

# FT PARTNERS FINTECH INDUSTRY RESEARCH

December 5, 2016

SANNE

**SANNE has Agreed to Acquire IFS**

for

**\$127 million**



## Overview of FT Partners

- Financial Technology Partners ("FT Partners") was founded in 2001 and is the only investment banking firm focused exclusively on FinTech
- FT Partners regularly publishes research highlighting the most important transactions, trends and insights impacting the global Financial Technology landscape. Our unique insight into FinTech is a direct result of executing hundreds of transactions in the sector combined with over 15 years of exclusive focus on Financial Technology

### FT Partners' Advisory Capabilities



### FT Partners' FinTech Industry Research

**FINTECH RESEARCH & INSIGHTS**

- In-Depth Industry Research Reports
- Proprietary FinTech Infographics
- Monthly FinTech Market Analysis
- FinTech M&A / Financing Transaction Profiles



**The Information**

Named Silicon Valley's #1 FinTech Banker (2016) and ranked #2 Overall by *The Information*



Ranked #4 Most Influential Person in all of FinTech in *Institution Investor's* "FinTech Finance 35"



Numerous Awards for Transaction Excellence including "Deal of the Decade"

Steve McLaughlin: *Founder & CEO*

Tel: 415.992.8880

[steve.mclaughlin@ftpartners.com](mailto:steve.mclaughlin@ftpartners.com)

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# SANNE has Agreed to Acquire IFS for \$127.3 mm

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## Transaction Summary

### Transaction Summary

- **On November 30, 2016, SANNE announced that it has agreed to acquire International Financial Services (IFS) for approximately \$127.3 mm (£101.9 mm) <sup>(1)</sup>**
  - This acquisition will provide SANNE with a platform to significantly expand its exposure to the emerging markets and to support clients with their emerging markets structuring requirements
  - The transaction is subject to regulatory approval and is expected to close by the first quarter in 2017
- **The total consideration of approximately \$127.3 mm will be satisfied through...**
  - A payment of approximately \$91.1 mm in cash, financed through the net proceeds of a capital raise
  - An issue of approximately 5.8 million Consideration Shares, which represents about 4.1% of the transaction amount
- **This acquisition will provide SANNE with several synergies, including...**
  - High quality business, increased market share and jurisdictional development
  - A platform to expand its emerging market business
  - Operational leverage
  - A material improvement in earnings for investors
- **SANNE's and IFS' management teams will work together to integrate IFS' employees, clients and systems into SANNE's existing operating model**
  - The IFS Group will operate a standalone division as SANNE's new emerging markets-focused platform

### Transaction Commentary

*"This acquisition enables SANNE to further realize its ambition of building a leading, global business. The IFS Group is highly profitable, with a service offering and client base extremely complementary to SANNE's. Mauritius is one of the leading international financial centers for foreign investment into Africa and India and this transaction provides us with a significant platform to both support clients in these attractive regions and grow our emerging markets presence. I am delighted to welcome the IFS Group team to SANNE and we are excited about the opportunities to come."*

SANNE

Dean Godwin  
CEO



*"We are extremely proud of the business that we have established over the past 20 years and, whilst Sanne is a large organization with global reach, they share many similarities with our business, in particular the value they place on client service. We look forward to being an integral part of the next phase of growth."*



Couldiplall Lala  
Founder Director



# SANNE has Agreed to Acquire IFS for \$127.3 mm

FT PARTNERS RESEARCH

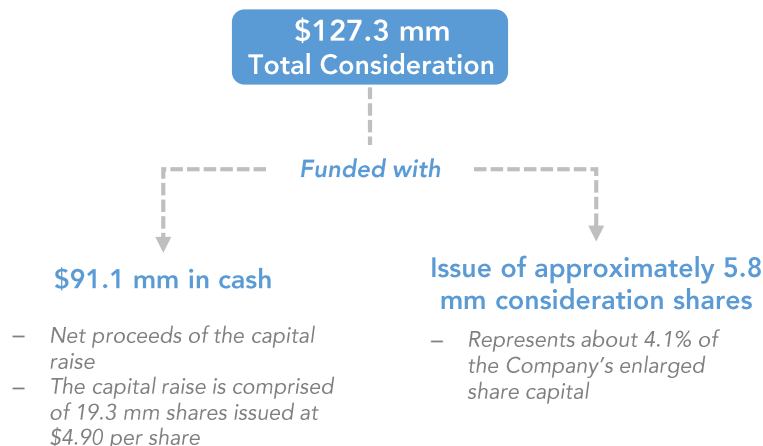


## Transaction Summary (Cont.)

### Pro-Forma Highlights

- The following highlights show the pro-forma position of the combined entity as of December 31, 2015, as if the acquisition (and associated capital raise) occurred on January 1, 2015 <sup>(1)</sup>
  - \$80,044 mm in revenue
  - \$14,529 mm in total comprehensive income
  - \$213,739 mm in total assets
- After the acquisition, SANNE will...
  - Engage more than 950 staff on a global basis
  - Administer \$200+ bn assets
  - Have global coverage in the Americas, Europe, Africa and Asia-Pacific

