

Q2 and H1 2020 Results

30 July 2020



Agenda

- Highlights and Operational Update – CEO Stephanie Miller
- Q2 and H1 2020 Results – CFO Rogier van Wijk
- Q&A

Highlights and Operational Update

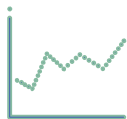
CEO Stephanie Miller



Q2 2020 Highlights

Funds and Capital Markets main growth areas

Revenue



- Revenue increased to EUR 139.5m (+0.2% underlying) indicating continued resiliency during COVID-19 pandemic
- As expected, new-new inflows are slower than forecasted due to COVID-19
- Funds (+7.8%) and Capital Markets (+6.4%) driven by more transactional activity

Adjusted EBITA and margin



- Adjusted EBITA margin decreased to 31.9% mainly due to costs and savings relating to Centre of Excellence (CoE)

Client delivery



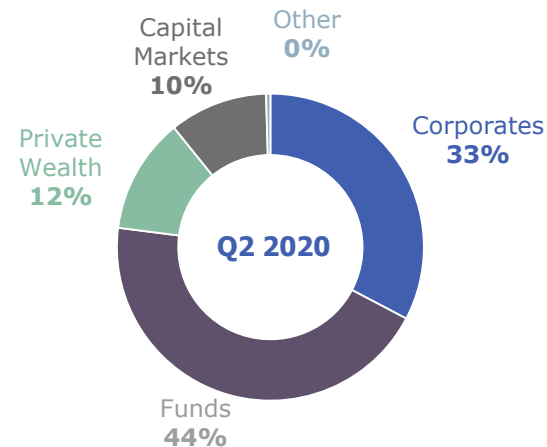
- Contracted with FIFA to build innovative clearing house solution

Dividend



- To maintain financial flexibility during this period of macroeconomic uncertainty, no interim dividend will be declared

Revenue per service line



Strategic progress

Operational update Q2 2020

Clients & Services

- ✓ US corporate trust license South Dakota in final stage of approval
- ✓ Released new ESG framework, several programs underway
- ✓ Partnership with Société General to provide fund administration services

Innovation & Technology

- ✓ Fastlane: Roll-out Netherlands started and will be completed in Q3
- ✓ Initiated proof of concept for new AML solution in Americas
- ✓ Accelerated launch digital signature tool to support remote working
- ✓ New ERP system (SAP) went live in the Netherlands



People & Organisation

- ✓ Chitra Baskar appointed as Global Head of Product
- ✓ Francis Parisi appointed as Global Head of Private Wealth
- ✓ Most of our employees still working from home and continued uninterrupted client service delivery
- ✓ Re-opened several offices leveraging robust post-COVID guidelines

Operational excellence

- ✓ Set up of Centre of Excellence on track
- ✓ CoE migration for Americas and Netherlands completed
- ✓ Regulatory approvals received for Luxembourg and Jersey – ready for CoE migration
- ✓ Recruitment progress CoE: hired 51% of planned total headcount

ESG Framework

Building a better Intertrust



Foundations of our framework

Guided by the UN Global Compact

Executed globally across all businesses



Environment

- Drive digital transformation as a way of reducing our carbon footprint
- Build and maintain healthy and sustainable office settings for our employees
- Perform an environmental audit as the basis of a multi-year program
- Apply to the UN Global Compact



Social

- Empower & engage employees through new development programs
- Promote a diverse and inclusive workplace
- Provide options for continuous education, learning and career growth
- Disclose measures illustrating our employees' commitment to sound business ethics



Governance

- Demonstrate our commitment to doing business with honesty, integrity and the highest standard of excellence
- Disclose our commitment to data privacy and cyber security
- Disclose our anti-bribery and corruption practices
- Include ESG as a core component of our corporate governance framework & annual reporting

