NIGEL LE QUESNE
CHIEF EXECUTIVE OFFICER

People, Culture and Resilience
We like to keep things simple at JTC with our aim to make the business better every year. Once again we believe we achieved that in 2020.

By the time we reported last year, we were able to talk about how the Group might respond to the pandemic, and I mentioned factors such as our well-invested infrastructure, experienced management, historic track record and our scale and diversification as keys to our resilience. I also talked separately and specifically about the importance of the culture of the Group and how we had invested in it over decades. Well, there's nothing like the year we've just had to test the validity of that belief, in every respect. And in hindsight, our people and culture were the most important factors in making sure we could trade successfully through 2020. I would like to take this opportunity to thank and congratulate our global team for the performance of the business during an extraordinary year for the whole world. Even in the ongoing face of the pandemic, I genuinely believe we are a better business going into 2021 thanks to the energy, commitment and entrepreneurial spirit of our people.

Financial Performance
Performance was in-line with market expectations that were set pre-Covid-19 and we delivered headline revenue growth to £115.1m (2019: £99.3m), achieving £38.7m of underlying EBITDA (2019: £35.4m) at a Group margin of 33.6% (2019: 35.6%). These strong results were achieved through a combination of net organic growth of 7.9% (2019: 8.4%) and inorganic growth of 8.0% (2019: 20.1%).

This means that we again delivered in line with our medium-term guidance of 8%-10% net organic revenue growth and 33%-38% underlying EBITDA margin, which we continue to believe represent the key 'guide rails' for sustainable high performance in our sector.

A Balanced Approach
We have for many years adopted multi-year business plans that we name to mark chapters in our journey. From 2018 to 2020 we called our plan the Odyssey Era and during this three year period the performance of the Private Client Services (PCS) Division has been exceptional. On the other side of the business, the Institutional Client Services (ICS) Division has grown strongly, but has struggled, in relative terms, to achieve the same levels of operational efficiency. Having said that, we know from experience that our Divisions go through natural business cycles as they develop and evolve. Sometimes they will be at the top of their game and at other times need to make important operational changes. Conceptually we believe in the flywheel effect, where businesses succeed not from a single initiative, but from the accumulation of small wins over years of hard work. In 2020, we put a lot of good work into getting the ICS business to the position where the flywheel moment will be achieved in the medium-term. What we're seeing with PCS is the flywheel effect made real – it's outperforming its peer group in the market in almost every respect. To me, it brings home the benefit of having two Divisions within the Group and we look forward to this playing out over our next business plan era, which we are calling Galaxy and will run for five years until the end of 2025.

Institutional Client Services Division
Revenue increased 17.8% to £64.6m (2019: 54.8m) and there was a 0.8% decrease in underlying EBITDA to £18.0m (2019: £18.1m). The underlying EBITDA margin fell 5.2pp to 27.9% (2019: 33.1%) but excluding NESF, which was particularly impacted by a combination of Covid-19 and the performance of the US economy, the margin was 30.6%. Net organic growth was 6.9% (2019: 9.4%) with the annualised value of new business wins being £13.4m (2019: £8.9m). As already noted, 2020 was a more challenging year for ICS, but we have undoubtedly made progress. The planned internal operational restructuring of the fund services practice was completed, albeit at a slower pace than we would have liked due to travel restrictions, which prevented us from delivering the change programme in our preferred face-to-face format. However, the

Revenue

£115.1m

Underlying EBITDA

£38.7m

Division has landed its two biggest ever clients, judged by annualised revenue, in the last 18 months, has a strong new business pipeline going into 2021 and enjoys positive long-term structural tailwinds.

One trend we observed, possibly hastened by the effects of the pandemic, and particularly important to the ICS market, was an acceleration in decision making from larger clients who showed a greater inclination to outsource as part of their longer-term strategy. This led to us competing for and winning a number of higher value and more complex mandates, which are positive for our market profile and the lifetime value of the JTC book, but necessarily take longer to on-board and get up to speed due to their size and complexity.

In terms of acquisitions, NESF provided an important entry point to the high-growth US fund services market and brought with it a capable and experienced management team. The business also gives us a significant in-house technology capability for the first time and one that can be leveraged across the entire Group in due course.

We are excited about prospects in the corporate employee benefit services field following the acquisition of RBC CEES, announced at the end of the period, which when combined with our own shared ownership credentials, immediately positions us as a leader in this space. The business adds complementary service lines that we believe have substantial growth potential as the wider ESG agenda drives more companies to consider broader and more sophisticated employer benefit programmes. There are also opportunities for cross-selling of private client services to underlying members of such programmes.

The post period end INDOS acquisition will expand our fund services offering and brings sophisticated depositary, AML and ESG services to the Division, as well as a highly skilled team in the UK and Ireland. This will allow us to provide holistic solutions at every stage of the fund cycle, as well as our well-established administration and accountancy services. INDOS, in combination with NESF, will also be at the forefront of our expansion into specific ESG related services.