### Transaction Structure



### Transaction Rationale

- **High quality business, increased market share and jurisdictional development**
  - IFS is very profitable, with an operating profit margin of 65% and an operating cash conversion of 100%
  - Large revenue base across funds and corporate structures that enables investment into India and Africa
  - Majority of the client base is institutional
  - Complementary service offerings
- **Build out the emerging markets business**
  - Develop a long-term platform to capture the Asian and other emerging markets
  - Mauritius represents a key location for funds investing into India and Africa
  - Invest further in business development to generate growth in IFS' core markets
- **Operational leverage**
  - IFS' platform provides a gateway for SANNE's existing clients into Asia and other emerging markets
  - Majority of IFS' employees are professional qualified or in the process of becoming qualified
  - Leverage IFS' employees to service existing clients at lower costs
- **Material improvement in earnings**
  - The Board expects this acquisition to materially improve earnings in 2017 and thereafter
  - ROI is expected to exceed pre-tax cost of capital

Source: Company press release, SANNE Prospectus

(1) These highlights are meant for illustrative purposes only and do not represent the Company's actual financial position or results

# SANNE has Agreed to Acquire IFS for \$127.3 mm



## IFS Overview

### Company Overview



\$87 bn  
AUA

20+  
Years of  
operation

1000+  
Global entities

**CEO:** Ramakrishna Sithanen  
**Headquarters:** Mauritius  
**Founded:** 1993

- International Financial Services (IFS) specializes in structuring, setting up and administering special purpose vehicles, investment funds, trusts, partnerships and foundations
- The Company provides tax-compliant and cost-efficient solutions that protect investors and improve capital efficiency
- IFS serves various clients such as mutual funds, private equity funds, hedge funds, venture capital funds, investment management firms and trading firms

### Management

140+  
Funds



**Ramakrishna Sithanen**  
Chairman,  
Director



**Couldip Basanta Lala**  
Founder Director



**Dev Joory**  
Founder Director



**Divya Basanta Lala**  
Director - Finance

180+  
Professionals

### Business Overview

#### Products offered by IFS



Global Business  
Company Category 1



Global Business  
Company Category 2



Fund



Foundation



Protected Cell  
Company



Trust



Limited  
Partnership



Limited Life  
Company



Domestic  
Company

#### Services provided by IFS



Advisory



Funds



Corporate



High Net Worth  
Individuals



Outsourcing

# SANNE has Agreed to Acquire IFS for \$127.3 mm

## SANNE Overview



### Company Overview



CEO:	Dean Godwin
Headquarters:	Jersey, UK
Founded:	1988

### Financial Metrics <sup>(1)</sup>

Ticker:	LSE:SNN
Market Cap:	\$788.9 mm <sup>(2)</sup>
LTM Revenue:	\$69.4 mm
LTM EBITDA:	\$38.6 mm
LTM Adj. NI:	\$18.4 mm

- SANNE provides global outsourced corporate and fund administration, reporting and fiduciary services
- The Company specializes in sectors such as Debt, Real Estate, Private Equity, Hedge, Institutional, Executive Incentives and Private Clients
- SANNE has global coverage, with thirteen offices around the world in Belgrade, Dubai, Dublin, Guernsey, Hong Kong, Jersey, London, Luxembourg, Malta, New York, Shanghai, Singapore and South Africa

### Stock Performance



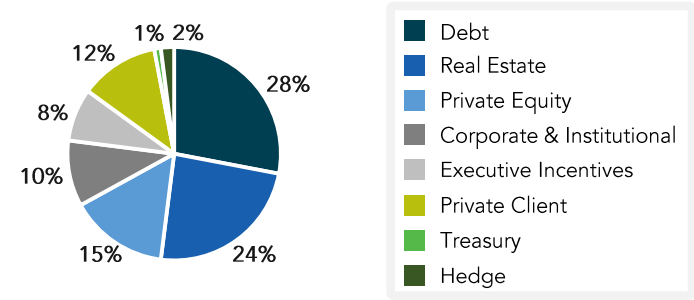
### SANNE's Global Footprint



### Strategy and Key Objectives

- SANNE intends on focusing on its core strategies to deliver growth
  - Market share development
  - Expansion of core asset-led offering
  - Expansion of global network and platform coverage
  - Increase the services provided
  - Evaluating opportunities for growth through acquisitions

