul style="list-style-type: none"> Philanthropy services Cash and FX management

FY15 H1 revenue by division

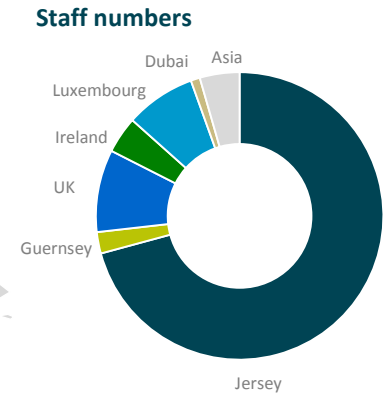
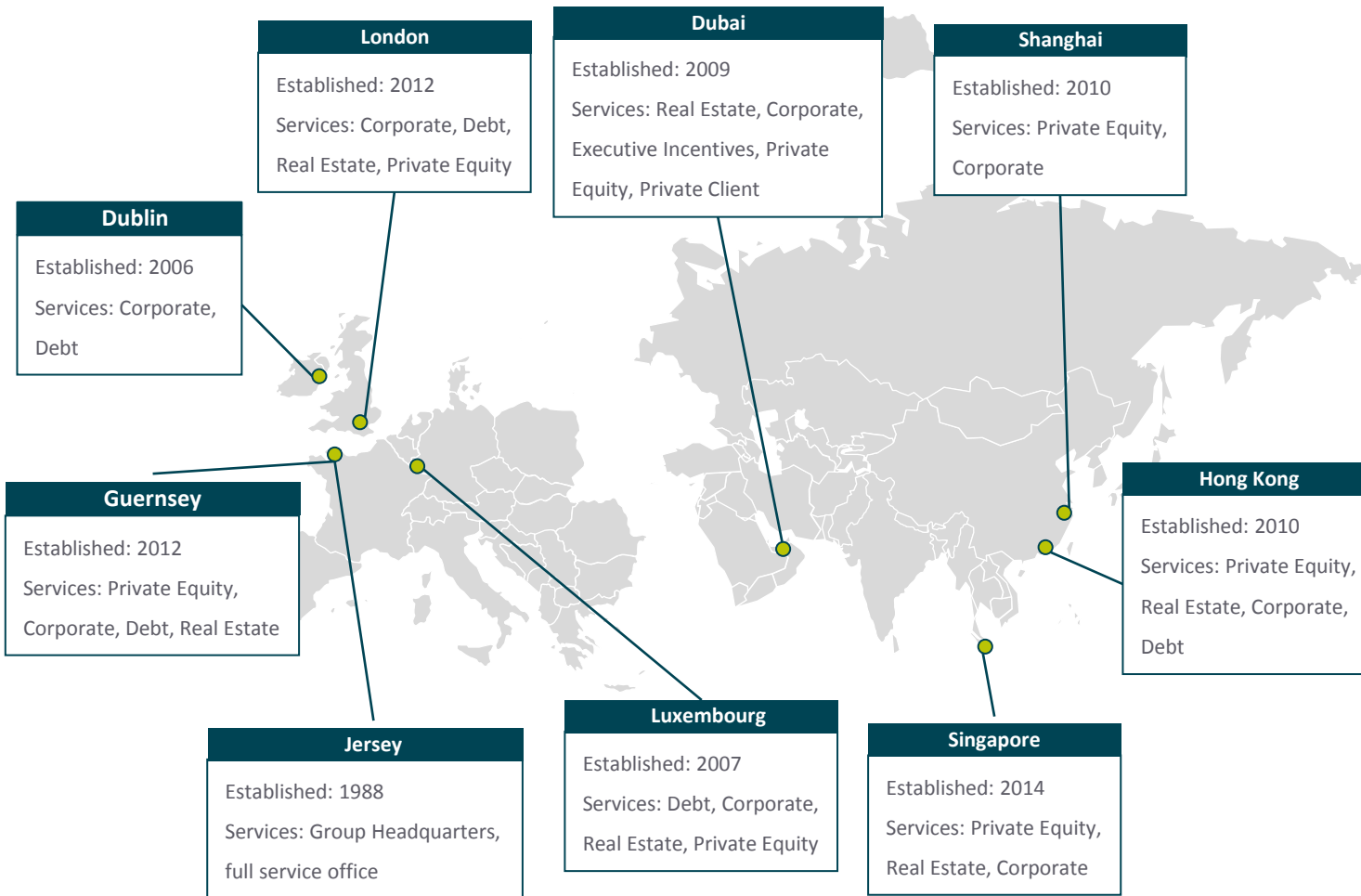


