Acquisition of Pepper European Servicing business

Investor presentation

31 January 2020

Important notice

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This Presentation has been prepared in relation to the acquisition (**Acquisition**) of Pepper Ireland Finance Holdings Limited, Pepper Cyprus Holding Limited, Pepper (UK) Limited and Pepper Spanish Services Limited (collectively referred to as "Pepper European Servicing" (**PES**)) by Link Group.

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Agenda

Presenters

John McMurtrie

Managing Director
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Andrew MacLachlan

Chief Financial Officer
Link Group

Robbie Hughes

Chief Executive Officer
Banking and Credit Management

1. Transaction overview

Transaction overview

Acquisition of Pepper European Servicing ("**PES**") from Pepper Group is strategically aligned to Link Group's growth initiatives whilst enhancing and diversifying Link's BCM business

- **Upfront cash consideration of €165 million (~A$266 million)** and up to a further €35 (~A$56 million) million contingent on performance over 3 years
- Executing on **BCM expansion strategy** outlined in prior communications to investors
- **Scaled operations** in mature markets will improve operating margins
- The expanded BCM business is strategically **positioned to capture growth** in active and emerging markets in the medium term
- **Double digit accretive** to Link Group Operating EPS, with a further 5% to 6% accretion upside from realisation of efficiency benefits {estimated annual efficiency benefits of €10 million (~A$16 million) over the medium term}

Transaction overview

Acquisition of Pepper European Servicing ("**PES**") from Pepper Group is strategically aligned to Link Group's growth initiatives whilst enhancing and diversifying Link's BCM business

PES description

- PES provides end-to-end loan servicing, advisory and asset management across residential and commercial segments
- Primarily based in the UK and Ireland, with additional footprint in Spain, Greece and Cyprus
- PES had total assets under management ("AUM") of ~€39bn as at 31 December 2019 and expected revenue of ~€93m (~A$150m) and normalised EBITDA of €20m (~A$32m) for CY2019[2]

Acquisition rationale

- ✓ Highly complementary fit to BCM, creating a leading pan-European asset servicer and manager
- ✓ Scaled operations in mature markets will improve operating margins
- ✓ Diversifies BCM's revenues and reduces overall client concentration
- ✓ Strategically positioned to capture growth in active and emerging markets in the medium term
- ✓ Aligned with BCM expansion strategy outlined in prior communications to investors
- ✓ Deep talent pool across both BCM and PES
- ✓ Double digit accretive to Link Group Operating EPS[1], with a further 5% to 6% upside from realisation of efficiency benefits

Transaction overview

- Link Group to acquire 100% of PES for upfront cash payment of €165m (~A$266m) and contingent cash payments of €35m (~A$56m) over 3 years
  - €15m relates to protection of current AUM;
  - €20m relates to achieving growth hurdles in Spain, Greece and Cyprus
- Funded from existing cash and debt facilities
- Implied EBITDA acquisition multiples:

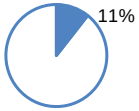
	Normalised EBITDA	
Consideration	y/e Dec-19 *€20.1m*	y/e Dec-19 + efficiency *€30.1m*
Upfront + AUM protection (€180M)	**8.9x**	**6.0x**
Upfront only (€165M)	**8.2x**	**5.5x**

Notes: FX rate of A$1 = €0.62 used to convert all EUR metrics in this Presentation. (1) Operating EPS accretion 1 year post completion (pre efficiency benefits and one-off costs, exc. acquired amortisation) (2) based on unaudited management accounts for the year ended 31 December 2019; Normalised EBITDA excludes one-off costs predominantly related to separation of the servicing business from Pepper, technology upgrade and remediation projects.

