

Sanne Group plc

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**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR IMMEDIATE RELEASE**

14 May 2021

**Sanne Group plc**

**("Sanne" or the "Company")**

**Response to Statement from Cinven**

The Board of Sanne notes today's announcement from Cinven of a possible cash offer for the entire issued and to be issued share capital of the Company.

The Board of Sanne confirms that it has received three unsolicited non-binding, indicative proposals from Cinven in recent months. The latest non-binding proposal was received on 4 May 2021 regarding a possible all cash offer at a price of 830 pence per share (the "Proposal").

The Board, together with its advisers, considered the Proposal in detail. The Board believes that the Proposal was opportunistic and not reflective of the Group's ability to deliver strong operating and financial performance as the macroeconomic environment continues to recover, or its longer-term prospects. The Board engaged with Cinven to explain why the Proposal significantly undervalues the Company and why it does not merit further engagement. Accordingly, the Board unanimously rejected the Proposal.

The Board and Management remain highly confident in the standalone prospects of Sanne:

1. **Global platform** - Sanne is one of the world's few truly global providers of alternative asset and corporate services, ideally placed to meet the growing demand from clients for scaled, multi-jurisdictional presence and expertise;
2. **Attractive business model** - Sanne generates long-term recurring revenues, high margins and is strongly cash-generative. Since Martin Schnaier was appointed CEO in May 2019, the Company has continued to enhance talent within the firm, and re-align its strategy and processes to position the Company as a sector winner;
3. **Unique technology platform** - the Company continues to invest significantly in its technology platform. This market differentiating technology offers customers real time

global connectivity with cloud-based infrastructure, ensuring increased efficiencies and a differentiated customer service;

4. **Strong end markets** - the alternative assets market is highly attractive, supported by a number of long-term structural growth trends. Despite the impact of COVID-19, in FY 2020 Sanne achieved resilient net revenue growth of 7.3%, positive across all regions, with organic growth of 5.8% in 2020 (constant currency change) and improving momentum from Q4 2020. The Company is performing strongly with a positive outlook across end markets. As set out in the FY 2020 results announcement the Board remains confident in delivering a FY 2021 performance at least in line with its previous expectations, as well as returning to double digit organic revenue growth rates, in part driven by pent up demand across key markets;
5. **Strong organic and inorganic growth opportunities** - the Company successfully undertook a placing at 640 pence per share in April 2021 to support Sanne's growth strategy, including potential bolt-on M&A activity. The Company is proud of its proven M&A track record since IPO, totalling 14 deals including the acquisition of STRAIT Capital Company Ltd in the US in April this year, a strategically important market. Sanne's listed status is attractive to many founders and management teams, and there remains a healthy pipeline of acquisition opportunities in the short and medium term, and the placing ensures no further leverage is required currently; and
6. **Positive outlook** - the continued high demand for private asset alternatives, and the strengths of Sanne's business model, platform and expertise, underpins the Board's confidence in the Company's medium and long-term prospects.

Rupert Robson, Non-Executive Chairman of Sanne Group plc, said:

"We are extremely confident in Sanne's strengths and future prospects, especially as our markets continue to recover and our well-supported equity raise will assist us in executing on the robust M&A pipeline. There is good momentum at all levels and we are very well-placed to take advantage of the significant opportunities we see. We appreciate that we have a unique platform of real scarcity value from which we can continue to grow. As a Board, we are aware of our responsibility to create and capture value for our shareholders, but this proposal falls well short of that threshold for us to fully engage."

The Board of Sanne remains highly confident in the standalone prospects of the Company. Shareholders are therefore strongly advised to take no action in relation to the Proposal.

There can be no certainty that any offer will be made, nor as to the terms of any such offer. A further announcement will be made if and when appropriate.

As required by Rule 2.6(a) of the Code, Cinven is required, by not later than 5.00 p.m. on 11 June 2021, either to announce a firm intention to make an offer for the Company in accordance with Rule 2.7 of the Code or to announce that it does not intend to make an offer, in which case the announcement will be treated as a statement to which Rule 2.8 of the Code applies. This deadline may be extended with the consent of the Takeover Panel in accordance with Rule 2.6(c) of the Code.

This statement is being made by Sanne without the prior agreement or approval of Cinven.

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### **Relevant securities in issue**

In accordance with Rule 2.9 of the Code, Sanne confirms that as at the date of this announcement, it has 162,277,287 ordinary shares of 1 pence each in issue and admitted to trading on the main market of the London Stock Exchange. 98,533 shares are held in Treasury. The total number of voting rights in the Company is therefore 162,178,754. The International Securities Identification Number ("ISIN") for Sanne's ordinary shares is JE00BVRZ8S85.

### **Disclosure requirements of the Code**

Under Rule 8.3(a) of the Code, any person who is interested in 1% or more of any class of relevant securities of an offeree company or of any securities exchange offeror (being any offeror other than an offeror in respect of which it has been announced that its offer is, or is likely to be, solely in cash) must make an Opening Position Disclosure following the commencement of the offer period and, if later, following the announcement in which any securities exchange offeror is first identified. An Opening Position Disclosure must contain details of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s). An Opening Position Disclosure by a person to whom Rule 8.3(a) applies must be made by no later than 3.30 pm (London time) on the 10th business day following the commencement of the offer period and, if appropriate, by no later than 3.30 pm (London time) on the 10th business day following the announcement in which any securities exchange offeror is first identified. Relevant persons who deal in the relevant securities of the offeree company or of a securities

exchange offeror prior to the deadline for making an Opening Position Disclosure must instead make a Dealing Disclosure.

Under Rule 8.3(b) of the Code, any person who is, or becomes, interested in 1% or more of any class of relevant securities of the offeree company or of any securities exchange offeror must make a Dealing Disclosure if the person deals in any relevant securities of the offeree company or of any securities exchange offeror. A Dealing Disclosure must contain details of the dealing concerned and of the person's interests and short positions in, and rights to subscribe for, any relevant securities of each of (i) the offeree company and (ii) any securities exchange offeror(s), save to the extent that these details have previously been disclosed under Rule 8. A Dealing Disclosure by a person to whom Rule 8.3(b) applies must be made by no later than 3.30 pm (London time) on the business day following the date of the relevant dealing.

If two or more persons act together pursuant to an agreement or understanding, whether formal or informal, to acquire or control an interest in relevant securities of an offeree company or a securities exchange offeror, they will be deemed to be a single person for the purpose of Rule 8.3.

Opening Position Disclosures must also be made by the offeree company and by any offeror and Dealing Disclosures must also be made by the offeree company, by any offeror and by any persons acting in concert with any of them (see Rules 8.1, 8.2 and 8.4).

Details of the offeree and offeror companies in respect of whose relevant securities Opening Position Disclosures and Dealing Disclosures must be made can be found in the Disclosure Table on the Takeover Panel's website at [www.thetakeoverpanel.org.uk](http://www.thetakeoverpanel.org.uk), including details of the number of relevant securities in issue, when the offer period commenced and when any offeror was first identified. You should contact the Panel's Market Surveillance Unit on +44 (0)20 7638 0129 if you are in any doubt as to whether you are required to make an Opening Position Disclosure or a Dealing Disclosure.

### **Publication on a website**

In accordance with Rule 26.1 of the Code, a copy of this announcement will be made available on the Company's website ([www.sannegroup.com](http://www.sannegroup.com)) no later than 12 noon (London time) on 17 May 2021. The content of the website referred to in this announcement is not incorporated into and does not form part of this announcement.