



Capital Markets Day 2016

Gresham Innovation Labs

5th October 2016



RNS issued 7am 5th October:-

Gresham Computing plc - Capital Markets Day

“No material new information is being presented at the meeting and a copy of the Capital Markets Day presentation will be made available via the Group’s website following completion of the day’s activities”

Gresham Team:

- Ian Manocha, CEO
- Rob Grubb, CFO
- Jonathan Cathie, General Counsel & IR
- Neil Vernon, CTO
- Bill Blythe, Business Development Director

Guest Speakers:

- Ravi Joseph, CEO & Managing Partner, Mount Street
- Steve Miller, Co-founder, C24

Over lunch:

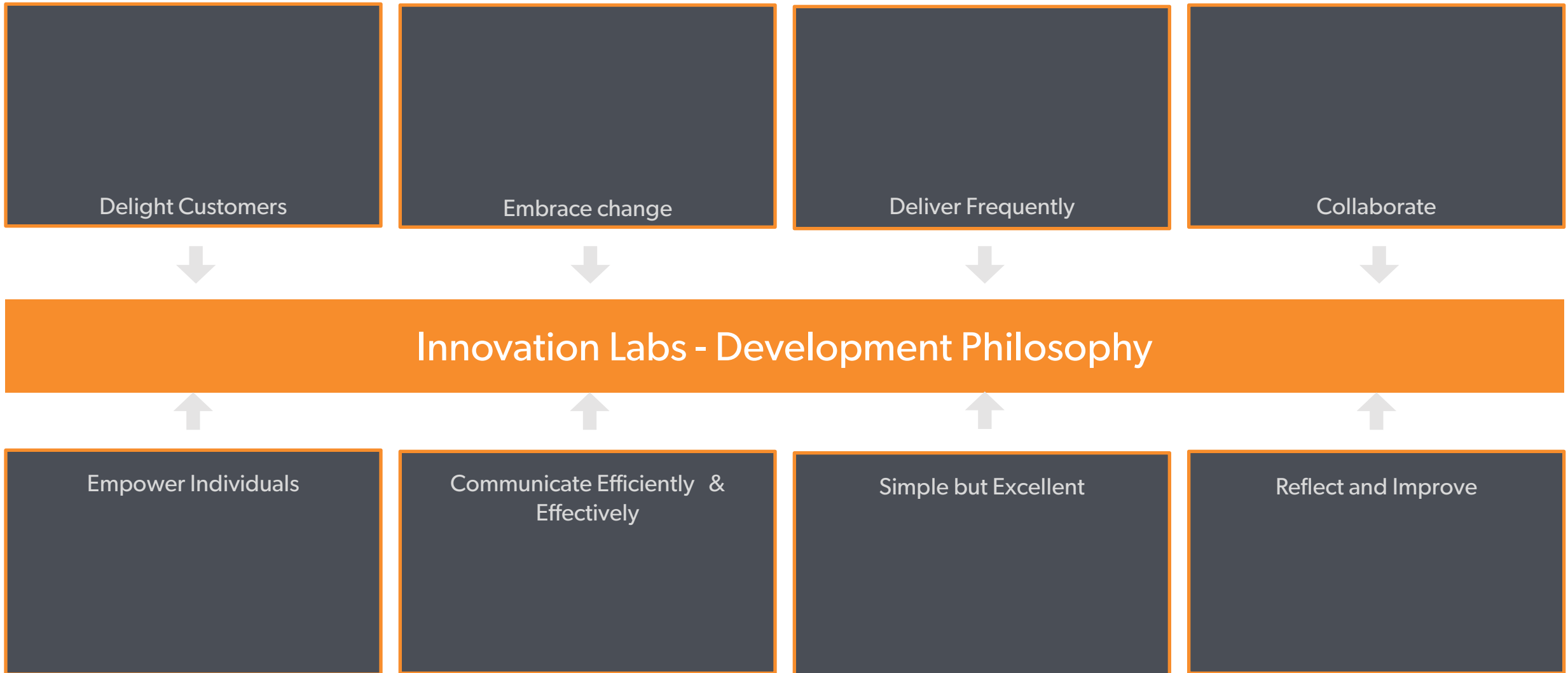
- Wayne Meikle, Co-Founder, C24
- Andrew Elmore, CTO, C24
- Craig Beddis, Interim CEO, C24
- Ginette Lacroix, Marketing Director, Gresham

Gresham

Innovation Labs



The Building Blocks - how we develop innovative, world class, enterprise software



Customer collaboration vs contract negotiation

Responding to change vs following a plan

Working software vs progress reports

Individuals and interactions vs processes and tools



Agenda

- “Business as Usual” Update
 - Recap of Progress against organic growth plan
 - Interims & H1 case studies
- Growth Strategy & New Initiatives
 - Who are Gresham?
 - Enterprise Data Integrity Vision
 - Platform & Application Strategy
- Clareti Loan Control
 - Vision, Joint Venture & Software Demo
- Clareti Data Accelerator
 - Vision & Software Demo
- C24 Acquisition
 - Introduction to C24 business
 - Why Gresham?
 - Future opportunity
- Outlook & close



“In a world awash with real-time streaming data, we want to be the first company you turn to when you need to be in control.”

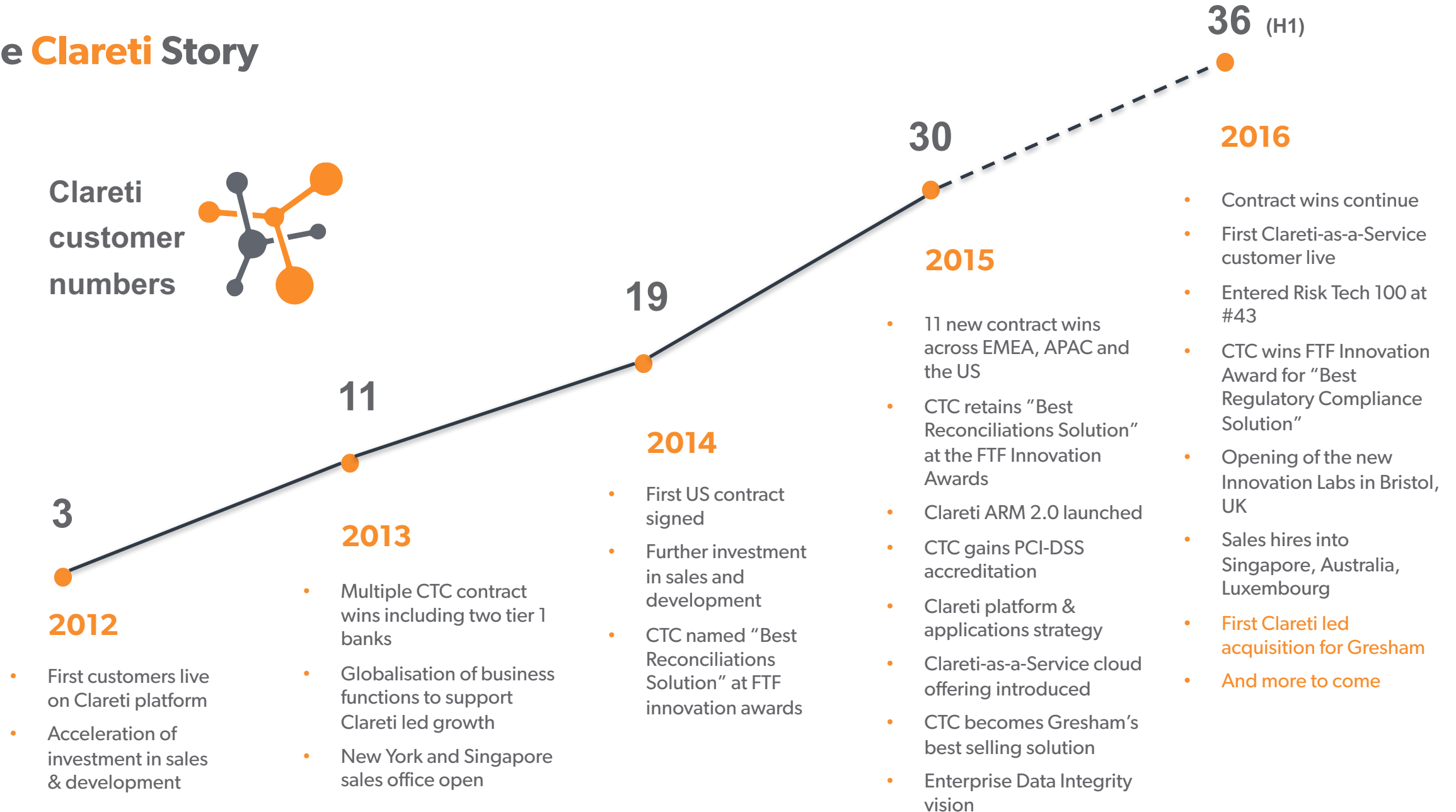
GHT.L Strategic Plan

- Build a new, high-margin, **recurring CTC revenue stream** based on licence sales, subscriptions and cloud services
- **Focus** our product investment and sales efforts **on CTC**
- Create a **sustainable global business** to enable CTC led growth
- Establish Clareti as the enterprise data integrity platform **“category leader”** in a world awash with **real-time streaming data**
- Leverage **Clareti & Clareti-as-a-Service Platform** to bring new **“Control”** applications to market

