

September 2014 factsheet**HIGHLIGHTS FROM INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2014**

- Adjusted HEPS grew by 283% to 13.73 cents per share.
- Assets under management grew by 171% to R4.6bn at 30 June 2014.
- Listed on the Alt-X on 16 September 2014, raising R60m
- Declaration of maiden interim dividend of 3 cents per share.

Comprehensive income for 1H2014

Figures in Rand ('m)	% change	Unaudited 30-Jun-14
Revenue	169%	28.1
Operating profit	250%	10.2
Total comprehensive income for period	247%	7.1
Adjusted headline earnings	455%	8.5
Adjusted HEPS (cents)	283%	13.73
Number of shares in issue		62.6
Weighted shares in issue		61.9

WHAT IS ANCHOR GROUP?

The Anchor Group is primarily an asset manager. It began managing assets in 2012 and has grown rapidly to reach group-wide assets under management of R6bn. These are primarily private client and retail assets, with recent growth in the corporate and institutional markets.

The asset management subsidiary Anchor Capital, which is the primary business in the group, runs segregated portfolios (both locally and internationally) and has a series of funds in both the Collective Investment Scheme and hedge categories.

In addition, the group also has the following subsidiaries, associates and investments:

- Ripple Effect 4 Proprietary Limited (65% held).
- Anchor Securities Proprietary Limited (25% held). (> R2bn of assets)
- Cartesian Capital Proprietary Limited (19.9% held). (>R350m of assets)

The long term strategy of the Anchor Group is to become a major player in South African asset management. This will be achieved by both organic and acquisitive growth.

FACTS AND FIGURES

- Anchor BCI Equity Fund 6th out of >180 funds in 12 months to end September 2014
- R60m raised in September 2014 at R2 per share
- 92.6 million shares in issue
- R18.7m shareholders equity at 30 June 2014 plus R60m capital raised = NAV of R78.7m
- Funds under management have more than doubled in first 9 months of 2014
- Committed to 2x dividend cover
- 40 staff members, 5 CA's, 4 CFA's, 6 CFA-designates, 15-strong investment team
- Offices in Sandton, Pretoria, Cape Town and Durban
- CIS/Unit Trust assets have increased from +/-R100m to over R600m in 2014



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Irene: Block C Southdowns Office Park John Vorster Drive
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Tel: +27 31 583 2758

WATCH OUT FOR ...

- **Disruption using information technology:** The group intends launching an internet-based investment advice offering, targeted at the 25-35 year-old category. It aims to be first to market in this category in South Africa.
- **New sales partners:** The group intends expanding its sales and wealth management team from five to over 20 in the next year.
- **New asset classes:** The group has plans to expand its fixed income capabilities in coming months and has expanded its skills in the global macro hedge category.
- **New funds:** The group will continually expand its investment offering to service its targeted client bases. Anchor Capital will launch its first two global funds, domiciled in Ireland, in coming months to supplement its segregated portfolio offering (global equity and global macro hedge). Further new local Collective Investment Scheme funds will be launched in the next year.
- **New market segments:** The group is investigating the best way to approach offering its services to the retirement industry and intends launching these initiatives in the next 6-12 months.
- **New businesses:** Anchor is a young, entrepreneurial group and will partner with other business, in various stage of development. Asset management is not a capital

intensive industry and significant value can be created by backing talented individuals who have the skills to deliver investment performance and attract assets under management.

FORECAST

In its listing prospectus, Anchor Group published a forecast of headline earnings per share of 21.72c for the financial year ended 31 December 2014 and 27.61c for the financial year ended 31 December 2015. The December 2015 forecast assumes a 5% after tax return on > R60 million cash.

DIRECTORS

Executive Directors: Peter Armitage (Chief Executive Officer), Todd Kaplan (Financial Director)
 Non-executive directors: Mike Teke (Chairman), Ivan Clark, Paul Nkuna (independent), Alastair Adams (independent)

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Anchor Capital AUM (R'm)