### H1 2016 Revenues by Division



Source: Company press release, Company website, CapIQ, PitchBook

(1) As of June 30, 2016  
(2) As of December 2, 2016

# SANNE has Agreed to Acquire IFS for \$127.3 mm

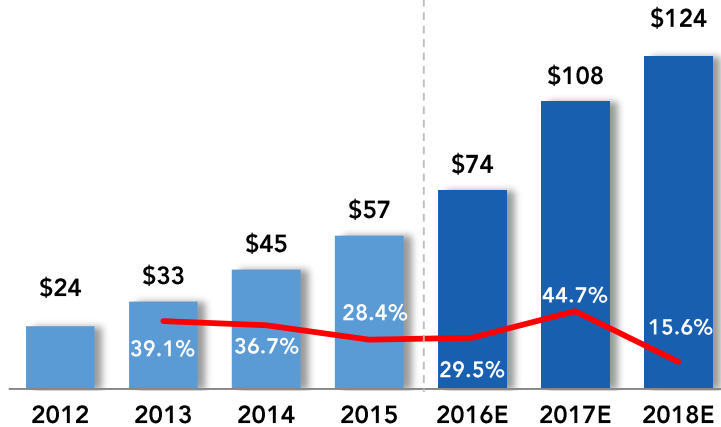
FT PARTNERS RESEARCH

## SANNE Financial Overview



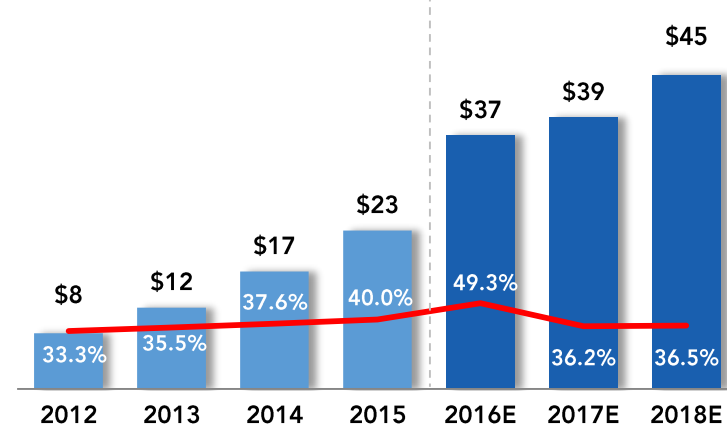
### Revenue / % Growth

(\$ in mm)



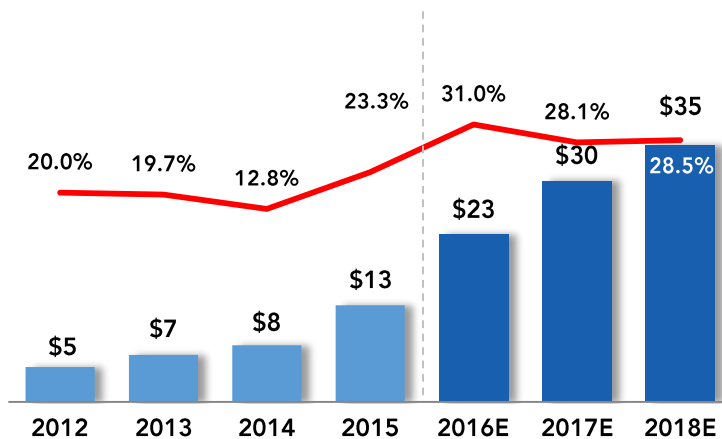
### EBITDA / % Margin

(\$ in mm)