2. Banking and Credit Management overview (existing business)

Banking and Credit Management ("BCM")

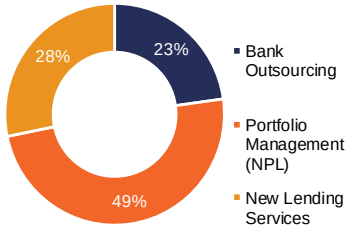
FY 2019 revenue contribution[1]



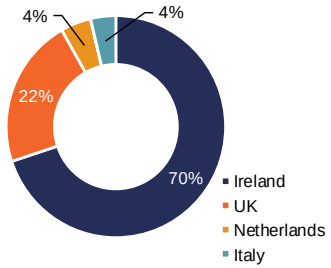
Scalable platform with opportunity for jurisdictional and service expansion, further value to be obtained from investment in technology and process improvement

FY19 Revenue profile

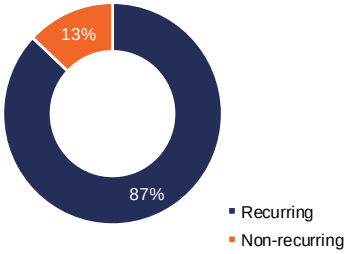
Service



Jurisdiction



Recurring vs. Non-recurring



BCM underpinned by 3 core services

Portfolio Management

- Servicing of Non-Performing Loan (NPL) / Closed Books

Bank Outsourcing

- Non core and legacy portfolio management on behalf of banks

New Lending Services

- Packaging / Underwriting / Origination / Servicing
- Structured Finance / Real Estate Finance

BCM is a scaled independent debt servicer

- Established provider in Ireland and UK
- Expanding presence in the Netherlands and Italy

Servicing over €90 billion of loan portfolios[2]

Experience of managing loans in 15 jurisdictions

20 years in Europe

Notes: (1) Divisional percentages based on gross revenue prior to eliminations (exc. CPCS); (2) As at 30 June 2019.

Market dynamics

Shifting market dynamics will create opportunity for both service and jurisdiction expansion

Global economies at different phases of a recovery cycle

Increasing move towards automation and digitisation

Bank outsourcing increasing (post deleveraging) embracing new Fintech Digital solutions

European GDP growth of 1.6% forecast for 2020; general slowdown in Europe due to Global uncertainty

Developing regulatory landscape may provide opportunities

Bank Balance Sheet Clean-up - The ECB has set target dates for banks to make full provision for bad debts; potential to stimulate further NPL sales

Opportunity

Link Group is well positioned to take advantage of the market dynamics

Portfolio Management

- Jurisdictional expansion – follow the NPL curve around the globe
  - Scaled growth in Italy
  - Expansion into Greece
  - Explore Indian and Chinese markets

Bank Outsourcing

- Outsourcing of non core activities
- Optimisation of current proposition by leveraging Fintech / Regtech capability

New Lending Services

- Scale the Netherlands business
- Expand end-to-end lending proposition
- Partner with start up / challenger banks and non-bank lenders

3. Overview of Pepper European Servicing

Pepper European Servicing overview

Overview

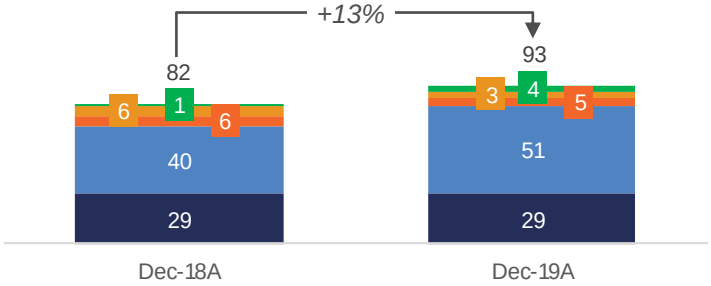
- The PES business within the Pepper Group provides end-to-end loan servicing, advisory and asset management & advisory services in Europe
- PES predominately operates in the UK and Ireland, with operations also in Spain, Greece and Cyprus
- PES has a diversified customer base, consisting of a range of investors, banks and non-bank financial institutions
- PES has AUM of ~€39bn and generated FY19 (ending 31 December 2019) revenue of ~€93m and normalised EBITDA of ~€20m[1]