Added
H2 2015

The Clareti Story

Clareti
customer
numbers



Recap - Investor Dinner - February – “2016 Themes”

- Manage legacy revenues
- Extend CTC usage in global customer base
- Break open US market with CTC
- Drive Clareti ARM sales into targeted global transaction banks
- Drive Clareti-as-a-Service into core markets
- Launch further Clareti based applications
- Look for opportunity to scale on Gresham’s Group business platform



Clareti Transaction Control



White Label



Clareti as a Service

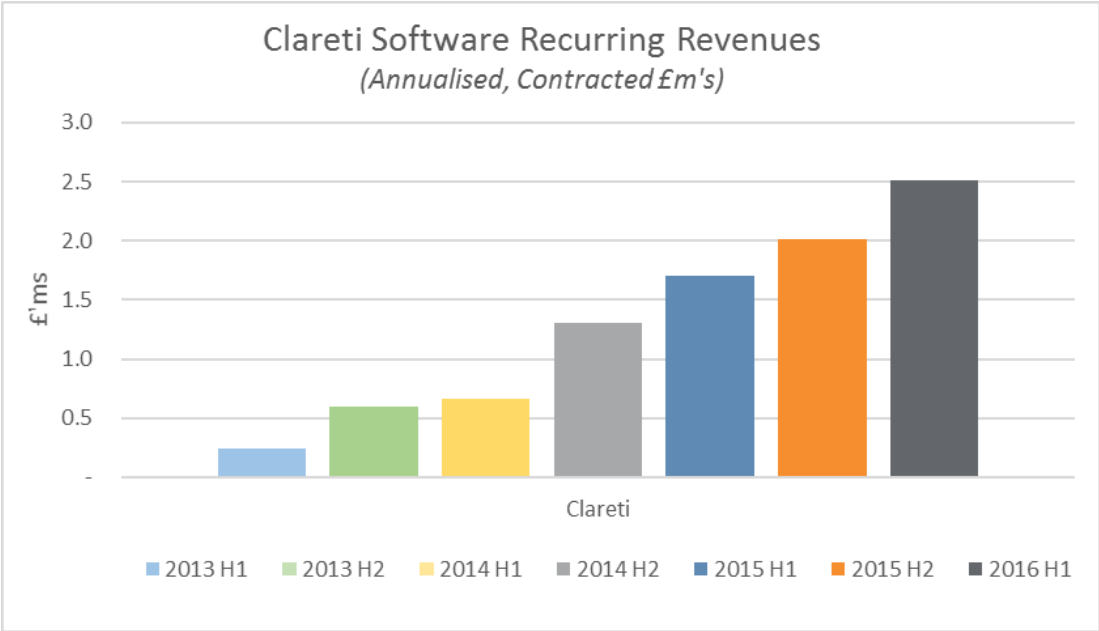
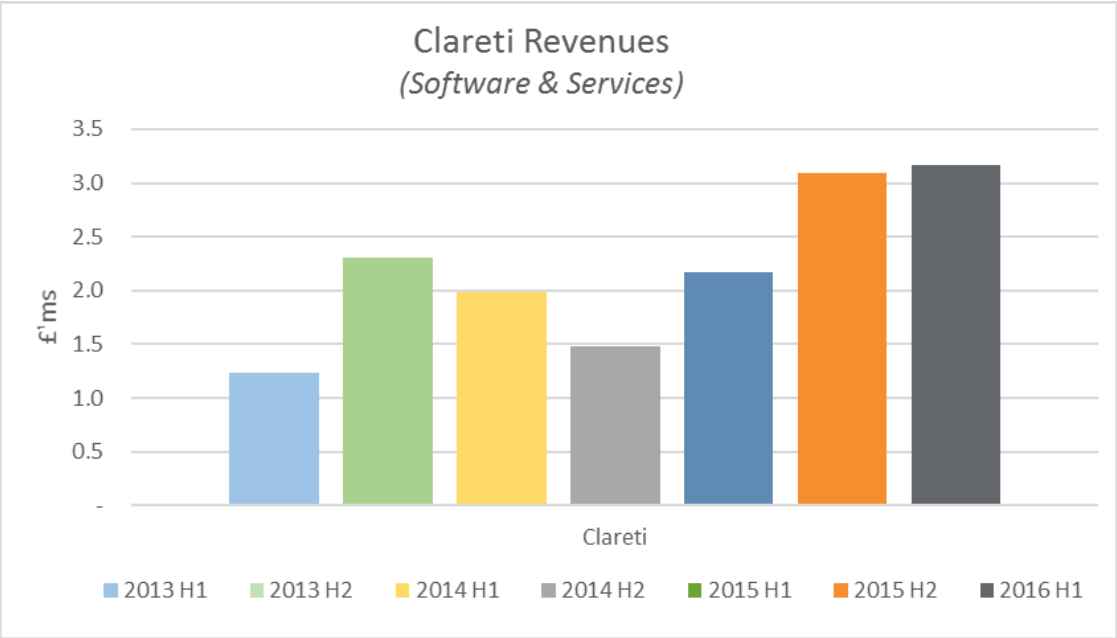


Half Year Highlights – per Interims Statement

- **Total revenues up 10%** to £7.8m (H1 15: £7.1m)
- **Clareti revenues up 46%** to £3.2m (H1 15: £2.2m)
- Total **recurring revenues up 16%** to £4.3m (H1 15: £3.7m) of which **Clareti up 47%** to £1.3m (H1 15: £0.9m)
- **Adjusted EBITDA* up 28%** to £1.5m (H1 15: £1.1m)
- **Investment in sales & marketing up 45%** to £1.6m (H1 15: £1.1m)
- **Cash £3.9m and no debt** (30 June 2015: £4.0m and no debt)