>650 clients

>2,500 structures

Our international footprint

Presence in major financial centres with Jersey as Group headquarters



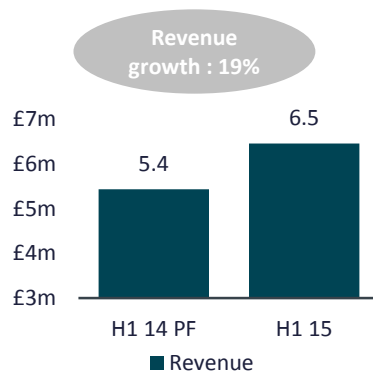
291 staff
9 jurisdictions

Operational review

Debt

Revenue of £6.5 million (H1 2014: £5.4 million)
Gross profit of £4.3 million

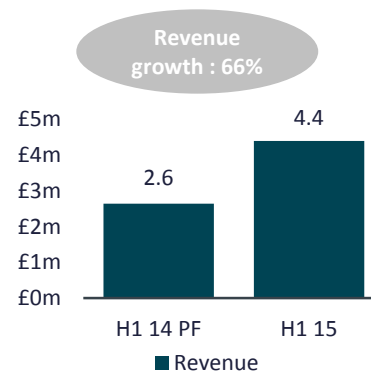
- Maintained strong market position
- Focus on non-bank lenders
- Operational capabilities increased in London and Dublin
- Development of loan agency service line



Real Estate

Revenue of £4.4 million (H1 2014: £2.6 million)
Gross profit of £2.7 million

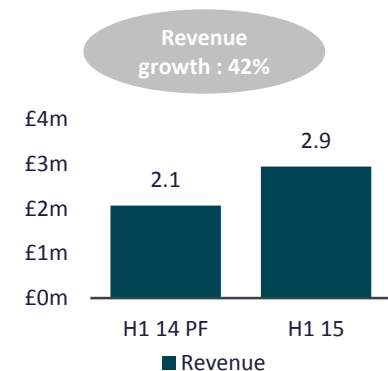
- UK real estate market continues to attract significant investment
- Increased trend towards outsourcing of non-core roles
- eFront funds platform implemented in business division



Private Equity

Revenue of £2.9 million (H1 2014: £2.1 million)
Gross profit of £1.7 million

- A number of large mandates secured in H1
- Supported by a growth in private equity fund raising
- Investment in platform in Asia and Luxembourg

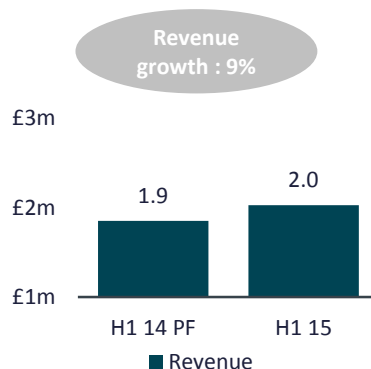


Operational review (continued)

Corporate and Institutional

Revenue of £2.0 million (H1 2014: £1.9 million)
Gross profit of £1.2 million

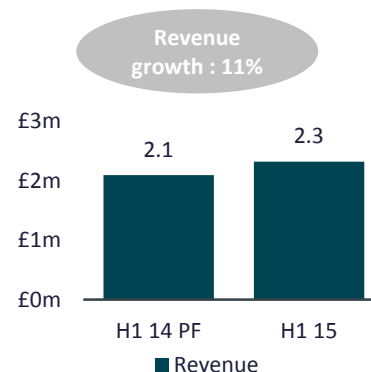
- Continued focus on developing product suite to sell across all divisions
- Development of regulatory reporting services (FATCA, AIFMD Annex IV)
- Investment in depository service proposition