Services

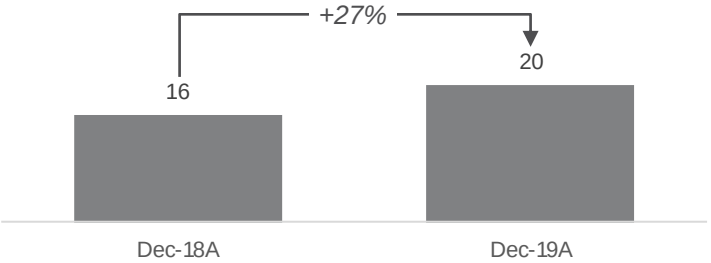
End-to-end servicing	Solutions across the loan cycle from origination support and on-boarding to account settlement and arrears management
Asset management & advisory	Complementary asset management services including portfolio due diligence, valuation services, panel management and real estate advisory

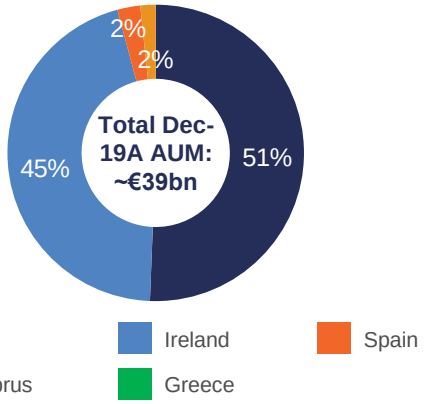
Financial snapshot

Revenue by geography (€ million)



Group EBITDA (€ million)





Notes: (1) based on unaudited management accounts for the year ended 31 December 2019 (as adjusted); Normalised EBITDA excludes one-off costs predominantly related to separation of the servicing business from Pepper, technology upgrade and remediation projects.