Transparency through annual KPI reporting

Accountability through linkage to compensation

Q2 and H1 2020 results

CFO Rogier van Wijk



Highlights Q2 and H1 2020

(€m)	Q2 2020	Q2 2019	Change	Underlying change	H1 2020	H1 2019	Change	Underlying change
Revenue	139.5	127.9	9.1%	0.2%	281.6	252.7	11.4%	1.1%
Adjusted EBITA	44.4	46.8	-5.1%	-11.3%	91.0	92.3	-1.4%	-8.7%
<i>Adjusted EBITA margin</i>	<i>31.9%</i>	<i>36.6%</i>	<i>-477bps</i>	<i>-411bps</i>	<i>32.3%</i>	<i>36.5%</i>	<i>-421bps</i>	<i>-350bps</i>
Adjusted net income	31.9	33.7	-5.4%		63.5	66.1	-3.9%	
Adjusted EPS (€)	0.35	0.38	-6.1%		0.70	0.74	-4.7%	
Cash flow from operating activities	35.3	27.4	29.1%		104.1	87.4	19.1%	

- Q2 2020 revenue increased to EUR 139.5m, an increase of 9.1% compared to same period last year, of which 9.4% related to acquisitions and -0.5% due to negative FX impact. Underlying revenue growth was 0.2%.
- Adjusted EBITA margin decreased to 31.9% mainly due to difference in timing of costs and savings relating to the Centre of Excellence as well as continued investments in our transformational programs
- Cash flow from operating activities increased to EUR 35.3m supported by strong working capital management

Revenue per service line

(€m)	Q2 2020	Q2 2019	% Change	Underlying % change	(€m)	H1 2020	H1 2019	% Change	Underlying % change
Corporates	45.6	48.5	-5.9%	-7.2%	Corporates	93.5	95.5	-2.1%	-3.6%
Funds	61.8	46.7	32.4%	7.8%	Funds	123.8	90.5	36.9%	8.4%
Capital Markets	17.0	15.9	6.5%	6.4%	Capital Markets	32.2	31.5	2.1%	1.6%
Private Wealth	14.4	16.2	-10.9%	-10.9%	Private Wealth	30.1	33.2	-9.2%	-9.8%
Other	0.6	0.6	10.4%	13.4%	Other	1.9	2.0	-8.3%	-9.1%
Total Group	139.5	127.9	9.1%	0.2%	Total Group	281.6	252.7	11.4%	1.1%

- Corporates decreased 7.2% due to less transactional activity, end-of-life corporate structures and a delay in winning new business due to COVID-19
- Funds continued to report strong growth of 7.8% due to new clients and new fund launches from existing clients in Luxembourg, and growth in the Americas
- Capital Markets reported a revenue growth of 6.4% reflecting more transactional activity in capital markets, largely in Western Europe
- Private Wealth revenue decreased 10.9% mainly due to anticipated and directed business outflow in the Channel Islands and reduced new business inflow due to COVID-19

Revenue per segment

Revenue (€m)	Q2 2020	Q2 2019	% Change	Underlying % change	(€m)	H1 2020	H1 2019	% Change	Underlying % change
Western Europe	57.5	57.4	0.2%	-1.0%	Western Europe	115.5	115.5	0.0%	-1.1%
ROW	48.5	48.8	-0.7%	-0.1%	ROW	98.3	95.7	2.7%	2.5%
Americas	33.4	21.6	54.8%	2.8%	Americas	67.8	41.6	63.2%	3.1%
Group total	139.5	127.9	9.1%	0.2%	Group total	281.6	252.7	11.4%	1.1%

- Western Europe:
 - Capital Markets performed well during this quarter due to more securitisations and bond issuances, especially in the Netherlands
 - Corporate Services decreased due to lower transactional activity related to COVID-19 and end-of-life corporate structures
- Rest of the World:
 - Strong performance in Funds in the quarter especially in the Nordics, Spain and Hong Kong, and Capital Markets in the UK
 - Decline in Corporate Services and Private Wealth
- Americas:
 - Growth driven by Funds due to increased transactional activity, fund administration and compliance revenues