Executive Incentives

Revenue of £2.3 million (H1 2014: £2.1 million)
Gross profit of £1.7 million

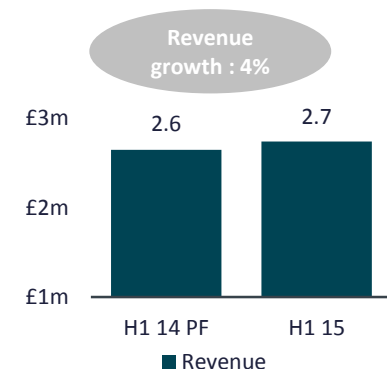
- Continued focus on specialist trusteeship
- Increased share of UK listed market
- Initiatives underway to identify cross selling opportunities across Group's client base



Private Client

Revenue of £2.7 million (H1 2014: £2.6 million)
Gross profit of £1.8 million

- Significant client wins around outsourced family office services
- Development of UHNW private client base



Operational review (continued)

Treasury

Revenue of £0.2 million

- Treasury management and payments platform implemented in 2014
- Works with business divisions to deliver treasury management and FX services to client structures
- Being rolled out across the Group's banking relationships

Group

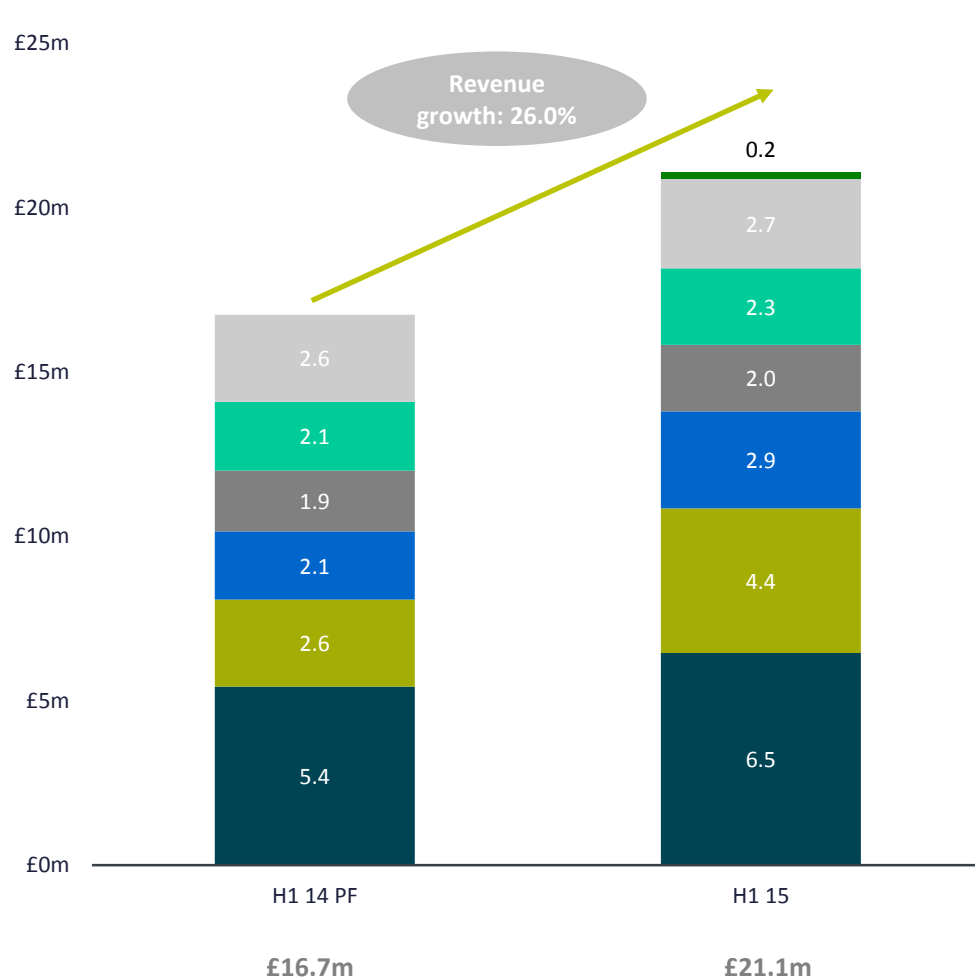
- Continued investment in Group capabilities to support business growth while maintaining strong control of central overhead to deliver margin improvement
- Key hires in control functions such as risk and compliance
- New premises in London to support expansion
- Assessment of acquisition opportunities which support growth objectives
- Evaluation of service centres to deliver operational leverage and offer new jurisdictional opportunities