4. Strategic rationale

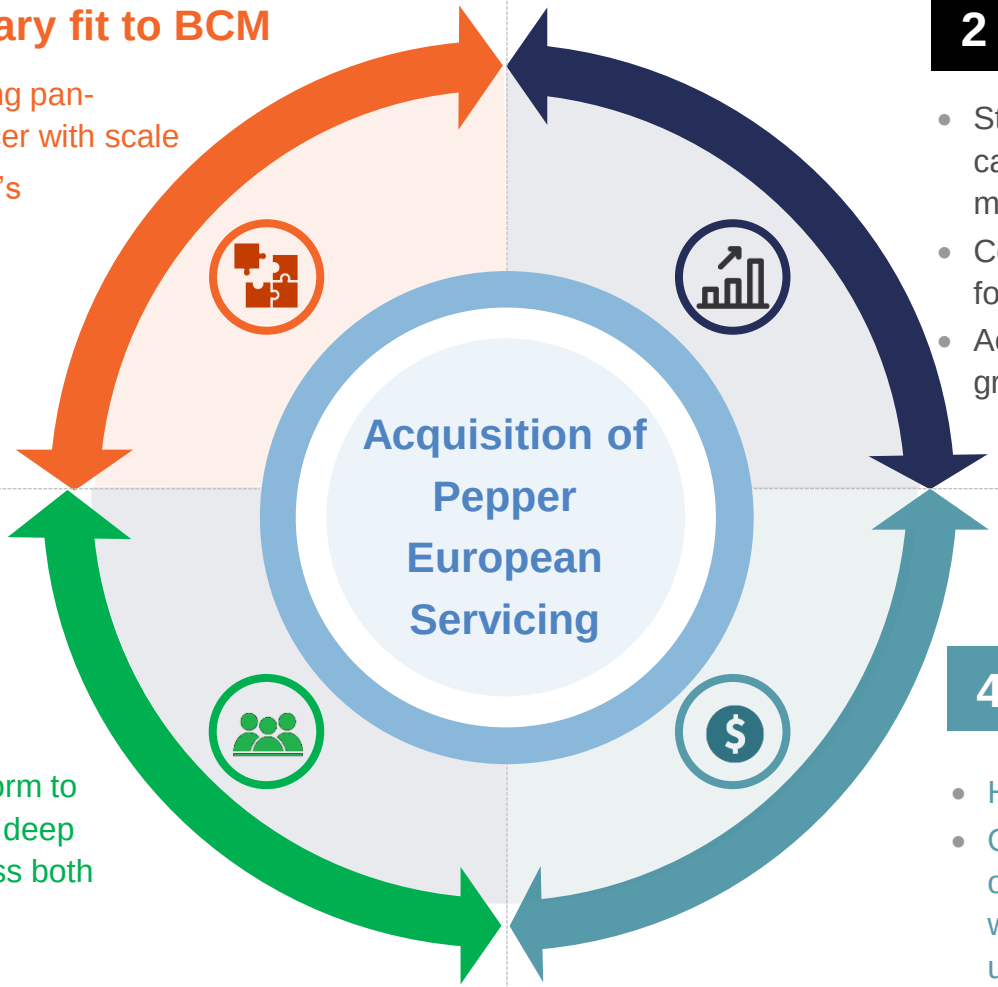
Strategic rationale

1 Complementary fit to BCM

- Creates a leading pan-European servicer with scale
- Diversifies BCM's operations and reduces overall concentration
- Complementary technology platforms

2 Positioned for growth

- Strategically positioned to capture growth in active markets in the medium term
- Complementary geographic footprint to BCM
- Accelerates existing BCM growth strategy



3 Combination of talent

- Combined platform to benefit from the deep talent pool across both BCM and PES

4 Attractive deal economics

- Highly accretive transaction
- Opportunity to extract operating efficiency benefits which provide additional upside