Adjusted EBITA (margin) per segment

Adj. EBITA (€m) Margin (%)	Q2 2020	Q2 2019	Underlying change %	H1 2020	H1 2019	Underlying change %
Western Europe	28.7 <i>49.9%</i>	31.9 <i>55.7%</i>	-9.8% <i>-487bps</i>	57.7 <i>49.9%</i>	64.8 <i>56.1%</i>	-10.5% <i>-527bps</i>
ROW	18.6 <i>38.4%</i>	21.6 <i>44.3%</i>	-13.2% <i>-579bps</i>	40.3 <i>41.0%</i>	42.3 <i>44.2%</i>	-4.9% <i>-319bps</i>
Americas	18.1 <i>54.1%</i>	11.2 <i>52.0%</i>	8.4% <i>278bps</i>	35.5 <i>52.4%</i>	21.0 <i>50.4%</i>	9.3% <i>299bps</i>
Group total (after HQ & IT costs)	44.4	46.8	-11.3%	91.0	92.3	-8.7%
Adj. EBITA margin (%)	31.9%	36.6%	-411bps	32.3%	36.5%	-350bps

- Adjusted EBITA margin in Western Europe and ROW decreased due to the CoE migration and continued investments in growth of our services lines
- In Americas the adjusted EBITA margin increased following a reduction in costs compared to last year
- Following the new sales structure implemented at the start of the year, part of the sales expenses in Americas were allocated to the other segments resulting in lower expenses for Americas (EUR ~1m in H1 2020)

Key performance indicators

KPI	Definition	Q2 2020	Q2 2019	H1 2020	H1 2019
1 FTE	end-of-period	3,833	3,327	3,833	3,327
2 Revenue / Billable FTE ¹	€k, LTM	208.3	220.3	208.3	220.3
3 Billable FTE / Total FTE	As %, end-of-period	78.0%	78.3%	78.0%	78.3%
4 HQ & IT costs	As % of revenue	15.0%	14.1%	15.1%	14.2%
5 Working capital / LTM revenue	As %	-5.4%	-3.5%	-5.4%	-3.5%

- Number of FTEs increased to 3,833 reflecting the additional headcount in the Centre of Excellence
- Revenue per billable FTE amounted to EUR 208.3k due to the inclusion of the Centre of Excellence FTEs

¹ Billable FTE is calculated based on LTM average, revenue is not corrected for currency impact

HQ and IT expenses

Expenses (€m)	Q2 2020	Q2 2019	H1 2020	H1 2019
Group HQ	(8.5)	(7.7)	(17.8)	(15.4)
<i>As % of revenue</i>	<i>6.1%</i>	<i>6.0%</i>	<i>6.3%</i>	<i>6.1%</i>
Group IT	(12.5)	(10.3)	(24.7)	(20.3)
<i>As % of revenue</i>	<i>9.0%</i>	<i>8.1%</i>	<i>8.8%</i>	<i>8.0%</i>
Total	(20.9)	(18.0)	(42.5)	(35.8)
<i>As % of revenue</i>	<i>15.0%</i>	<i>14.1%</i>	<i>15.1%</i>	<i>14.2%</i>

- Total HQ & IT costs in line with earlier communicated quarterly run rate of EUR 22.5m
- Group IT costs increased due to continued investments in the IT roadmap and the inclusion of a full quarter of Viteos IT costs
- Management decided not to take short-term cost savings measures

Capital employed

(€m)	30.06.2020	31.12.2019	30.06.2019
Acquisition-related intangible assets	1,665.7	1,729.0	1,726.4
Other intangible assets	20.9	17.6	15.3
Property, plant and equipment	97.2	107.7	88.3
Total working capital	(31.1)	(15.3)	(17.7)
Other assets	24.9	45.5	43.2
Total Capital employed (Operational)	1,777.6	1,884.5	1,855.5
Total equity	746.8	774.7	742.2
Net debt	847.7	915.9	937.7
Provisions, deferred taxes and other liabilities	183.3	193.9	175.5
Total Capital employed (Finance)	1,777.6	1,884.5	1,855.5

(€m)	30.06.2020	31.12.2019	30.06.2019
Operating working capital	5.8	16.6	13.0
Net current tax	(36.9)	(31.9)	(30.7)
Total working capital	(31.1)	(15.3)	(17.7)