WE ARE A BETTER BUSINESS GOING INTO 2021 THANKS TO THE ENERGY, COMMITMENT AND ENTREPRENEURIAL SPIRIT OF OUR PEOPLE

Looking ahead our ICS business has some of the most exciting organic and inorganic growth prospects in the Group as we move into 2021 and we look forward to capturing those opportunities and driving performance.

Private Client Services Division
Revenue showed a 13.7% increase to £50.5m (2019: £44.5m) and a 20.2% increase in underlying EBTIDA to £20.7m (2019: £17.2m). The underlying EBITDA margin improved 2.2pp to 41.0% (2019: 38.8%). Net organic growth was 9.0% (2019: 7.2%) with the annualised value of new business wins being £4.5m (2019: £6.0m).

The performance of the PCS Division built on the great work and results in 2019. At the start of our Odyssey Era business plan three years ago, PCS was possibly seen as an unfashionable and relatively low-growth business. But it

A HISTORY OF RESILIENCE IN THE FACE OF ADVERSITY

Over the last three decades JTC has demonstrated its inherent resilience on a number of occasions. While the Group has always been configured for growth, there have been times when events in the wider world presented unexpected shocks and challenges.

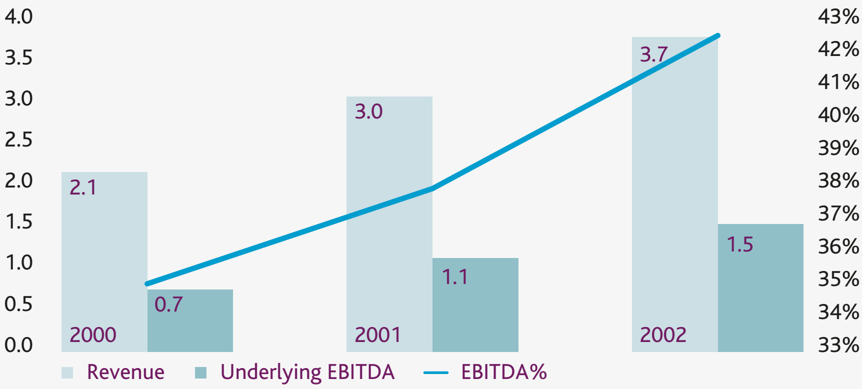
Covid-19 is the most recent example, but prior to this JTC, like all other global businesses, was faced with the impact of the terror attacks in the US on 11 September 2001 and the global financial crisis, triggered by the sub-prime mortgage lending crisis in 2007.

As the charts below show, JTC was not only able to weather the immediate macro-economic shock of these events, but was able to successfully grow through them and in subsequent years. Growth that was entirely organic as the Group did not make its first acquisition until 2010.

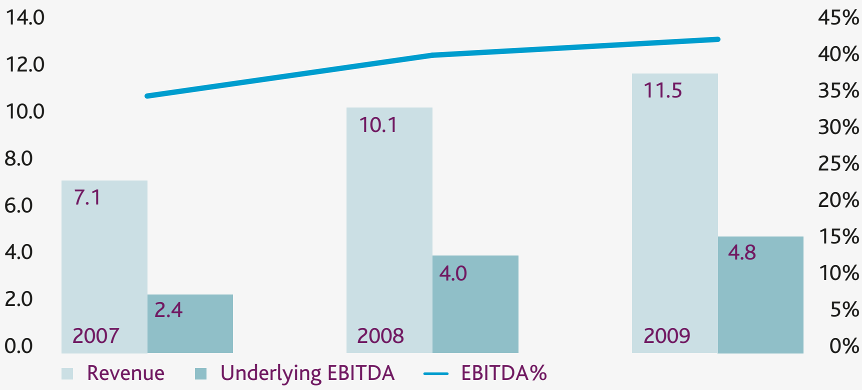
This resilient performance illustrates several fundamental features of our business. Firstly, our shared ownership culture means that we all pull together in a crisis. Secondly, our well-invested platform is robust and able to withstand sharp, near-term shocks. Finally, the professional services nature of our work, coupled with long-term client relationships, means that when external market conditions are volatile, this can actually lead to more work for JTC as we partner with clients in both Divisions to help them navigate threats and opportunities as they emerge.

While Covid-19 remains a current worldwide challenge, our performance in 2020, coupled with the lessons of the past, indicate that JTC is particularly well equipped to succeed and grow through unexpected events, both now and in the future.

PERFORMANCE POST 9/11 (£M)



PERFORMANCE POST FINANCIAL CRISIS (£M)



Net organic revenue growth

7.9%

Underlying EBITDA margin

33.6%

MEDIUM-TERM GUIDANCE

Net organic revenue growth

8-10%

Underlying EBITDA margin

33-38%

has performed strongly, benefiting from a consistency of focused management and efficiencies due to a restructuring of operational support during the Odyssey Era, which has shown through to the 2020 results. Our Private Office proposition has continued to drive growth, with the number of clients paying £100k pa or more increasing by 25%. The Division also benefited from the acquisition and full integration of the Sanne Private Clients business during the year. This strengthened our Jersey platform, delivered a skilled team and high quality client book and was immediately portable to our operating platform. It also further increased our share of and commitment to the PCS market and was a straightforward acquisition for us, in spite of the constraints of integrating during lockdown.