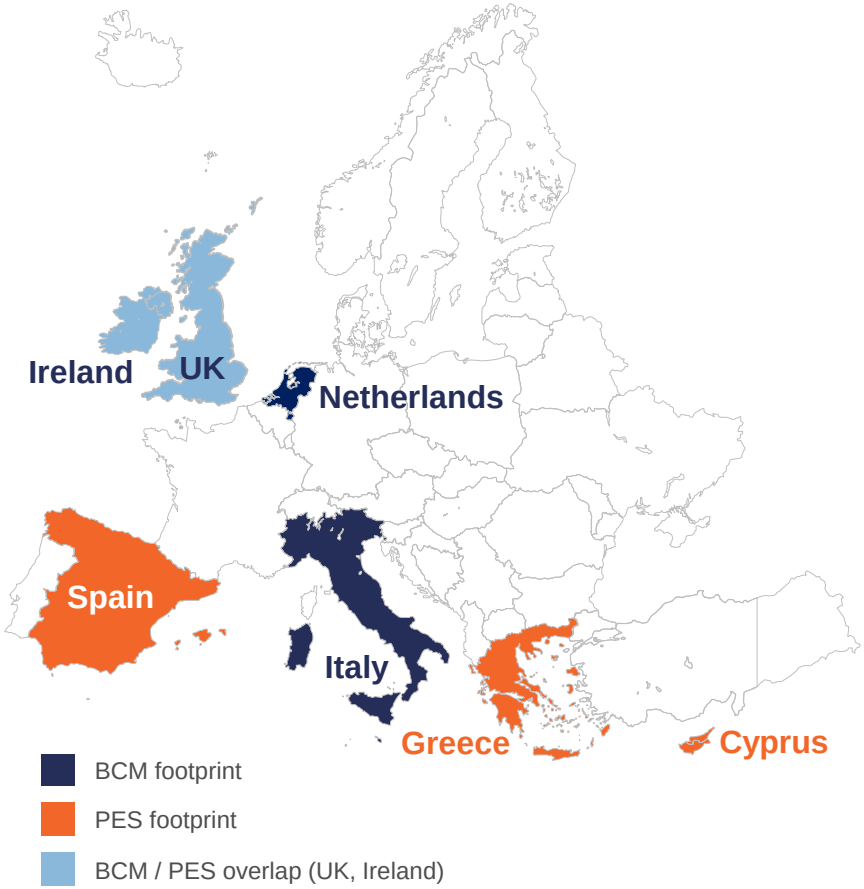
Strategic alignment to Link BCM

Acquisition of PES closely aligns with BCM's strategy to expand service offerings, enter into key growth markets and optimise supporting infrastructure

	Link BCM strategy	PES alignment
Enhance	**Enhance existing capability and client opportunities** • Enhance servicing / data offering to maximise client satisfaction, penetration and retention	✓ Sharing of knowledge and best practice, presenting an opportunity to create a best-in-class offering
Transform	**Transform BCM's services** • Develop end-to-end offerings by investing in adjacent capabilities (e.g. asset management, real estate services)	✓ Established capability in origination services, primary servicing, advisory and asset management
Expand	**Expand services and markets** • Become a scale player in Europe through organic or acquisition led entry into new markets	✓ Provides exposure to growth regions including Spain, Greece and Cyprus
Optimise	**Ensure BCM is in peak condition** • Optimise operating model and supporting infrastructure, leveraging Fintech / Regtech capabilities	✓ Opportunity to right size the supporting infrastructure of the combined PES / BCM entity
Digital	**Technology led digital future** • Right size technology estate and develop multi-jurisdictional loan and asset management platform	✓ Complementary technology platforms presenting an opportunity to consolidate

A leading pan-European asset servicer

PES adds scale to BCM's UK and Ireland operations and strengthens new lending capability. Accelerating growth in bank outsourcing and new lending service opportunities in attractive European markets



UK

- Total loans €4.37tn / NPLs €55.8bn (1.3%)[1]
- PES adds scale to BCM's UK operations with limited cannibalisation given different client base
- PES UK has a blue-chip portfolio of originating clients providing a more annuity style cash flow

Ireland

- Total loans €205.2bn / NPLs €9.4bn (4.6%)[1]
- PES adds scale to BCM's Ireland operations with limited cannibalisation given different client base

Netherlands

- Total loans €1.74tn / NPLs €33.8bn (1.9%)[1]
- Key growth region for BCM, currently comprising ~7% of total BCM revenue
- BCM has successfully entered the market and now has a sizeable footprint on the ground (~100 FTEs) to further capture the large market opportunity

Sources: (1) European Banking Authority – Risk Dashboard as at June 2019. NPLs and associated ratios represent balance held on Bank balance sheets and exclude other significant NPL balances that have transferred to SPVs through portfolio sales and/or securitisations.

A leading pan-European asset servicer

PES broadens the European footprint and client portfolio, providing greater scope to access key growth markets in Spain, Greece and Cyprus

Italy

- Total loans €1.74tn / NPLs €137.2bn (7.9%)[1]
- Italy is the largest NPL market in Europe
- BCM is well positioned with an existing presence to target further growth opportunities and cross sell to existing PES clients operating in this market

Greece

- Total loans €201.7bn / NPLs €79.2bn (39.2%)[1]
- The banks are actively reducing their NPL exposure with a target NPL ratio to ~20% by 2021
- PES has an established asset advisory footprint and recently obtained the servicing licence in 2H CY2019

Cyprus

- Total loans €30.0bn / NPLs €6.5bn (21.5%)[1]
- Cyprus is further along in its deleveraging journey than Greece but meaningful stock of NPLs remain
- Active pipeline in the near term, PES Cyprus is well positioned given its credentials and full service offering

Spain

- Total loans €2.43tn / NPLs €84.4bn (3.5%)[1]
- PES has an established footprint in Spain since 2014 with current AUM of ~€1bn
- Strategy to leverage strong relationships with key private equity and investment funds to secure new portfolios and tap into the emerging re-performing loan segment

Sources: (1) European Banking Authority – Risk Dashboard as at June 2019. NPLs and associated ratios represent balance held on Bank balance sheets and exclude other significant NPL balances that have transferred to SPVs through portfolio sales and/or securitisations.