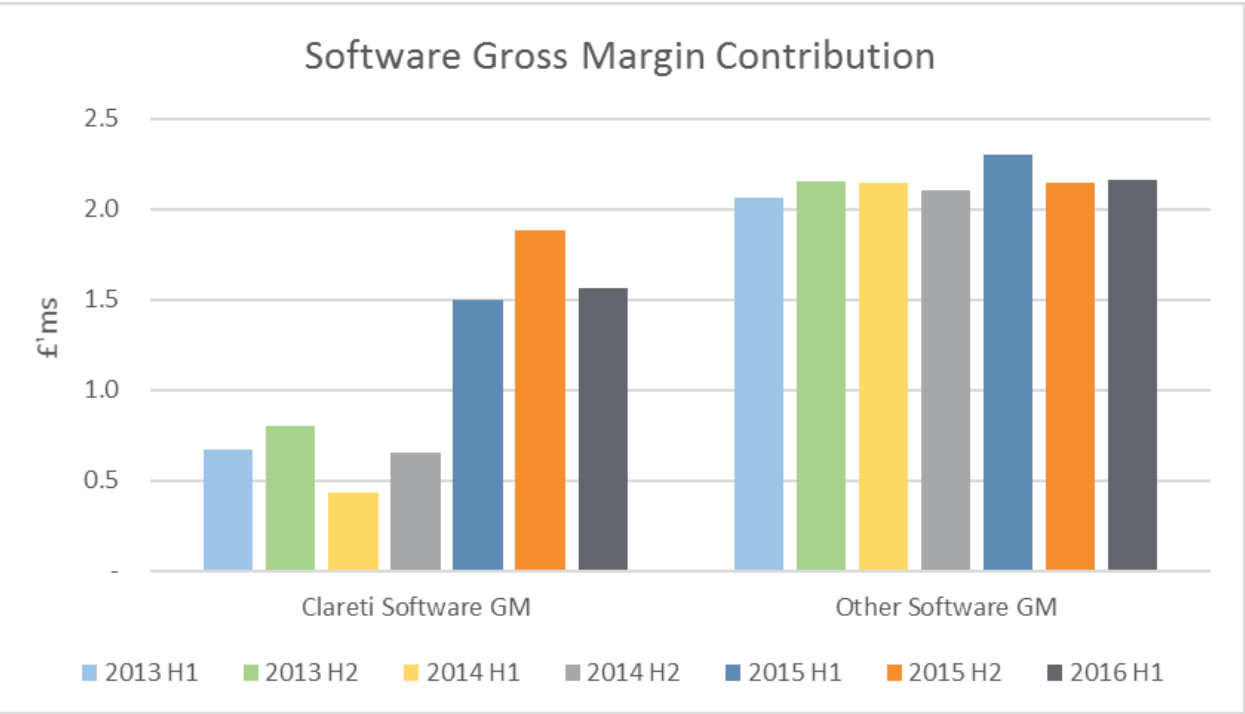
Half Year Trends - Revenues



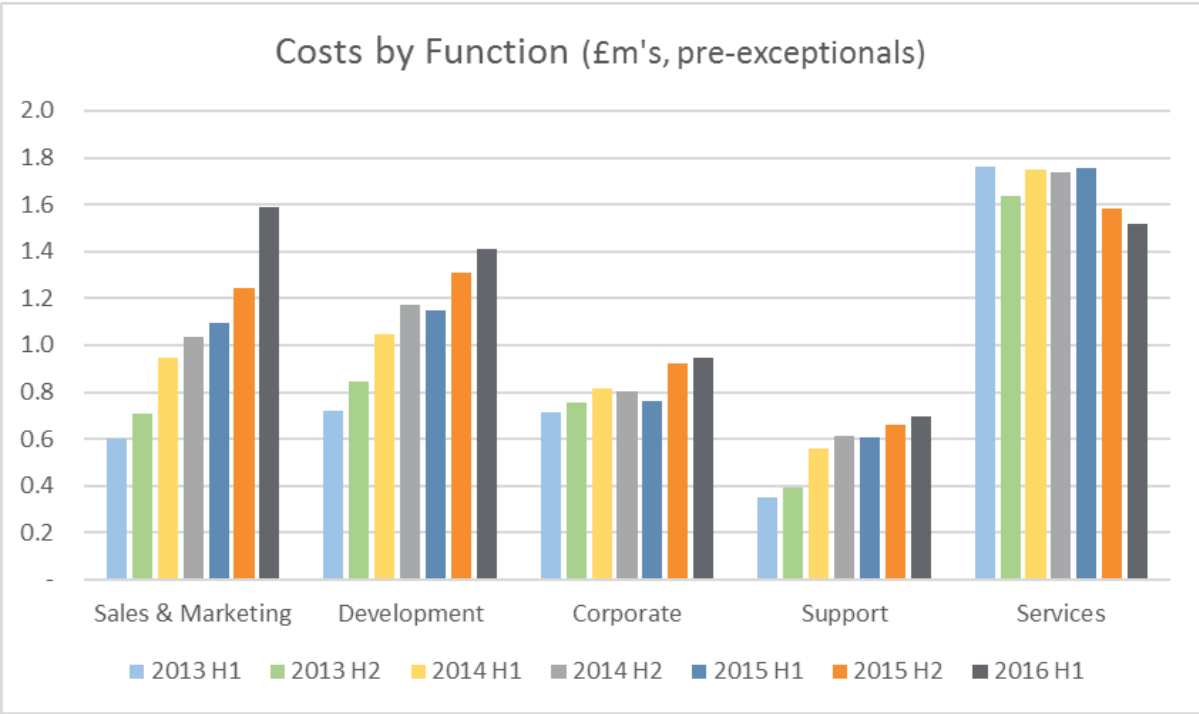
Half Year Trends – Margin & Cost



Software Gross Margin Contribution



Costs by Function (£m's, pre-exceptionals)





H1 2016 **Case Studies**

Delighting Customers



5th October 2016

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“In a world awash with real-time streaming data, we want to be the first company you turn to when you need to be in control.”

H1 Brand Refresh



Our **Solution** Focus



Regulatory Compliance

Achieving and evidencing compliance with ever-increasing regulatory requirements through automated reporting, real-time visibility, and the flexibility to adapt to future regulatory demands.



Internal Risk Control

Data integrity assurance for managing operational and conduct risks, with data consolidated into a single, proven platform enabling rapid identification and reporting of financial losses and exceptions.



Financial Control

Full integrity and real-time financial control from intraday to period end to improve business processes and ensure joined-up financial control and accurate reporting.



Transition Management

Robust data integrity controls to mitigate risks inherent in business transition or system migration projects.



White Label

Enabling customers to offer Clareti-based data integrity applications as solutions under their own brand to enhance their service offering, secure additional revenues and build stronger and more durable relationships with their customers.

Reg Tech ✓



Fin Tech ✓



Risk Tech ✓



Gresham Tech

Gresham Computing plc

Intends to become

Gresham Technologies plc

known as Gresham Tech

On 15th November 2016

GHT.L



The Clareti Story

Clareti customer numbers



3

2012

- First customers live on Clareti platform
- Acceleration of investment in sales & development

11

2013

- Multiple CTC contract wins including two tier 1 banks
- Globalisation of business functions to support Clareti led growth
- New York and Singapore sales office open

19

2014

- First US contract signed
- Further investment in sales and development
- CTC named "Best Reconciliations Solution" at FTF innovation awards

30

2015

- 11 new contract wins across EMEA, APAC and the US
- CTC retains "Best Reconciliations Solution" at the FTF Innovation Awards
- Clareti ARM 2.0 launched
- CTC gains PCI-DSS accreditation
- Clareti platform & applications strategy
- Clareti-as-a-Service cloud offering introduced
- CTC becomes Gresham's best selling solution
- Enterprise Data Integrity vision

36 (H1)

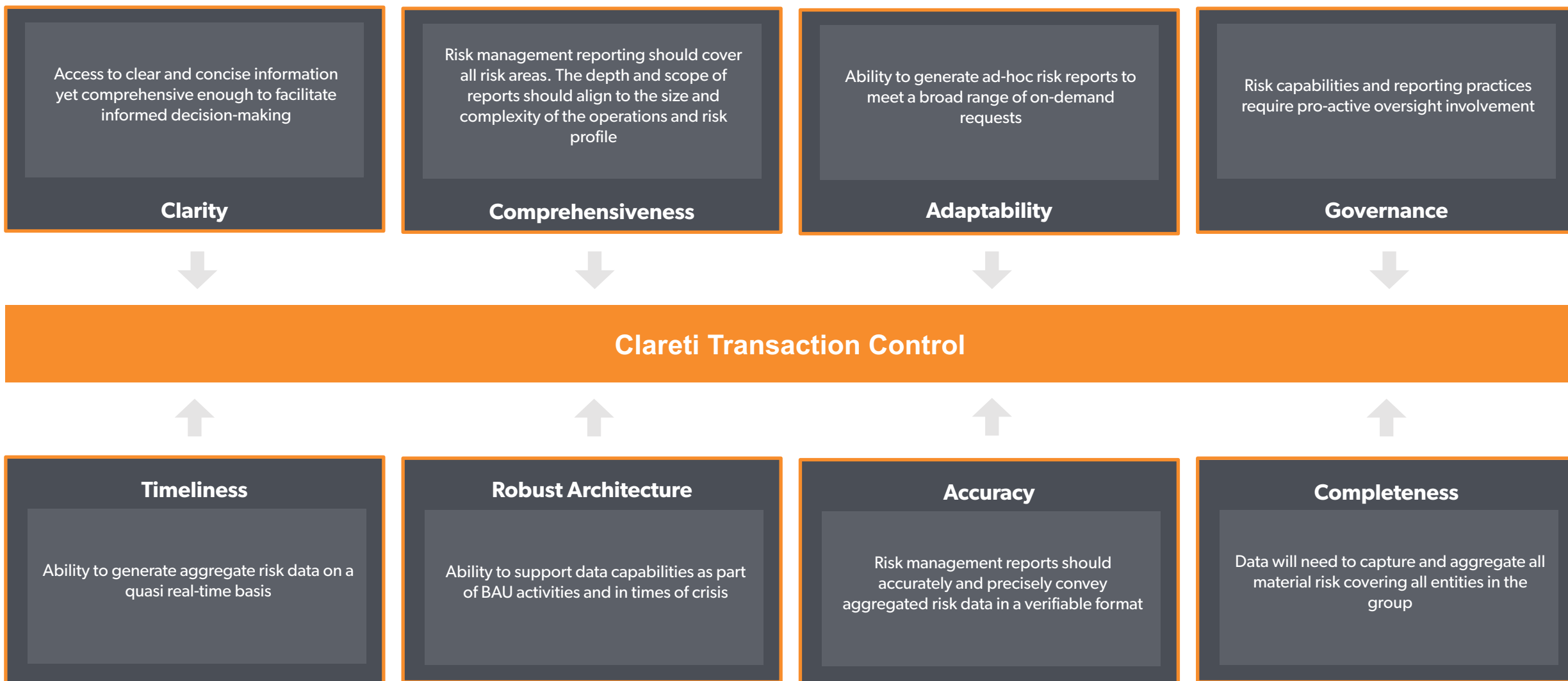
2016

- Contract wins continue
- First Clareti-as-a-Service customer live
- Entered Risk Tech 100 at #43
- CTC wins FTF Innovation Award for "Best Regulatory Compliance Solution"
- Opening of the new Innovation Labs in Bristol, UK
- Sales hires into Singapore, Australia, Luxembourg
- **First Clareti led acquisition for Gresham**
- **Gresham Tech launch**
- **And more to come**