Group income statement

£'m	H1 2015	H1 2014	% change
Revenue	21.1	16.7	26.0%
Gross profit	13.5	10.8	24.8%
Margin	63.8%	64.4%	
Adjusted EBITDA	8.3	6.5	27.5%
Margin	39.3%	38.8%	
Adjusted operating profit	7.1	5.4	32.5%
Exceptional items	(8.8)	(0.2)	
Operating (loss) / profit	(1.7)	5.2	n/a
Interest costs and other gains/losses ¹	(3.3)	(1.2)	
(Loss) / profit before tax	(5.0)	4.0	n/a
Tax	(0.2)	(0.5)	
(Loss) / profit after tax	(5.2)	3.5	n/a
Adjusted PAT	6.0	3.7	61.9%
Adjusted EPS	5.3	3.7	43.2%
Interim dividend per share	1.4p	n/a	n/a

- Strong organic revenue growth of 21%
- Remaining growth as a result of full year impact of Ariel acquisition
- New business secured of approximately £7.8 million on an annualised basis (2014: £4.2 million)
- Exceptional items comprise IPO expenses and IPO-related loan restructuring costs
- One off tax benefits from IPO listing costs
- Progressive dividend policy; ⅓:⅔ split
 - Interim dividend payment pro-rated for first three months since IPO

Divisional revenue analysis



£'m	Revenue		% change
	2015	2014PF*	
Debt	6.5	5.4	18.8%
Real Estate	4.4	2.6	66.4%
Private Equity	2.9	2.1	42.3%
Corporate & Institutional	2.0	1.9	9.5%
Executive Incentives	2.3	2.1	10.7%
Private Client	2.7	2.6	3.5%
Treasury	0.2	n/a	n/a
	21.1	16.7	26.0%**

* H1 14 PF figures derived from 2014 half year financials adjusted for integration of Delorean and Ariel transactions

** Organic growth at 21%. Remaining growth as a result of full year impact of Ariel acquisition

Group balance sheet and working capital

£'m	30 Jun 15	30 Jun 14	31 Dec 14
Intangible assets	8.5	10.2	9.4
Plant and equipment	1.9	1.4	1.8
Total non-current assets	10.3	11.6	11.2
Trade receivables	12.9	3.8	5.1
Other receivables	1.0	0.7	0.8
Cash	12.2	11.6	12.6
Accrued Income	3.0	8.0	8.4
Total current assets	29.1	24.2	27.0
Preference shares	0.0	(17.9)	(18.9)
Borrowings	(17.7)	(42.4)	(42.6)
Total non-current liabilities	(17.7)	(60.4)	(61.6)
Trade and other payables	(2.7)	(4.4)	(2.7)
Current tax liabilities	(1.8)	(1.4)	(1.6)
Deferred revenue	(4.5)	(1.8)	(1.7)
Total current liabilities	(9.0)	(7.6)	(6.0)
Net assets	12.7	(32.2)	(29.4)
Working capital	11.4	10.0	11.8
Annualised half year revenue	42.2	33.5	37.7
	27%	30%	31%
Net debt	8.6	34.8	33.6

- Strong control of working capital
- Working capital has reduced to 27% of annualised half year revenues
- Shift between trade debtors and accrued income a result of the date on which quarter end bills are raised
- Post-IPO capital structure and strong cash generation resulted in significant reduction in net debt

Group cash flow statement

£'m	H1 2015	H1 2014
Operating profit / (loss)	(1.7)	5.2
Depreciation	0.4	0.3
Amortisation	0.8	0.7
Share-based payment expense	1.8	0.1
Operating cash flows before working capital	1.3	6.3
Adjusted EBITDA / operating cash conversion	<i>131.6%</i>	<i>103.2%</i>
Net movement in working capital	0.8	0.1
Cash generated by operations	2.1	6.4
Income taxes paid	(0.0)	(0.1)
Net cash from operations	2.1	6.3
Interest received	0.0	0.0
Purchases of plant and equipment	(0.5)	(0.6)
Acquisition of subsidiaries	-	(1.7)
Net cash used in investing activities	(0.4)	(2.3)
Net cash used in financing activities	(1.7)	(1.3)
Cash and bank balances at beginning of the year	12.6	9.2
Net increase in cash and cash equivalents	(0.1)	2.6
Effect of FX	(0.4)	(0.2)
Cash and bank balances at the end of the period	12.2	11.6