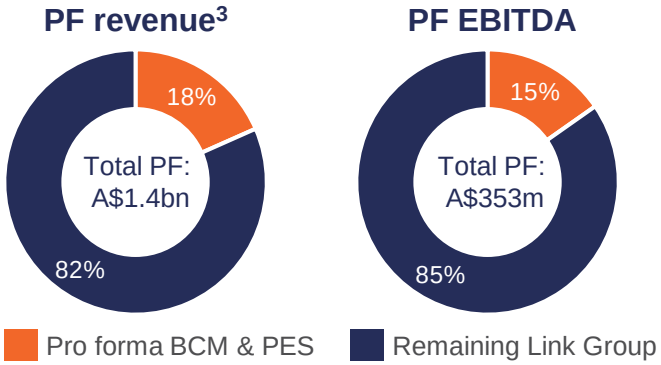
Scale and diversification benefits

Scale

Proforma P&L (A$m)	BCM[1] y/e Jun-19	PES[2] y/e Dec-19	Proforma
Revenue	168.7	149.9	318.6
Operating expenses	(147.0)	(117.4)	(264.4)
Operating EBITDA	**21.7**	**32.4**	**54.1**
Operating EBITDA margin	*12.9%*	*21.7%*	*17.0%*
Operating EBIT	**11.8**	**29.9**	**41.7**
AUM (A$bn)	**~130**	**~63**	**~193**

Note: Proforma excludes any efficiency benefits

Contribution to Link Group's earnings post-acquisition (excluding efficiency benefits)



Diversification

Increased exposure to origination clients

PES UK primarily services clients that have ongoing loan originations, enhancing BCM's revenue mix towards a more annuity style cash flow

Reduced client concentration

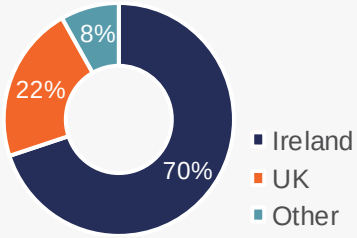
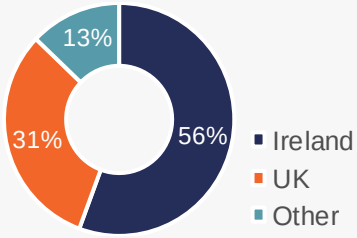
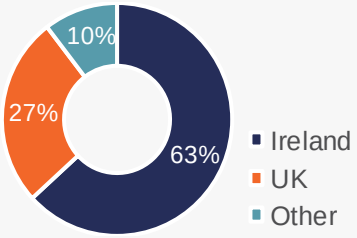
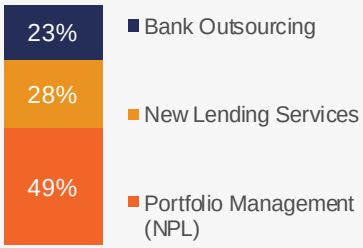
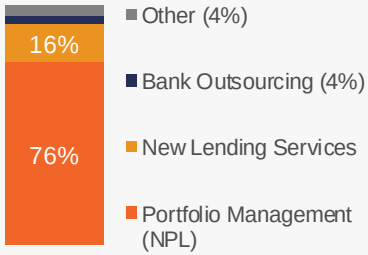
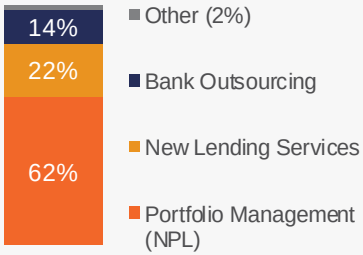
PES and BCM have a different client base, resulting in reduced client concentration and greater scope to win new business

Geographic diversification

Proportion of revenue from Netherlands / Italy (BCM) and Spain, Greece and Cyprus (PES) expected to increase due to targeted expansion

Notes: (1) excludes AASB 16; (2) Based on unaudited management accounts (as adjusted); (3) Proforma revenue percentages based on Gross Revenue (exc. Eliminations).