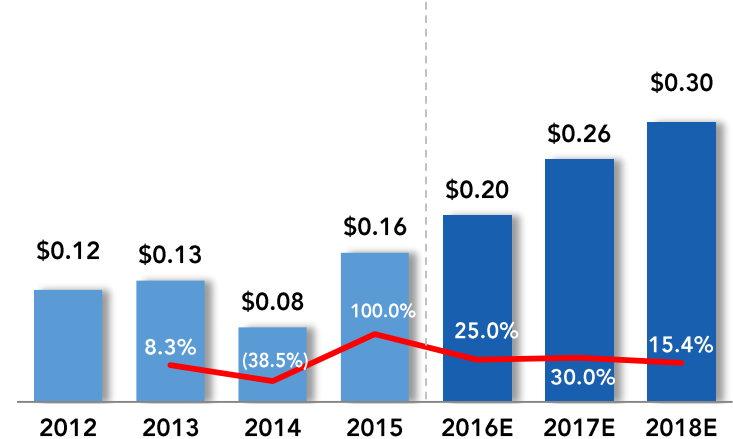


### Adjusted Net Income / % Margin

(\$ in mm)



### Diluted EPS / % Growth





## Selected FT Partners' Research – *Click to View*



Research Report: Innovations in Capital Markets Technology



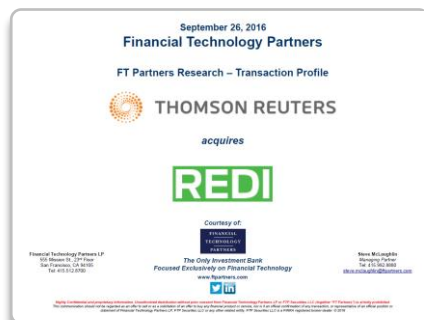
Riskalyze's \$20 mm growth financing



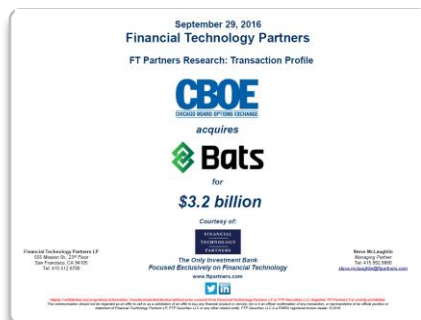
Axial's \$14 mm growth financing



AlphaSense's \$33 mm growth financing



Thomson Reuters Acquires REDI



CBOE Acquires Bats for \$3.2 bn



Morningstar Acquires Pitchbook for \$225 mm



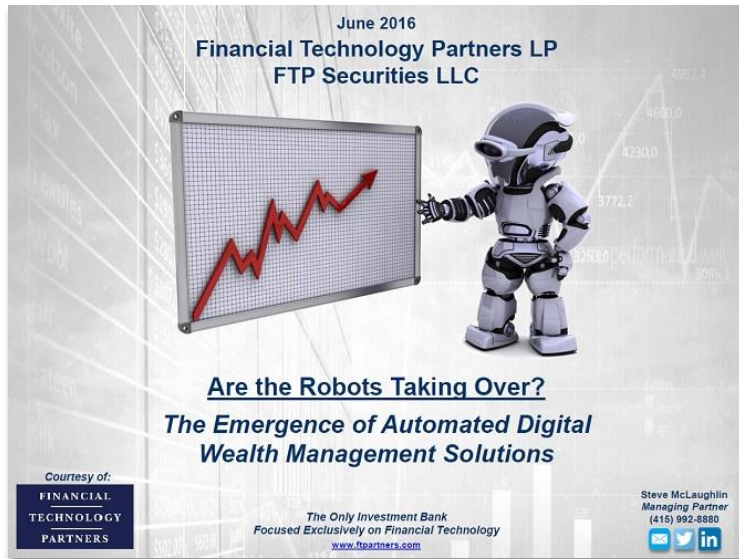
TD Ameritrade Acquires Scottrade for \$4 bn

[VIEW MORE FT PARTNERS RESEARCH](#)



## Selected FT Partners' Research – Digital Wealth Management

### *Are the Robots Taking Over? The Emergence of Automated Digital Wealth Management Solutions*



[Click to View](#)

FT Partners' 140-page report provides a comprehensive overview of key industry trends driving innovation in the wealth management space and how the industry is reacting to the emergence of Robo Advisors and other Digital Wealth Management disruptors.