- Solid balance sheet and liquidity of more than EUR 200 million. Leverage ratio was 3.81x (Q2 2019: 4.01x); headroom compared to leverage covenant amounted to 24%.
- Goodwill impairment of EUR 24m related to CGU Jersey driven by a combination of an increased discount rate and slower growth of the business. This is a non-cash item and has no impact on our leverage ratio.
- Total working capital improved to EUR 31.1m negative as a result of strong cash collection

Free cash flow

(€m)	Q2 2020	Q2 2019	H1 2020	H1 2019
Adjusted EBITA	44.4	46.8	91.0	92.3
<i>Adjustments for:</i>				
Depreciation and amortisation of other intangible assets	7.5	6.7	15.3	13.4
Other non cash items	0.8	(0.4)	2.7	1.1
Net cash used for specific items	(3.1)	(2.1)	(6.4)	(5.4)
<i>Changes in:</i>				
(Increase)/decrease in working capital (excl. current tax)	(11.1)	(12.3)	10.7	0.9
Others	(1.8)	(1.3)	(3.1)	(3.2)
Income tax paid	(1.4)	(10.1)	(6.0)	(11.7)
Cash flow from operating activities	35.3	27.4	104.1	87.4
Capex paid	(4.1)	(2.0)	(8.7)	(3.5)
Interests and other finance expenses paid	(12.6)	(11.7)	(17.8)	(14.8)
Cash payment of lease liabilities	(5.5)	(4.1)	(11.1)	(8.2)
Free cash flow	13.1	9.6	66.4	61.0

- Cash flow from operating activities increased EUR 7.9m to EUR 35.3m supported by strong working capital management



Clients & services

- Final approval stage of corporate trust license US
- Contracted with FIFA to build innovative clearing house solution



Centre of Excellence

- Migration of Netherlands and Americas completed
- Luxembourg migration in process



ESG

- Launched new ESG framework
- Focused on human capital development, transparency and governance

Q&A


Intertrust

Appendix



Intertrust



Consolidated Profit/(Loss) (unaudited)

(€k)	Q2 2020	Q2 2019	H1 2020	H1 2019
Revenue	139,452	127,863	281,575	252,739
Staff expenses	(72,481)	(59,101)	(143,633)	(116,208)
Rental expenses	(2,044)	(2,261)	(4,286)	(4,133)
Other operating expenses	(17,576)	(21,222)	(38,787)	(37,033)
Other operating income	137	57	2,073	80
Depreciation and amortisation of other intangible assets	(7,528)	(6,710)	(15,308)	(13,361)
Amortisation of acquisition-related intangible assets	(36,463)	(10,803)	(49,013)	(21,341)
Profit/(loss) from operating activities	3,497	27,823	32,621	60,743
Financial income	(598)	18,518	1,032	22,107
Financial expense	(8,148)	(9,487)	(41,983)	(19,679)
Financial result¹	(8,746)	9,031	(40,951)	2,428
Share of profit and result of transactions with equity-accounted investees and subsidiaries (net of tax)	-	15	-	15
Profit/(loss) before income tax	(5,249)	36,869	(8,330)	63,186
Income tax	(3,269)	(8,259)	(2,333)	(13,145)
Profit/(loss) after tax	(8,518)	28,610	(10,663)	50,041

¹ Reported financial result included a negative revaluation of the early redemption option of the senior notes in H1 2020 of EUR (20.1m) (H1 2019: EUR 21.4m positive) and net interest expenses of EUR 20.0m (H1 2019: EUR 17.1m)

