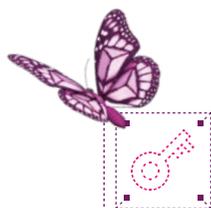


PRIVATE CLIENT SERVICES



Private Client Services

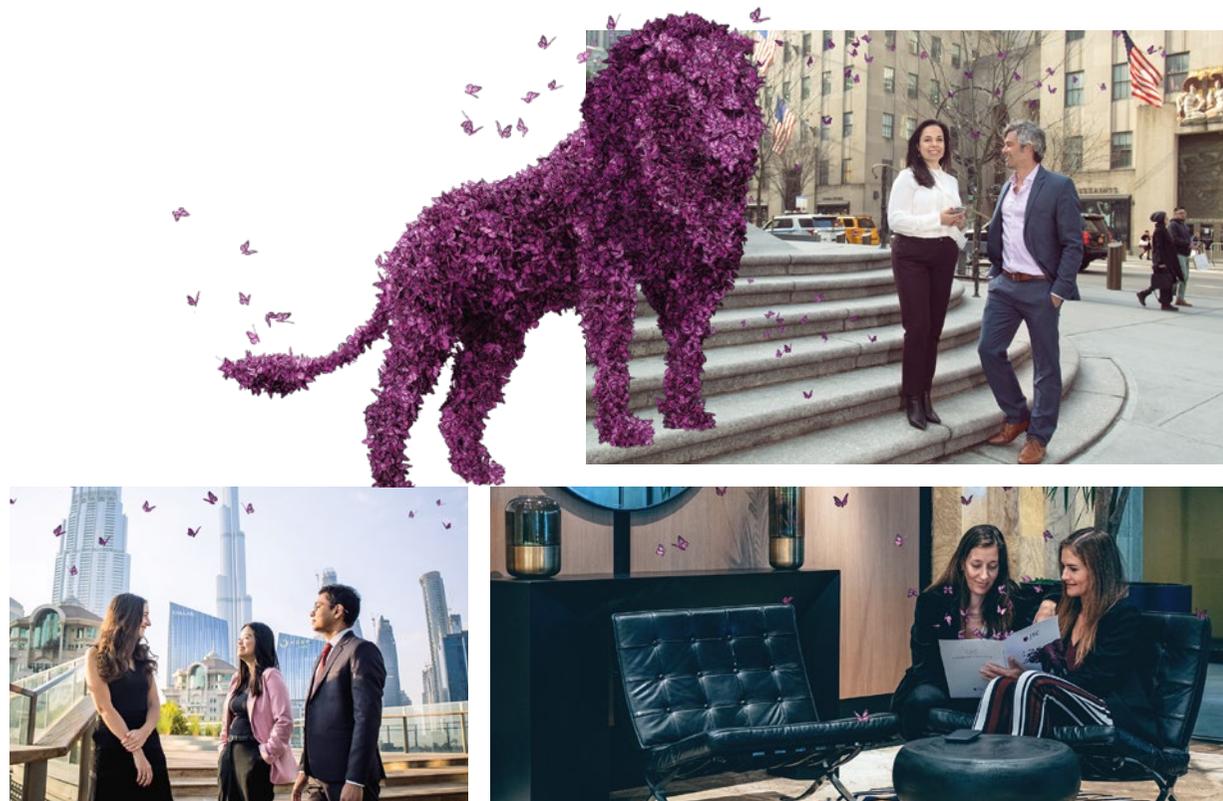


IAIN JOHNS
GROUP HEAD OF
PRIVATE CLIENT SERVICES
&
GROUP MANAGING DIRECTOR

A SOLID YEAR'S PERFORMANCE

The Division had a solid year, with growth in revenues to £54.8m (2020: £50.5m) and delivering EBITDA of £20.4m (2020: £20.7m) with an underlying EBITDA margin of 37.2% (2020: 41.0%). Importantly, we delivered 7.1% net organic revenue growth (2020: 9.0%), which remains ahead of sector expectations in general and represents an exceptional year relative to peers, especially as we achieved it in the face of some strong regulatory and economic headwinds, and against comparatives from an exceptional close to 2020. It demonstrates that our leading PCS proposition continues to generate strong organic growth, with healthy new business flows from new and existing clients.

Our regional approach to business development has brought strong growth and we will continue with this successful model, prioritising specific projects in the Americas, Caribbean, Asia Middle East and Africa (AMEA) and Europe.