*Additional highlights of the report include:*

- A discussion of the different Automated Digital Wealth Management platforms and business models
- The responses of incumbents in the wealth management space, including the innovations, partnerships and acquisitions being made to stay ahead of the game
- Interviews with eight CEOs of leading Digital Wealth pioneers including Betterment, Link Pacific Advisors, MyVest, NextCapital, Nutmeg, Riskalyze, SigFig and Vanare
- A detailed industry landscape of Digital Wealth Management providers as well as other innovative, tangential companies, profiles of 28 companies and a comprehensive list of private equity financing and M&A transactions in the space

# FT Partners – Focused Exclusively on FinTech

FT PARTNERS RESEARCH

## Selected Transactions – Superior Industry Knowledge and Execution History

### Wealth Management

Financial Technology Partners LP  
FTP Securities LLC  
*is pleased to announce its exclusive role as  
Capital Markets & IPO Advisor to*

**ENVESTNET**  
*in its*

**\$69,000,000**  
**Initial Public Offering**  
*valuing the equity at approximately*

**\$ 300,000,000**

FINANCIAL  
TECHNOLOGY  
PARTNERS

The Only Investment Bank  
Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC  
*is pleased to announce its exclusive role as  
sole strategic and financial advisor to*

**PENSCO**  
TRUST COMPANY  
*in its sale to*

**OpusBank**  
BUILD YOUR MASTERPIECE®  
*for total consideration of*

**\$ 104,000,000**

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Financial Technology Partners LP  
FTP Securities LLC  
*is pleased to announce its  
exclusive role as advisor to*

**BLACKROCK**  
*in its 100% acquisition of*

**FutureAdvisor**

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### Data / Analytics

Financial Technology Partners LP  
FTP Securities LLC  
*is pleased to announce its exclusive role as  
sole strategic and financial advisor to*

**Zephyr**  
ASSOCIATES, INC.  
*in its sale to*

**informa**  
*for total cash consideration of*

**\$ 62,000,000**

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Financial Technology Partners LP  
FTP Securities LLC  
*is pleased to announce its exclusive role as  
sole strategic and financial advisor to*

**ShareholderInSite**  
*in its sale to*

**IPREO**

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TECHNOLOGY  
PARTNERS

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Financial Technology Partners LP  
FTP Securities LLC  
*is pleased to announce its exclusive role as  
sole strategic and financial advisor to*

**alphasense**  
*in its financing from*

**SOROS**  
Soros Fund Management

**Triangle Peak** **TVP**  
TRIBECA VENTURE PARTNERS

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### High Frequency Trading

Financial Technology Partners LP  
FTP Securities LLC  
*is pleased to announce its exclusive role as  
sole strategic and financial advisor to*

**ATD**  
Automated Trading Desk, LLC  
*in its sale to*

**citi**  
*for cash and stock consideration of  
approximately*

**\$ 680,000,000**

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Financial Technology Partners LP  
FTP Securities LLC  
*is pleased to announce its exclusive role as  
sole strategic and financial advisor to*

**QUANTHOUSE**  
CAPITAL PARTNERS  
*in its growth financing with*

**ViewPoint.**  
Capital Partners

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PARTNERS

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Financial Technology Partners LP  
FTP Securities LLC  
*is pleased to announce its exclusive role as  
sole strategic and financial advisor to*

**WOMBAT**  
FINANCIAL SOFTWARE  
*in its sale to*

**NYSE Euronext.**  
*for total consideration of approximately*

**\$ 225,000,000**

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TECHNOLOGY  
PARTNERS

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Focused Exclusively on Financial Technology

## Selected Transactions – Superior Industry Knowledge and Execution History

### Trading Technology

Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its exclusive role as  
sole strategic and financial advisor to



in the acquisition of



for cash consideration of approximately

**\$ 230,000,000**



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Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its exclusive role as  
sole strategic and financial advisor to



in its minority capital raise with



The Only Investment Bank  
Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its exclusive role as  
sole strategic and financial advisor to



in its minority recapitalization for

**\$ 110,000,000**



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### Trading Venues

Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its exclusive role as  
sole strategic and financial advisor to



in its financing for approximately

**\$ 250,000,000**

valued at approximately

**\$ 1,800,000,000**



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Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its exclusive role as  
sole strategic and financial advisor to



in its sale of a minority stake to



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Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its exclusive role as  
sole strategic and financial advisor to



in the sale of its stake in  
CHI-X EUROPE  
to



for total consideration of approximately

**\$ 305,000,000**



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### Other Capital Markets Technology

Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its exclusive role as  
sole strategic and financial advisor to



in its sale to



for total consideration of approximately

**\$ 56,000,000**



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Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its exclusive role as  
sole strategic and financial advisor to



in its sale to



A Division of Standard & Poor's

for total consideration of approximately

**\$ 300,000,000**



The Only Investment Bank  
Focused Exclusively on Financial Technology

Financial Technology Partners LP  
FTP Securities LLC

is pleased to announce its exclusive role as  
sole strategic and financial advisor to



in its sale to



The Only Investment Bank  
Focused Exclusively on Financial Technology

## Award-Winning Investment Banking Franchise Focused on Superior Client Results

**FT Partners has been recognized as Investment Banking Firm of the Year and regularly achieves Merger and Financing Deal of the Year recognition**