Market context and key segments

Fragmented industry with few dominant players

	ALTERNATIVE (Debt, RE, PE)	CORPORATE	PRIVATE CLIENTS	HEDGE FUNDS	TRADITIONAL FUNDS (mutual funds/life funds)
Description	<ul style="list-style-type: none"> • Fund and corporate administration • Accounting and reporting services • Loan agency and servicing • Compliance monitoring • Transaction management 	<ul style="list-style-type: none"> • SPV administration • Company secretary / governance support • Regulatory services • Carried interest vehicles • Listing services (CISE) • Treasury management 	<ul style="list-style-type: none"> • Accounting and administration • Fiduciary services • Asset administration • Portfolio reporting • Philanthropy services 	<ul style="list-style-type: none"> • Valuation • Performance reporting • Investor reporting • Corporate, regulatory and compliance services 	<ul style="list-style-type: none"> • Establishment of fund structures • Fund accounting, calculation of fund performance and investor and regulatory reporting • Share holder dealing and registration
Industry structure	Fragmented	Fragmented	Fragmented	Consolidating	Highly consolidated
Competition					
Sanne's current focus					

Macro-economic and regulatory trends driving growth

Demand for international structures

- International structures continue to play key role in facilitating capital and investment flows

Growing regulatory influence and differentiation

- Increasing legislation creating further revenue opportunities for administrators
- International centres responding differently to onshore demands (i.e. transparency with larger more established centres compelled to respond to protect reputations)

Independence and substance requirements


- Greater demand for services provided by administrators, demonstrating 3rd party checks and local substance

Increasing transparency requirements

- Political pressure driven by fiscal challenges promoting greater cooperation and data sharing between territories

Increasing importance of alternative investments

- Alternative strategies and assets playing an increasingly important role in investment portfolios, driven by a desire for returns uncorrelated with equities and alternative risk premia.¹

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- ✓ Growth in overall market size
 - ✓ Increased levels of outsourcing
 - ✓ More services required by clients

Delivering growth – a compelling strategy

Platform in place to continue to deliver organic and acquisition growth

Market share development

- Increase share of wallet from existing clients
- Cross-selling across divisions and geographies
- New client wins through direct referrals, intermediary referrals, and direct strategic targeting

Expansion of core asset-led offering

- Building out presence in existing asset classes
- Targeted entry of asset classes
- Economies of scale achievable given increasing regulation and complexity

Expansion of global network and platform

- Build presence in key jurisdictions / emerging markets
- Support corporates across multiple jurisdictions

Expansion of services provided

- Expansion of existing suite of services available to clients
- 'One stop shop' solution for alternative asset managers

Inorganic strategy

- Strong track record in integrating, professionalising and improving acquired businesses
- Strategic acquisitions to build operational scale in key markets (asset class or geography)
- Significant opportunity to consolidate earnings accretive competitors

Geographic focus

Sanne's strategic focus is on building scale in established and emerging markets

	UK & CHANNEL ISLANDS	BENELUX / EUROPE	ASIA & MIDDLE EAST	US / CARIBBEAN	AFRICA
Market summary	<ul style="list-style-type: none"> Established and well regulated Well developed outsource market Strong links to London 	<ul style="list-style-type: none"> Largest fund and corporate services jurisdiction in Europe Attractive onshore EU location Favourable interpretation of new regulations e.g. AIFMD 	<ul style="list-style-type: none"> High growth market with established financial centres Strong skills base Embryonic administration market 	<ul style="list-style-type: none"> World's largest economy Key originator for structures investing globally Caribbean has strong links with US and Asia markets 	<ul style="list-style-type: none"> Maturing economy Developing administration sector Strong links to Europe due to cultural alignment and time zone
Market growth					
Existing Sanne offices	Jersey Guernsey London	Luxembourg Dublin	Hong Kong Shanghai Singapore Dubai		
Future focus		Amsterdam Frankfurt	Japan	New York Cayman	Cape Town
Comment	<ul style="list-style-type: none"> Continue to build out operations in UK and Guernsey to deepen outsource relationships and service proposition across all core asset classes 	<ul style="list-style-type: none"> Expand Luxembourg base to build market capability in continental Europe 	<ul style="list-style-type: none"> Focus on building out operational centres to deliver scale-able operating platform on the ground to service Asia growth 	<ul style="list-style-type: none"> Undertaking exploratory work in US and Caribbean to identify suitable acquisition targets 	<ul style="list-style-type: none"> Analysis underway to scope establishment of operational presence Dual track with evaluation of acquisition opportunities