Strategic Plan

- Build a new, high-margin, **recurring CTC revenue stream** based on licence sales, subscriptions and cloud services
- **Focus** our product investment and sales efforts **on CTC**
- Create a **sustainable global business** to enable CTC led growth
- Establish Clareti as the enterprise data integrity platform **“category leader”** in a world awash with real-time streaming data
- Leverage **Clareti & Clareti-as-a-Service Platform** to bring new **“Control”** applications to market

Enterprise Data Integrity – The BCBS 239 view





“In a world awash with real-time streaming data, we want to be the first company you turn to when you need to be in control.”

Ian Manocha
CEO

The Clareti Portfolio



Clareti Transaction Control



Clareti Accounts Receivable Mgmt.

Clareti Solutions

Clareti Platform




Onboarding Accelerator

Flexible workflow & business rules




Matching Engine



Cloud Native

In-memory data grid
Machine Learning
Embedded Analytics
Integration adapters & API's



White Labelling



Clareti-as-a-Service



Managed Services



Consulting & Implementation
Custom Product Development



"Bank-grade"
global 24/7 support

Clareti Services

The Clareti Portfolio



Clareti Transaction Control



Clareti Accounts Receivable Mgmt.



Clareti Loan Control



Clareti Data Accelerator

Clareti Solutions

Clareti Platform



Onboarding Accelerator

Flexible workflow & business rules



Matching Engine



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White Labelling



Clareti-as-a-Service



Managed Services



Consulting & Implementation
Custom Product Development



"Bank-grade"
global 24/7 support

Clareti Services

Clareti Revenue Streams

1



Clareti Transaction Control

2



Clareti Accounts Receivable Mgmt.

3



Clareti Loan Control

4



Clareti Data Accelerator

Clareti Solutions

Clareti Platform



Onboarding Accelerator

Flexible workflow & business rules



Matching Engine



Cloud Native

In-memory data grid

Machine Learning

Embedded Analytics

Integration adapters & API's



White Labelling

5



Clareti-as-a-Service



Managed Services



Consulting & Implementation
Custom Product Development



"Bank-grade"
global 24/7 support

Clareti Services

**Clareti
Revenue
Streams
Growth
Potential**

1



Clareti Transaction
Control

2



Clareti Accounts
Receivable Mgmt.