M&A Advisor Awards



Middle Market Financing Awards

2016	<ul style="list-style-type: none"> <li><b>Investment Banking Firm of the Year</b></li> <li><b>Cross Border Deal of the Year</b></li> </ul>
2015	<ul style="list-style-type: none"> <li><b>Dealmaker of the Year</b></li> <li><b>Technology Deal of the Year</b></li> </ul>
2014	<ul style="list-style-type: none"> <li><b>Equity Financing Deal of the Year</b></li> <li><b>Professional Services Deal of the Year, Above \$100mm</b></li> </ul>
2012	<ul style="list-style-type: none"> <li><b>Dealmaker of the Year</b></li> <li><b>Professional Services Deal of the Year, Above \$100mm</b></li> </ul>
2011	<ul style="list-style-type: none"> <li><b>Boutique Investment Bank of the Year</b></li> <li><b>Deal of the Decade</b></li> <li><i>10 Deal of the Year Nominations Across 9 Categories</i></li> </ul>
2010	<ul style="list-style-type: none"> <li><b>Upper Middle Market Deal of the Year, Above \$500 mm</b></li> <li><b>IT Services Deal of the Year, Below \$500mm</b></li> <li><b>Cross-Border Deal of the Year, Below \$500mm</b></li> </ul>
2007	<ul style="list-style-type: none"> <li><b>Dealmaker of the Year – Steve McLaughlin</b></li> <li><b>Business to Business Services Deal of the Year</b></li> <li><b>Computer and Information Technology Deal of the Year, Above \$100mm</b></li> <li><b>Financial Services Deal of the Year, Above \$100mm</b></li> </ul>
2015	<ul style="list-style-type: none"> <li>Steve McLaughlin ranked #4 in Institutional Investor's FinTech 35 List</li> </ul>
2006 - 2008	<ul style="list-style-type: none"> <li>Consecutively ranked (2006, 2007 and 2008) among the top Bankers in Financial Technology</li> </ul>
2008	<ul style="list-style-type: none"> <li><b>Equity Financing Dealmaker of the Year – Steve McLaughlin</b></li> <li><b>Information Technology Deal of the Year</b></li> <li><b>Financial Services Deal of the Year</b></li> </ul>
2006	<ul style="list-style-type: none"> <li><b>Financing Professional of the Year – Steve McLaughlin</b></li> <li><i>Financing Deal of the Year - Equity</i></li> <li><i>Financing Deal of the Year - Debt</i></li> </ul>

## The FT Partners Senior Banker Team

Name / Position	Prior Background	Experience / Education	Years of Experience
<b>Steve McLaughlin</b> <i>Founder, CEO and Managing Partner</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman, Sachs &amp; Co. in New York and San Francisco from 1995-2002</li> <li>Formerly Co-Head of Goldman Sachs' Financial Technology Group (#1 market share)</li> <li>Wharton M.B.A.</li> </ul>	21
<b>Larry Furlong</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman, Sachs &amp; Co. in New York, London and Los Angeles beginning in 1995</li> <li>Wharton M.B.A.</li> </ul>	21
<b>Greg Smith</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly award winning Equity Research Analyst at Merrill Lynch / J.P. Morgan / Sterne Agee</li> <li>Recent coverage included V, MA, TSS, GPN, HPY DST, ENV, FISV, FIS, JKHY, WU &amp; EEFT among others</li> </ul>	20
<b>Steve Stout</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with J.P. Morgan and UBS</li> <li>Formerly Global Head of Strategy at First Data</li> </ul>	18
<b>Tim Wolfe</b> <i>Managing Director</i>		<ul style="list-style-type: none"> <li>Formerly with Goldman, Sachs &amp; Co. beginning in 2000</li> <li>Started at FT Partners in 2002</li> <li>40 Under 40 M&amp;A Advisor Award Winner 2013</li> <li>Harvard M.B.A.</li> </ul>	14
<b>Andrew McLaughlin</b> <i>Managing Director, Research &amp; Business Development</i>		<ul style="list-style-type: none"> <li>Leads FT Partners' Research and Business Development Team</li> <li>Formerly with Deloitte Consulting</li> </ul>	10