HIGHLIGHTS

- Record new business wins of £7.8m including largest ever initial client mandate of £2.5m p.a.
- 7.1% net organic growth and margin of 37.2% underlying EBITDA
- Continued investment in talent and infrastructure to drive future growth
- Further development of regional offices and breadth of service line offering

REVENUE (£M)

+8.4%



UNDERLYING EBITDA (£M)

-1.7%



UNDERLYING EBITDA MARGIN (%)

-3.8pp



LIFETIME VALUE WON (£M)

+82.9%



LVW is 10 times annualised value of work won minus value of attrition in past year.

We have been scaling our global platform for further growth through investment in technology, operations and our senior team.

COMMITTED TO EXCELLENCE

We strive for excellence in everything we do, always looking for ways we can improve and offer more value to our clients. This forward-looking approach will continue to be a contributing factor to our success as we anticipate what services our clients want, then we make sure we deliver to the highest standards.

Our reputation for guaranteed premium quality service helped us to win some significant new mandates in 2021. We also won 15 team and individual industry awards during the year, which again reflects the standard of service

delivered by our global private client team. This included the inaugural ePrivateClient Excellence Award for the Best Trust Company. These awards back up our belief that we are the world's pre-eminent trust company. Our focus on excellence will be a key part of our strategy in 2022 and beyond.

INCREASING REGULATION

In line with wider industry trends, there have been greater levels of regulatory activity and we anticipate this continuing in the medium to long term. This is undoubtedly good for JTC as a large part of our appeal to clients is our ability to navigate complex and evolving regulatory frameworks. However, while there are costs associated with remaining at the forefront of developments, we believe this is

PRIVATE CLIENT SERVICES CONTINUED

the only sustainable approach to take, and the one that will add the most value to our long-standing client relationships.

The increase in regulation also brings new business opportunities for JTC, including the development of our regulatory reporting services associated with Automatic Exchange of Information (AEOI) global legislation. Clients have to comply with global standards and disclosures, and as a result they choose to work with a company that can get it right for them. We have an expert team to deliver this, ensuring the highest standard of service for clients.

EXCEPTIONAL NEW BUSINESS WINS

Our total new business wins of £7.8m (2020: £4.5m) was an exceptional result, even when taking into account winning our largest ever client in Q2 2021. This win is an outsourcing mandate for a global bank. The process of on-boarding this client is substantial and includes up-front investment in technology and personnel. We anticipate revenues will begin to flow from the second half of 2022.

That particular win is further evidence of our ability to compete successfully for large and complex engagements with major financial institutions as well as our reputation in the market for delivering premium service.

We also gained further traction and market penetration with the diversification of our service offering, including tax compliance and regulatory reporting, among others.

TECHNOLOGY FOR GROWTH

To provide these new services efficiently to major institutions, we must have the requisite technology in place. We've always invested in our platform in a steady incremental manner and we continue to do so.

We're investing in technology to support our strategy and ongoing projects within the PCS business, including further enhancements to our client portal, Edge. This investment will also ensure that we have the technology to underpin the continued delivery of client

service excellence, particularly with ongoing regulatory changes anticipated in the future.

OUR PEOPLE

Levels of collaboration and our JTC spirit remain strong, which is a key contributing factor to our success. Staff turnover in the Division remains low, and we have attracted new, world-class, talent to the business from around the industry. This is testimony to our strong brand and reputation. With a view to the longer term, we have been active in succession planning, developing an appropriately managed talent pool to make sure that we can deliver the same premium quality service well into the future.

LOOKING AHEAD

A substantial area of focus in the coming years will be the development of the US market. In addition, we will continue to grow our other established regions; the Channel Islands and UK, Europe and AMEA. We have developed strategies for each of our markets to continue to drive growth organically and through potential acquisitions. We always look ahead, considering regulatory changes, technology requirements and anticipating what our clients are likely to need in the future and where they will want services delivered from.

We will also further refine JTC Private Office, including building our governance services and luxury-assets practice, and we already have highly regarded experts within the Division in marine, aviation, real estate and art, among others. Our JTC Private Office brand has already demonstrated value as we are becoming increasingly known for servicing larger mandates and as a hallmark for quality.

Our brand proposition has continued to evolve and lead the market, with our stated aim of being 'shapers, not followers' translating well into high quality marketing programmes that promote our expertise and thought leadership. We will continue to capitalise on our brand, positioning JTC as the gold standard in private client work, the hallmark of quality.