3



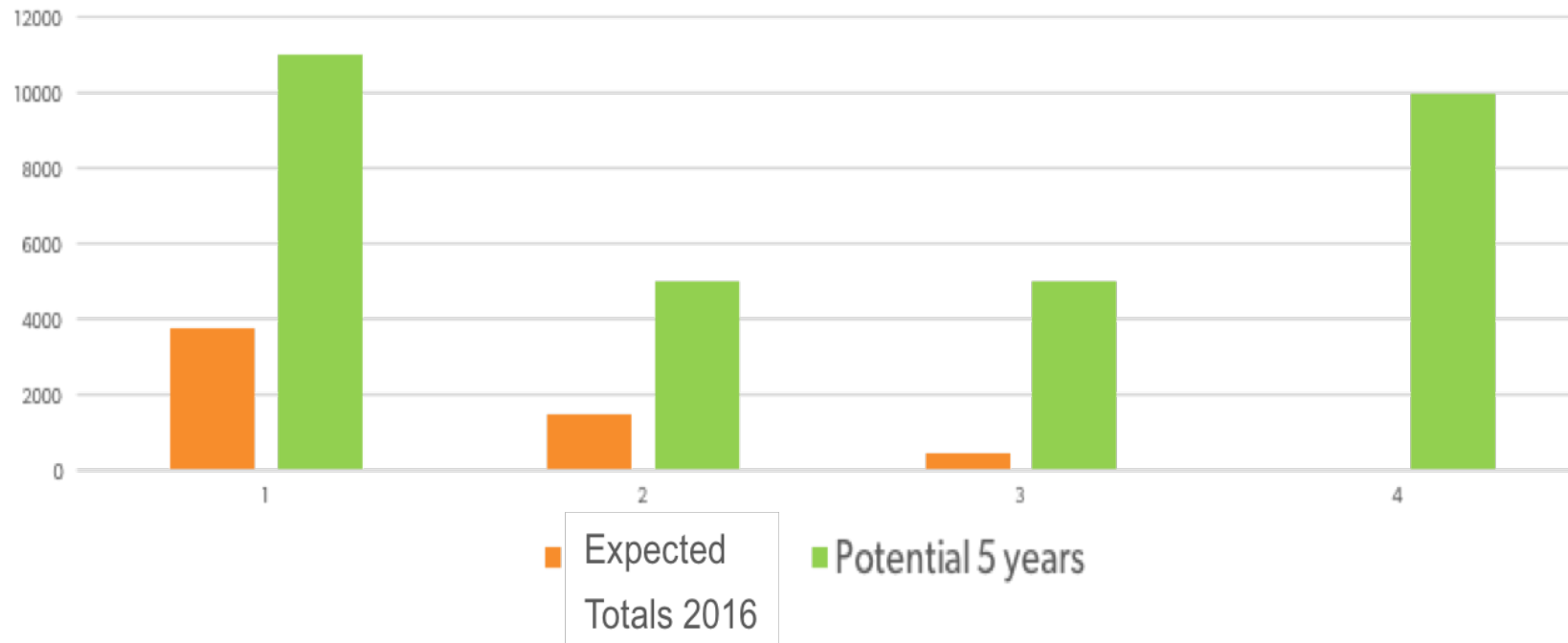
Clareti Loan Control

4



Clareti Data
Accelerator

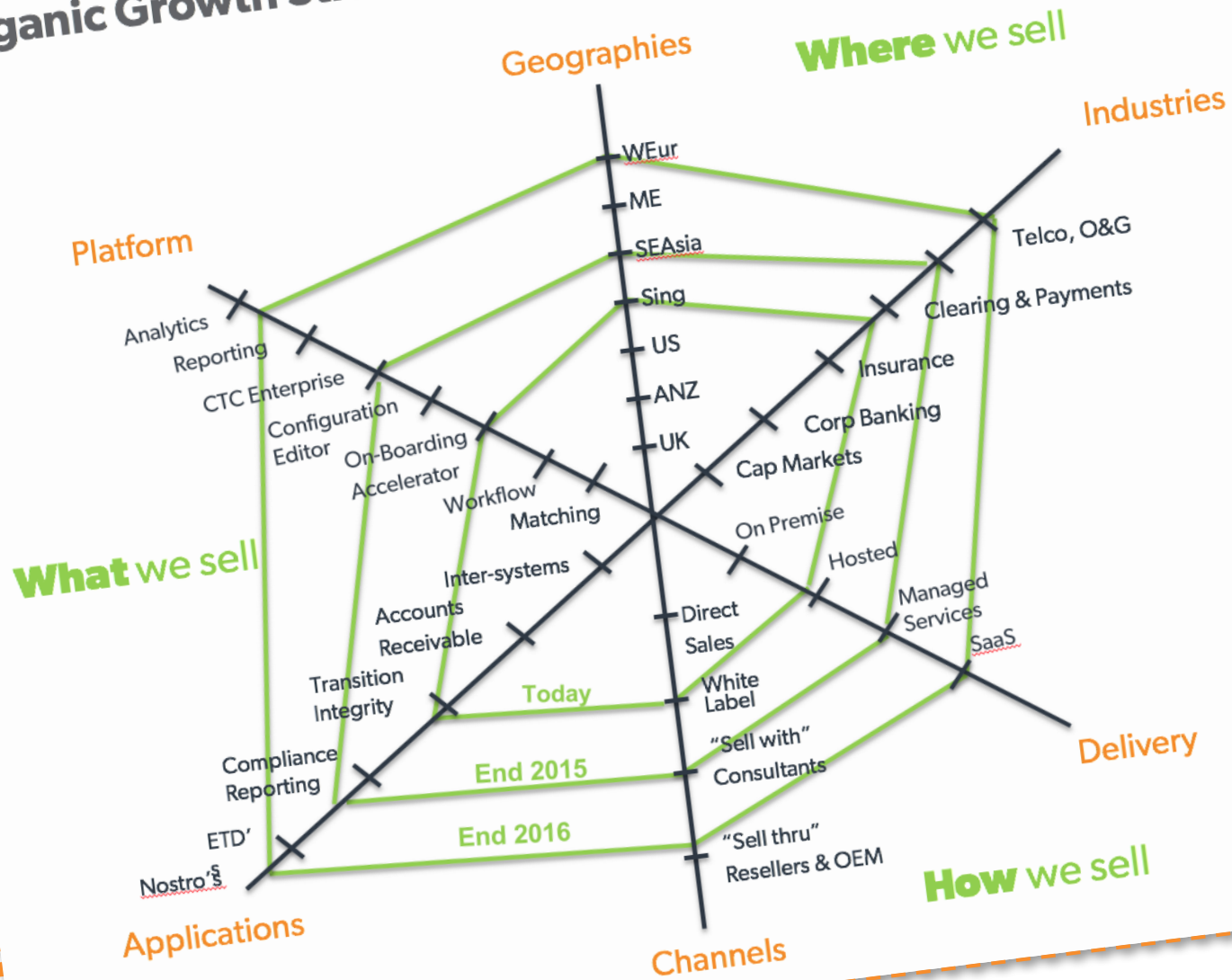
Clareti
Solutions



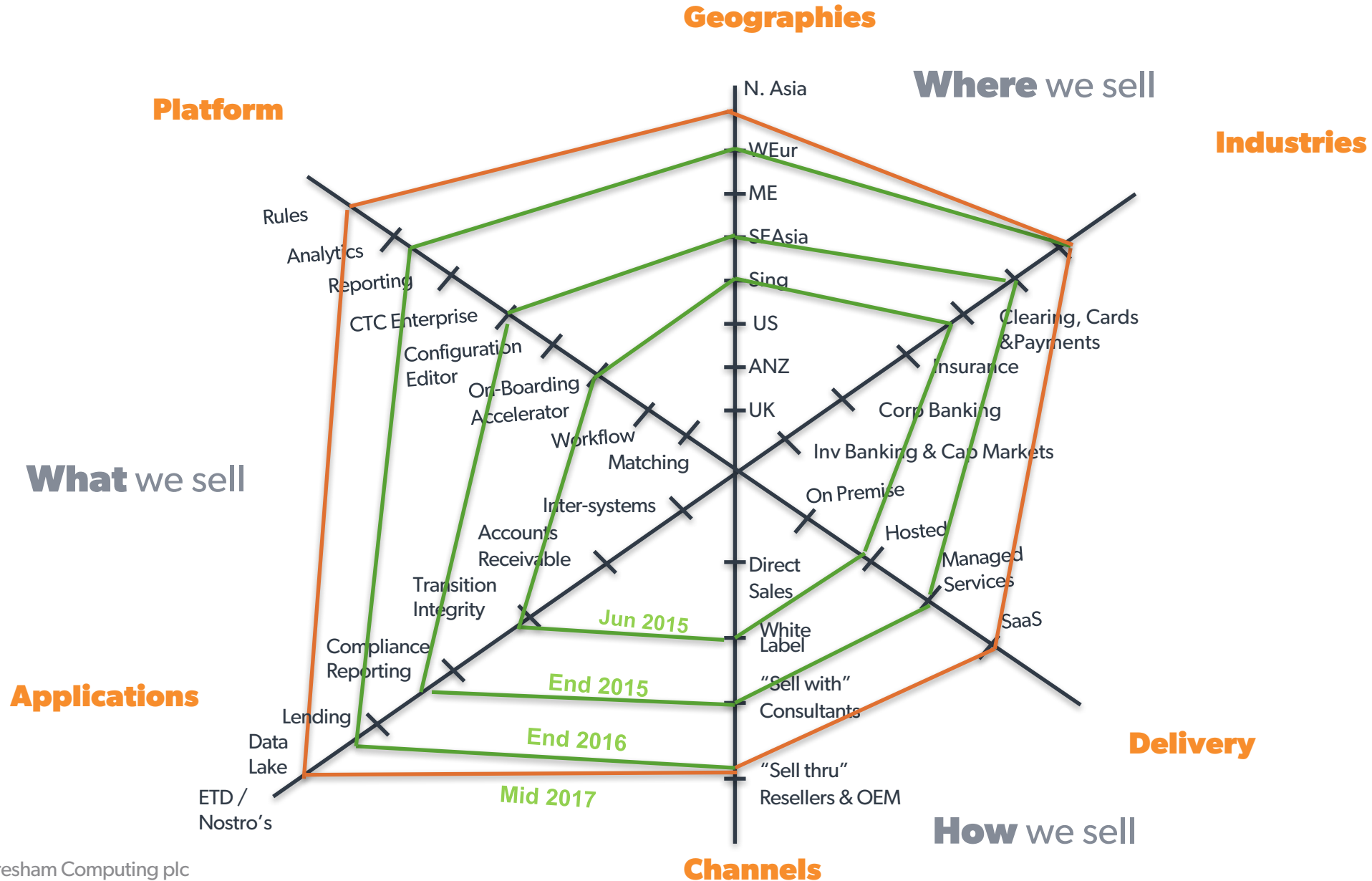
Management planning estimates to illustrate relative potential of Clareti businesses, not a forecast

August 2015

Organic Growth Strategy 2015-2017



Organic Growth Strategy – July 2016



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“In a world awash with real-time streaming data, we want to be the first company you turn to when you need to be in control.”

Clareti Loan Control

in partnership with Mount Street

Gresham 

- Initial contract signed late 2015, JV Heads of Terms signed, full contract being finalised
- Building a new business, not just a new product
- New way of working
- Developed to disrupt complex debt servicing technology market
- Innovative “game changing” functionality
- Front-to-back business support
- Extensible business architecture
- Scalable technical architecture
- Proven bank-grade platform & integrations



*“Our experience and research confirmed that there was **nothing available on the market** that would enable us to make a **step change in service quality and process productivity**.*

*Gresham shared our **vision for technology enabled transformation of the industry** and together we have delivered a solution that will enable us to manage a variety of loans, from single asset deals to large complex transactions, as well as entire performing and non-performing loan portfolios.*

*This partnership is a **differentiator** for Mount Street in the competitive 3rd party servicing market”.*