Summary and outlook

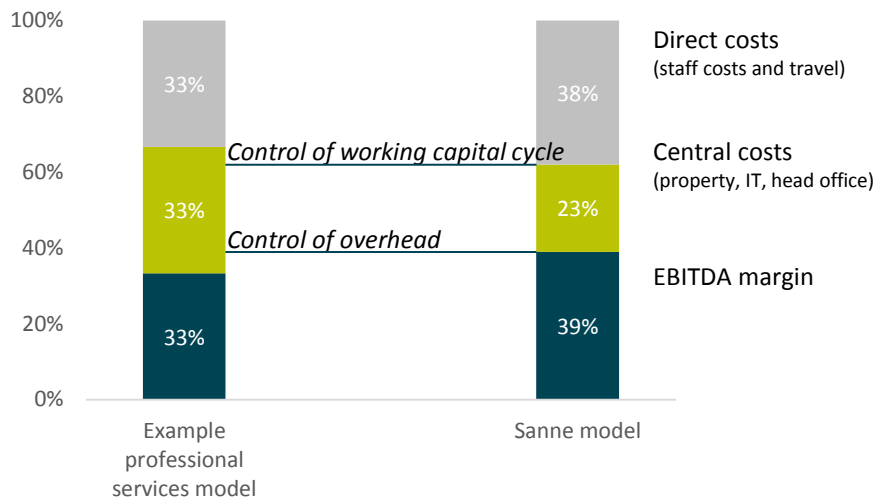
- **Board remains confident about the outlook for the remainder of the year**
- **Business lines continue to focus on driving through successful business development strategies**
- **Continued focus on control of overhead and working capital cycle**
- **Sanne will evaluate and pursue acquisition opportunities that support the core strategy:**
 - Market share development
 - Expansion of asset-led offering
 - Jurisdictional expansion
 - Operational leverage

Appendices

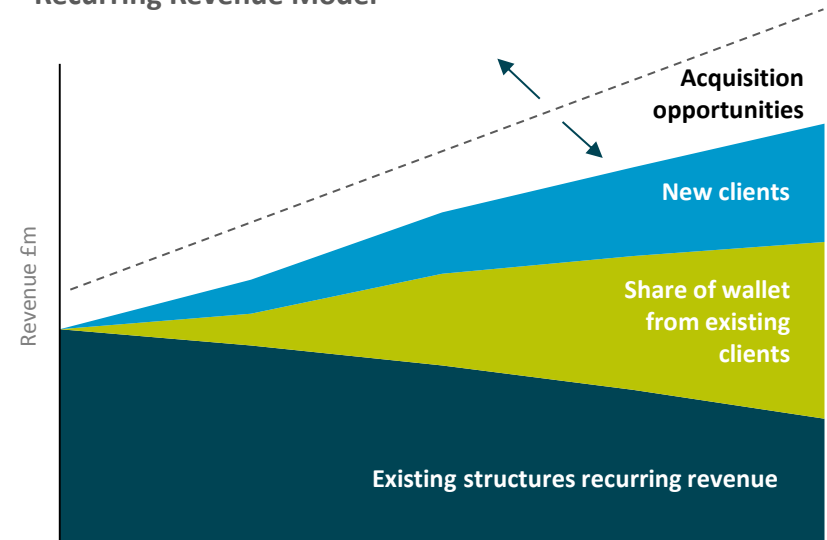
Sanne's business model

Strong understanding and control of performance drivers

Simple Cost Model



Recurring Revenue Model



- Control of working capital cycle and control of central overhead drives margin performance

- Majority of revenue is derived from multi-year structures
- Strong revenue growth driven by share of wallet gains supplemented by new client relationships

SANNE