Reconciliation to reported results

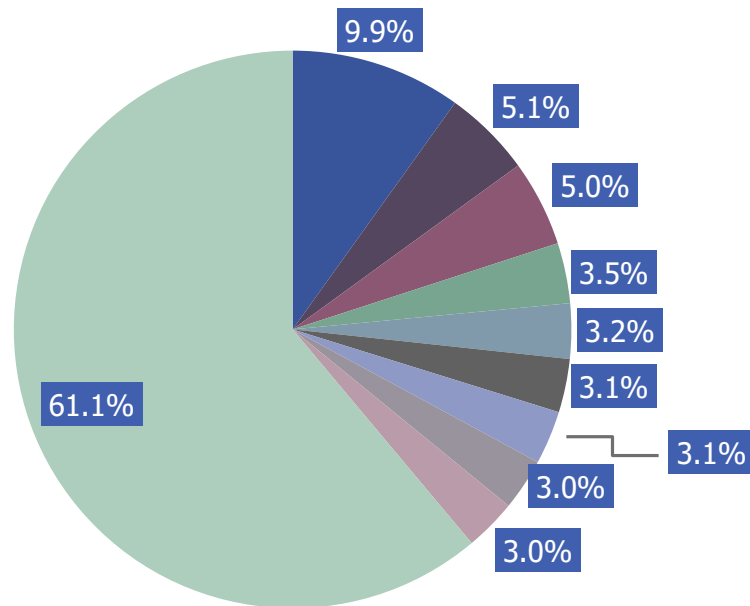
(€m)	Q2 2020	Q2 2019	H1 2020	H1 2019
Profit/(loss) from operating activities	3.5	27.8	32.6	60.7
Amortisation of acquisition – Related intangible assets	36.5	10.8	49.0	21.3
Specific items – Integration and transformation costs	2.9	1.1	5.6	2.9
Specific items – Transaction and other items	1.6	7.1	3.7	7.3
Adjusted EBITA	44.4	46.8	91.0	92.3

(€m)	Q2 2020	Q2 2019	H1 2020	H1 2019
Adjusted EBITA	44.4	46.8	91.0	92.3
Net finance costs (adjusted) - excluding net foreign exchange loss and other adjusting items ¹	(9.8)	(8.9)	(20.7)	(17.5)
Share of profit of associate (net of tax)	0.0	0.0	0.0	0.0
Income tax (adjusted)	(2.8)	(4.3)	(6.7)	(8.6)
Adjusted Net income	31.9	33.7	63.5	66.1

¹ Foreign exchange gain/(loss) for Q2 2020 was EUR (1.3m), H1 2020: EUR (0.3m); Q2 2019 was EUR (0.2m), H1 2019: EUR (0.2m)

Shareholder structure 29 July 2020

- FMR LLC 9.9%
- Lucerne Capital Management 5.1%
- Harbor Spring 5.0%
- Norges Bank 3.5%
- Portland Hill 3.2%
- Allianz 3.1%
- Teleios 3.1%
- Blacksheep 3.0%
- Parvus 3.0%
- Free float 61.1%



- Intertrust N.V. Q2 2020 and H1 2020 financial figures are shown on a reported and adjusted basis
- All figures include IFRS16 unless stated otherwise
- Figures presented in € million tables are calculated before rounding
- Adjustments in EBITDA and EBITA are disclosed in the press release. Adjusted figures represent adjustments because of non-recurring items

Selected definitions

- Adjusted net income per share is defined as Adjusted net income divided by the average number of shares outstanding at 30 June 2020
Average no. of shares for Q2 2020: 90,128,939; for Q2 2019: 89,407,231
- Adjusted EBITA is defined as Adjusted EBITDA excluding depreciation, amortisation of other intangible assets and impairment of goodwill
- Capital expenditure is defined as Investments in property, plant, equipment, software and other intangible assets not related to acquisitions and excludes right-of-use assets
- CC is Constant Currency
- CGU is cash generating unit
- FTE is Full-Time Equivalent employee
- Leverage ratio is total net debt (on "last twelve months" (LTM) average FX rates) divided by the adjusted EBITDA proforma contribution for acquisitions and full year runrate synergies related to acquisitions and other Senior Facility Agreement (SFA) adjustments such as the addback of LTM LTIP, Share deferral plan (SDP) and Rollover share plan accruals
- Net interest is defined as net finance cost excluding forex gains and losses and fair value adjustments for specific financial instruments recognised in the Statement of profit or loss
- Net debt is defined as net of the cash and cash equivalents excluding cash on behalf of customers and gross value of the third party indebtedness
- Underlying is current and prior period at constant currency and, if applicable, including proforma figures for acquisition(s)

Market Abuse Regulation

- This presentation contains information within the meaning of Article 7(1) of the EU Market Abuse Regulation

Thank you

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