Ravi Joseph , CEO, Mount Street



Delivering solutions

Ravi Joseph
Managing Partner & CEO



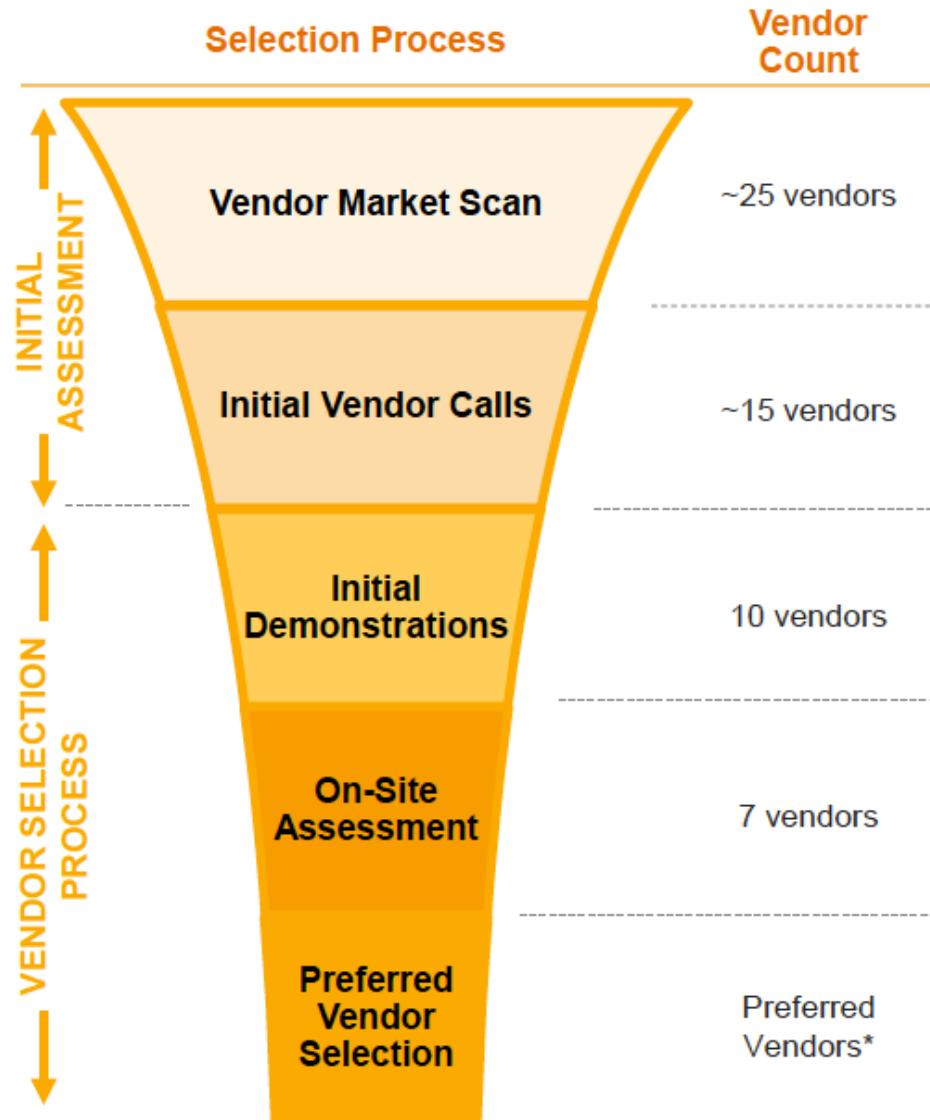
€25 billion
CRE loans under management

€13 billion
NPLs underwritten

175
Global Investors, Sponsors & Lenders

18
Jurisdictions Across Europe

Extensive Market Assessment



- Process supported by respected boutique advisory firm
- Options considered ranged from “out of the box” to fully custom build
- Proof of concept carried out to test demanding data management capability

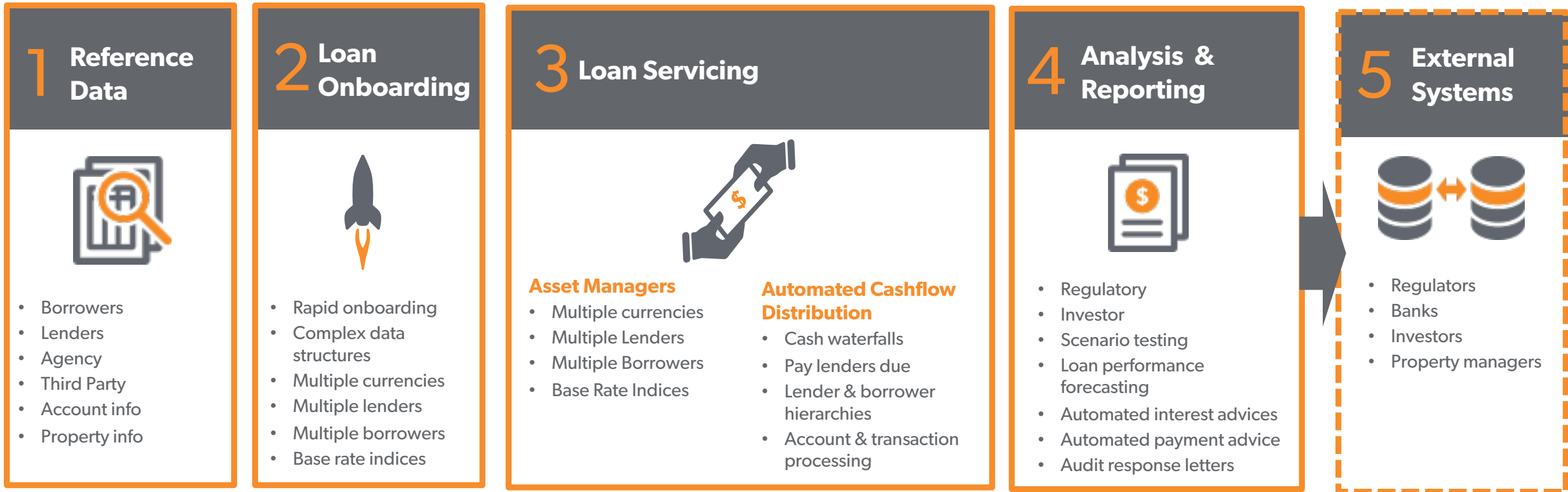
By supporting their complete end to end business processes, Clareti Loan Control enables Mount Street's team of asset managers to **increase their loan count by more than 50%** by driving efficiencies and cost savings.

More time to focus on client relationships and portfolio optimisation.



Software **Demonstration**

Clareti Loan Control – functional overview



Clareti Loan Control – examples of functional differentiation



- **Covers all conceivable loan types**
 - Easily on-board the simplest to the most complicated loans
- **Scenario testing**
 - Add and remove properties and tenants, restructure leases, forecast capital expenditure and carry out income, expenditure and recovery analysis with accuracy
- **Cash distribution**
 - Customise cash distribution waterfalls that mirror underlying documentation to ensure the timely and accurate flow of funds
- **Compliance**
 - Covenant monitoring is pre-programmed at the onset and automatically tracked throughout the life of the loan
- **Data complexity**
 - Accommodates loan sales, syndications, interest rate amendments, maturity extensions, standstills and payment date alternations easily and without the need for manual intervention
- **Analysis and reporting**
 - Automated bespoke reporting capabilities gives Mount Street's clients a best-in-class risk management tool

Clareti Loan Control

Model for serviced business

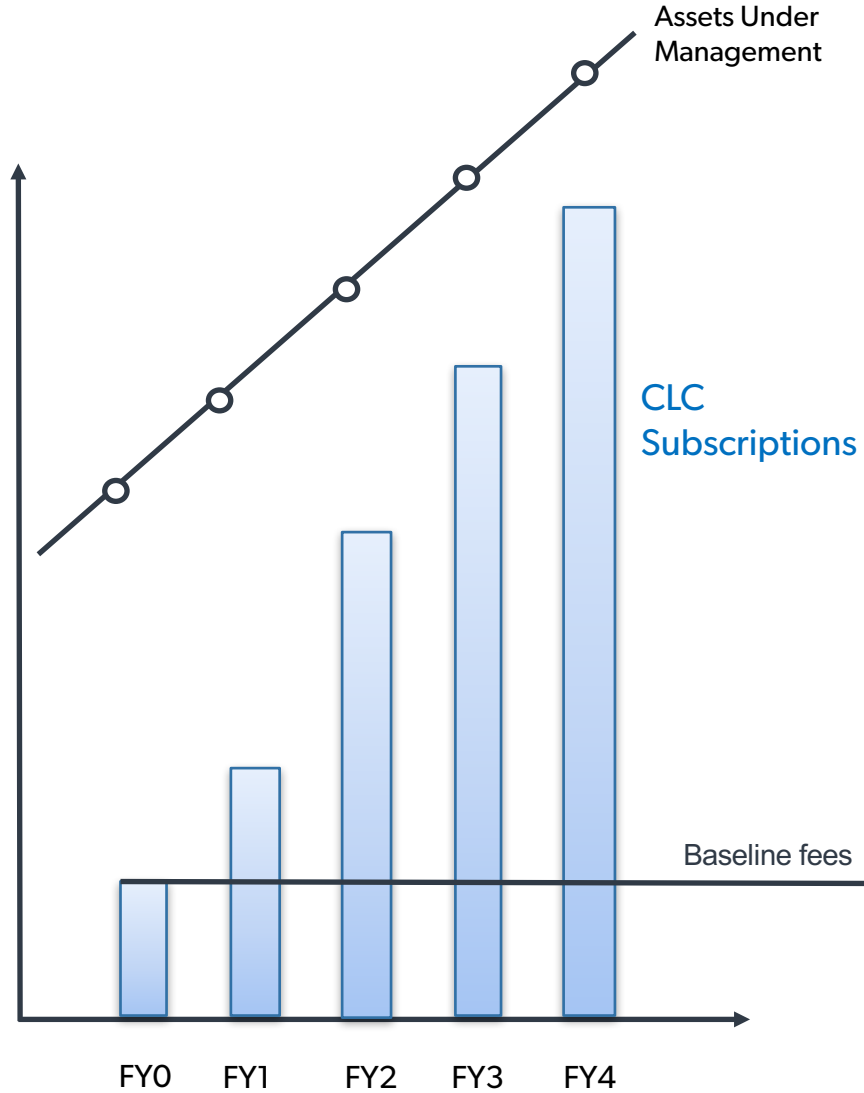


Illustration of Subscription Model (not a financial forecast)
Subscriptions Fees scale against growth in Assets & No of Loans