THE TREND TOWARDS LARGER INSTITUTIONS SEEKING TO IMPLEMENT A LIGHTER OPERATING MODEL IS SEEN ACROSS BOTH DIVISIONS

One of the more notable trends in the PCS Division is its ability to attract relationships with global financial institutions who trust us to provide services for their individual private clients. Mirroring a trend seen in the ICS Division, these large firms are opting for a lighter operating model, for example through white labelling, and are seeking to ensure that they remain ahead of market trends and fully compliant by partnering with JTC, an acknowledged expert in the field.

WE BELIEVE THE SECTOR WILL CONTINUE TO CONSOLIDATE FOR AT LEAST THE NEXT 5-10 YEARS AND LOOK FORWARD TO REMAINING AN ACTIVE PARTICIPANT

The PCS Division enters 2021 with good momentum that we are confident will carry into the Galaxy Era.

Inorganic Growth

In 2020 we once again looked at over 50 opportunities as the market continues to consolidate at pace. Our substantial experience and disciplined approach meant that we are very pleased with the deals completed in the year.

The JTC approach to inorganic growth is explained in greater detail on pages 28 to 31, but at its heart we combine a set of core criteria with near-term areas of focus. Our overarching principle is to acquire businesses that make JTC better for the long-term and our core criteria are: to improve jurisdictional strength, add scale, strengthen our service offering and create cross-selling and synergy opportunities. In 2020 our specific areas of focus were primarily ICS orientated with an emphasis on alternative asset classes, the US, UK, Ireland and Luxembourg. We also sought out opportunities related to the addition of so-called first-cousin services and technology capabilities. Notwithstanding this framework, we always remain alert to executing opportunistic deals as they may arise.

In combination, these criteria and areas of focus create a 'two plus two must equal five' mentality when we look at deals and the acquisitions made embody this approach.

We believe the sector will continue to consolidate for at least the next 5-10 years and look forward to remaining an active participant and enter 2021 with an active pipeline of opportunities.

Risk

We were pleased to welcome Richard Ingle as our new Chief Risk Officer (CRO). Richard has a distinguished financial service career spanning more than 30 years and has worked for a number of well-respected institutions including the Financial Services Authority, JP Morgan and Standard Chartered. His arrival not only strengthens the Risk & Compliance function, but also the overall leadership team as he takes a seat on the Group Holdings Board. I would also like to record my thanks to Bill Byrne, our Chief Group Counsel, who undertook the role for the majority of 2020 and now returns to his core role of leading our legal function across the Group. Bill will continue to work closely with Richard and his team, as well as both Divisions and the Operations teams.

Outlook

As we start our five-year Galaxy Era journey, it is worth noting that when we entered the Odyssey Era in 2018 we had a Group turnover of £59.8m and underlying EBITDA of £14.4m, so we have significantly moved the dial over the past three years. Assessing what we have achieved in 2020 specifically, our senior team is our most cohesive ever, and is another year wiser. We have upgraded the general talent within the Group, as we continue to find more of the industry's top professionals attracted to what we have to offer, including our shared ownership culture and entrepreneurial approach. We assess the strength of our operations in each individual jurisdiction on a regular basis and, on the whole, they are improving year on year. And importantly, we are beginning to be seen as leaders and a driver of trends in the markets we operate in.

In 2021, we will continue to drive organic growth through service quality, innovation, maturity of larger mandates, process efficiencies and technological capabilities. The outlook for further inorganic growth in the Galaxy Era remains positive, with a well-developed pipeline of opportunities that can strengthen and deepen our global footprint and service offering; however it is important we maintain our reputation as a disciplined buyer. We've always said we're building this business for the long term, making sure the infrastructure we put in place future-proofs our business, incrementally keeping up with growth, whether organic or inorganic.

From a personal point of view, I see plenty for us yet to achieve, and I'm really enjoying continuing to build the Group, and plan to carry on doing so through our Galaxy Era. If there's a lesson from Covid-19, or from our financial performance over 33 years, it's that consistency and continuity of management is the right thing to aspire to. And so when succession comes, it will ideally come internally rather than externally. This collective approach that is so special to JTC can be handed down over generations to ensure the business continues to succeed and thrive for years to come.

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A LONG-TERM INVESTMENT

We believe that JTC represents an exceptional long-term growth investment prospect. Our 33 year track record of consistent revenue and profit growth, including through periods of significant macroeconomic challenge, speaks for itself. We believe that eight key factors define and underpin the JTC investment case and apply both now and in the medium to long-term.