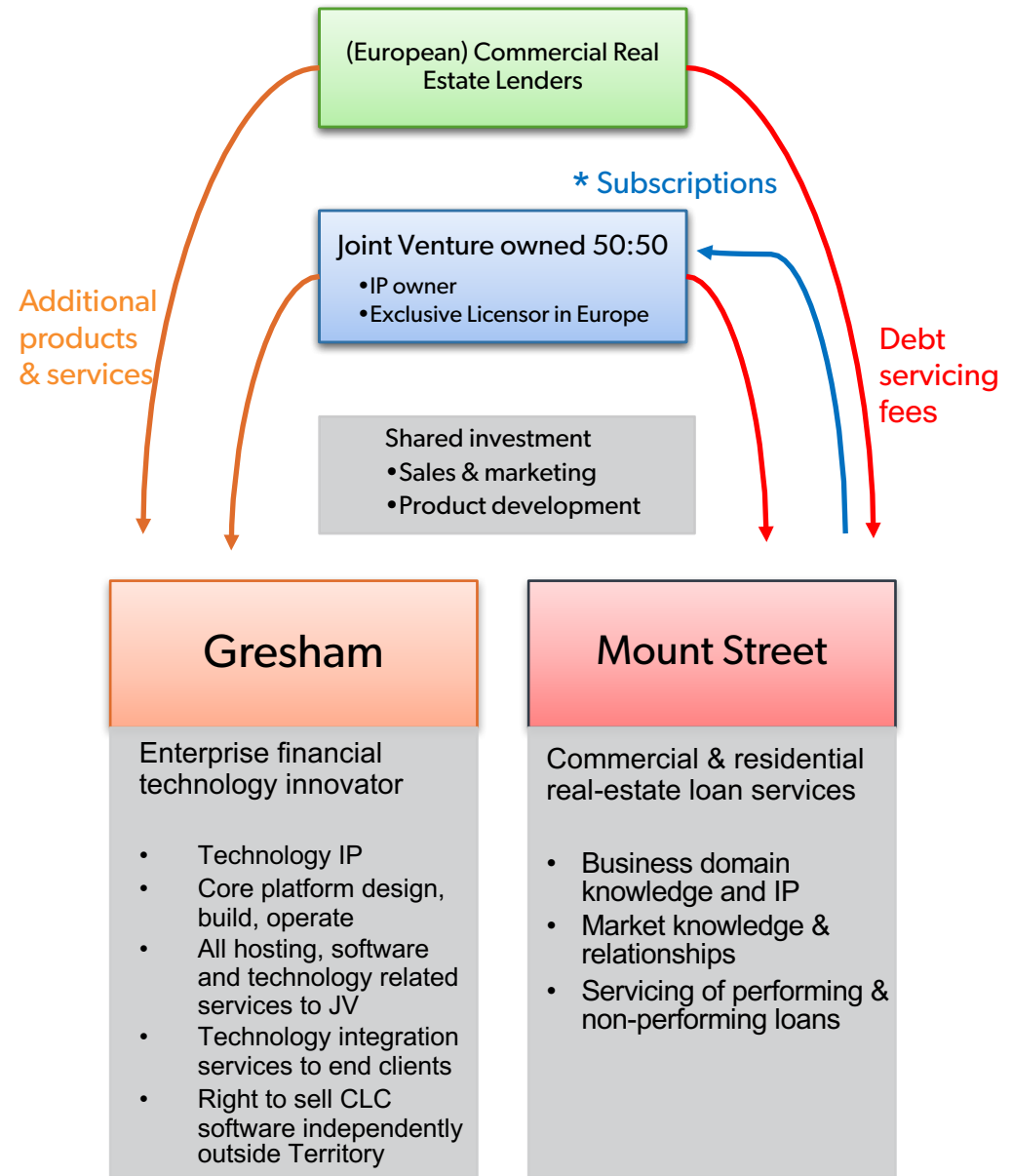


Illustration of JV Partnership Model for serviced business

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“In a world awash with real-time streaming data, we want to be the first company you turn to when you need to be in control.”

Data Lake

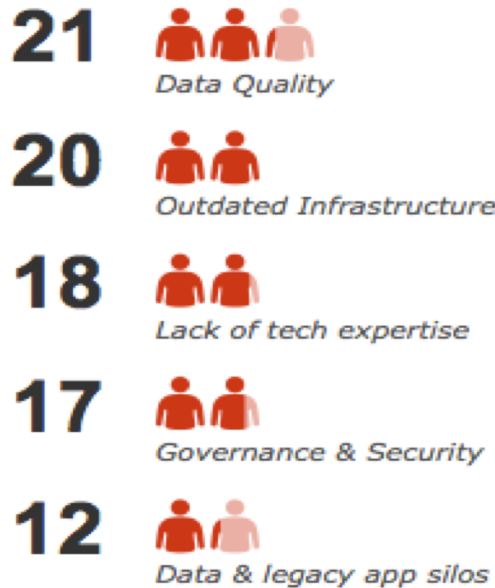
“A data lake is a storage repository that holds a vast amount of raw data in its native format, including structured, semi-structured, and unstructured data.

The data structure and requirements are not defined until the data is needed.”

Biggest Tech Hurdles in implementing Big Data Initiatives:

PERCENTAGE RESPONDENTS

%



An estimated 500 U.S. IT and business execs took part in the research.

Source:
2nd Watch (AWS Partner) Survey 2015
Reported in CIO Insight April 2016

Software **Demonstration**

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“In a world awash with real-time streaming data, we want to be the first company you turn to when you need to be in control.”



Fund raise – driving Clareti growth

Acquisition of C24 Technologies Ltd

Ian Manocha, CEO

Rob Grubb, CFO

27th September 2016



1



Earnings enhancing within first full year of ownership

2



High quality global base of annuity customers in our target financial services market

3



Technology to connect Clareti platform to standard financial messaging networks

4



Experienced software development team and IP that will enable us to shorten Clareti Data Accelerator time to market

Who are C24 Technologies Ltd ?

- Niche financial markets software product business
- Specialists in *“standards-based financial messaging & integration solutions”*
- Originally founded in 2000
- Privately owned by 3 Founders
- Sold to Iona in 2007, re-acquired by founders as C24 in 2011
- Serviced office in Cannon Street, City of London
- Turnover in 2015 of £ 1.97M
- Current contracted annual recurring software revenues of £1.1M

- Existing, highly respected, partner of Gresham - a *“known quantity”*

1

C24 – Earnings enhancing



Earnings enhancing within first full year of ownership

- Based on:
 - Full retention of current contracted C24 annuities to end December 2017
 - Modest integration savings to be realised from end of 2016
- Any C24 new sales, upgrades and services revenue would be “on top”
- Contribution to Group to be segmented as “Clareti Revenues” and fully enhancing to existing Clareti revenue expectations
- 25% of total purchase consideration is deferred for 18 months and tied to retention of annuity base over same period with an interim payment at 12 months subject to completion of transition objectives

2

C24 – High Quality Customers

- Loyal base of customers of which the majority are blue-chip financial institutions including many globally recognised names
- Approximately 35 customers distributed across UK & Europe, North America and Japan
- Mainly direct customer relationships
- Small number of internationally recognised partners and OEM solution providers
- Majority of current annuities in \$20,000 – \$50,000 per annum range
- Limited overlap with current Clareti customer list provides cross sell opportunity
- Combined Group will now have more than 70 annuity customers



Acquire high quality global base of annuity customers in our target financial services market

3

C24 – Proven Technology



Technology to connect Clareti platform to standard financial messaging networks

- Proven technology to ingest, visualize and transform financial messaging data
- Library of “out of the box” connectors for SWIFT MT / MX, ISO 20022, FPML, FIX, DTCC and other industry standards
- Enables C24 customers to rapidly adopt financial industry standards in their enterprise applications
- We will continue to support C24 customers, sell C24 as stand alone offering, and also integrate with Clareti
- Will enable Clareti customers to process industry standard financial messages “off the shelf”
- Another step for CTC on the journey towards addressing the “standardized” reconciliations market with its legacy incumbents

4

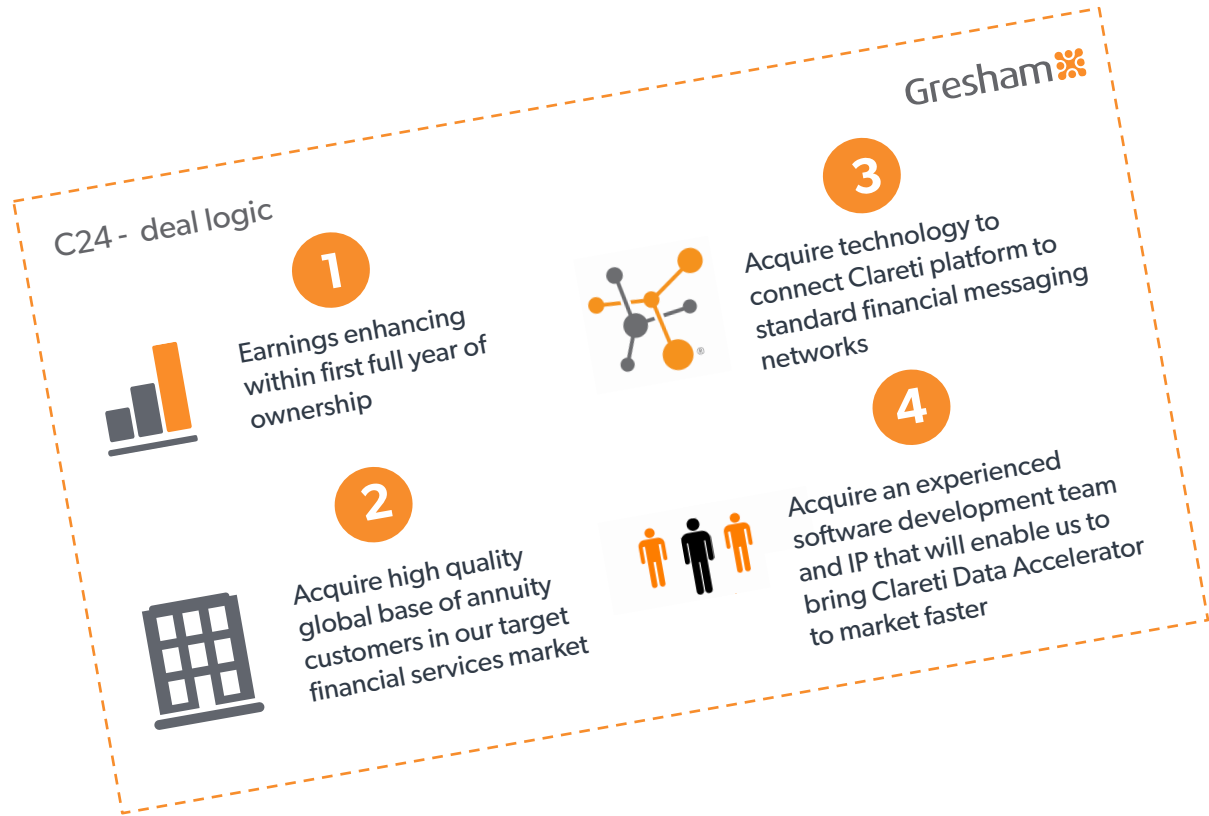
C24 – People & IP to drive Clareti growth

- 3 highly respected software developers individually known to Gresham
- Aligned with Gresham’s agile development philosophy, processes and development toolset
- Experienced in building real-time financial data management solutions
- Shared vision and understanding of the market need for a next generation solution for “fast data” management
- Data compaction technology for high performance processing
- Further un-commercialised IP that complements our Clareti Data Accelerator road map



Experienced software development team and IP that will enable us to shorten Clareti Data Accelerator time to market

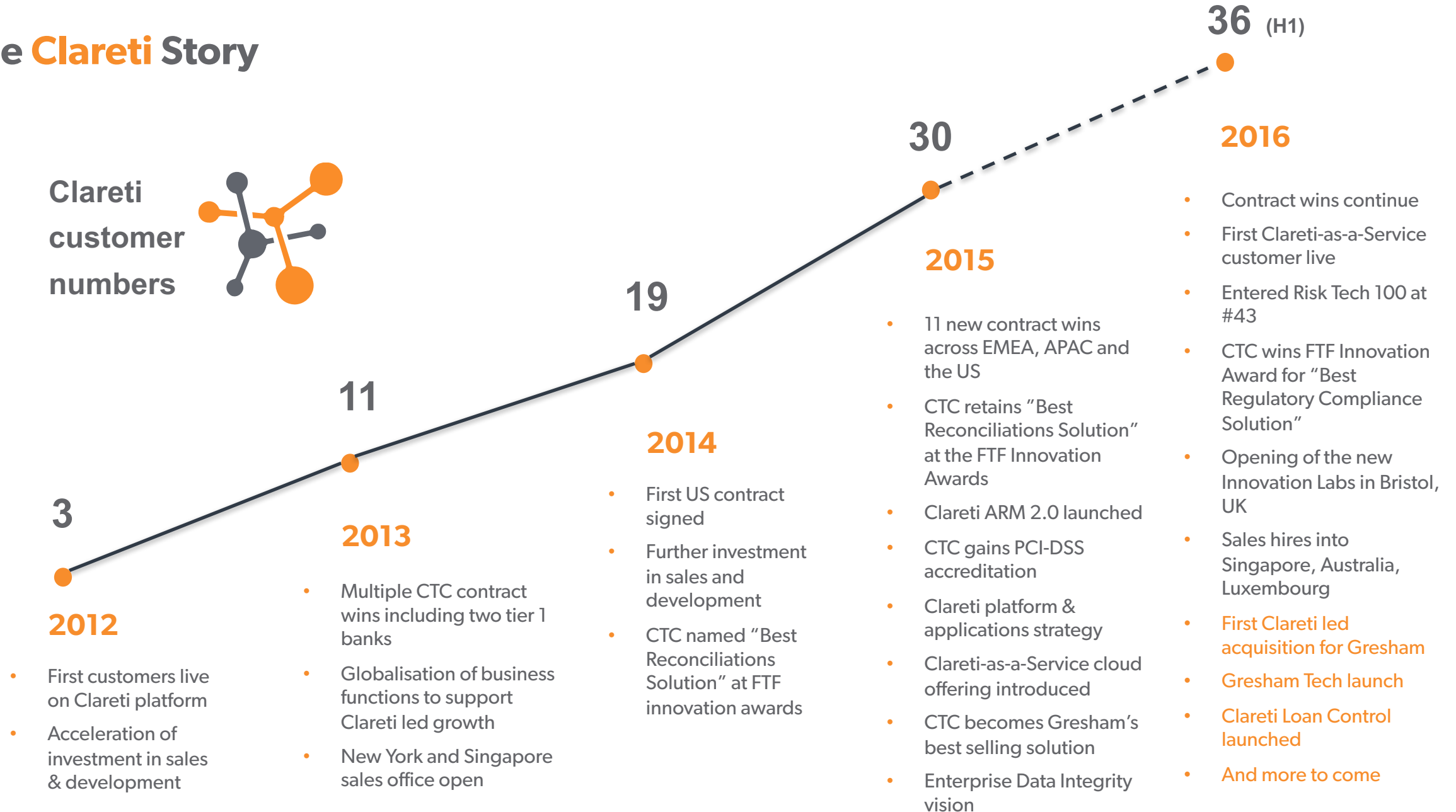
In Summary



- Carefully considered first acquisition for the new Gresham
- Supports Strategic Plan
- Strong deal logic for Gresham Investors
- Positive for both Customer bases
- Management team confident in ability to execute and realize benefits

The Clareti Story

Clareti
customer
numbers





“Vision without execution is delusion”

Thomas Edison

Q4 2016

- Manage legacy revenues
- Extend CTC usage in global customer base
- Close additional Tier 1 “key customer” win(s)
- Win further Clareti-as-a-Service sales
- Break out in North America market
- Build Clareti ARM pipeline in global transaction banks
- Launch Clareti Loan Control
- Prepare ground for Clareti Data Accelerator launch
- Make a success of C24 integration
- Look for further opportunity to scale on Gresham’s Group business platform in 2017



Thank you for your **ongoing support**

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