Scale and diversification benefits

		BCM	PES	BCM + PES
		Year ended 30 June 2019	*Year ended 31 December 2019*	*Proforma*
Revenue	*$A millions*	**168.7**	**149.9**	**318.6**
Operating EBITDA	*$A millions*	**21.7**	**32.4**	**54.1**
margin		*12.9%*	*21.7%*	*17.0%*
Geography				
Product				

PES – Key personnel

Significant experience across the executive and local management teams with a proven track-record of success in the asset servicing industry

Key executives	Experience
 **Richard Klemmer** Chairman	• Previously CEO of Pepper UK and prior to that was CEO of Pepper Australia • 17 years with Pepper
 **Fraser Gemmell** Group CEO	• Responsible for PES' underlying servicing operations, key client relationships and delivery of new business opportunities • 16 years with Pepper
 **Steve Makaritis** Group CFO	• Previously held several senior financial positions with HSBC, GE Money, Capita and other multinational financial institutions • 26 years of industry experience across US and UK
 **Martin Frazer** Group COO	• Previously held related roles at Acendon, HML and Scarborough Building Society • 7 years with Pepper

Key executives	Experience
 **Gerry McHugh** UK CEO	• Previously COO of Pepper UK lending business and prior to that was Global Head of Credit Operations at Barclays Wealth • 25 years experience in mortgage related operations
 **Cormac Ryan** Ireland CEO	• Previously COO of RBS Capital Resolution Ireland and Customer Debt Solutions unit • 20 years experience in financial services across Ireland, UK and US
 **Mark Caplan** Cyprus Managing Director	• Previously spent 25 years with Lloyds Banking Group and spent the last 10 years working within Corporate Banking and Commercial Real Estate finance
 **Thomas Ziogas** Greece CEO	• Previously the founding partner of NAI Hellas/AVENT S.A. (acquired by Pepper UK in 2018) and prior to that was CEO of King Hellas S.A. • 16 years of industry experience

5. Integration

Integration planning

Governance and structure

- PES will sit within the global BCM business unit and will operate initially under a joint executive management team during the early part of the integration phase
- Robbie Hughes and Paul Gardiner will lead the integration and transformation as Executive Sponsors
- Under the new Link Operating Model, each global ELT member will oversee their global enabling function within the programme (HR, Legal, Risk & Compliance, Finance, IT, Brand & Marketing, etc)
- Significant planning will take place between exchange and completion reducing the need for any material transitional services agreements

Integration and Transformation

- Annual efficiency benefits estimated to be ~€10m (~A$16m) (pre-tax) to be realised over the medium term. Requires a one-off integration and investment spend of ~€15m (~A$25m) (pre-tax) to achieve the efficiency benefits.

Integration and Transformation

Near term

- HR
- Finance
- Legal, Risk & Compliance
- Re-branding

Medium term

- Organisational Design
- IT and Vendor strategy
- Location strategy

Integration and Transformation Executive Sponsors

Robbie Hughes

CEO - Banking and Credit Management

Paul Gardiner

Chief Technology and Operations Officer

Michael Rosmarin

Chief Human Resources & Brand Officer

6. Acquisition structure and key terms

Attractive transaction economics

Attractive transaction structure

- €165m (~A$266m) upfront cash consideration for 100% of PES and contingent cash payments of €35m (~A$56m) over 3 years (based on pre-agreed milestones relating to protection of existing AUM and achieving certain growth hurdles in Spain, Greece and Cyprus - refer section 4)
- Structure designed to mitigate downside risk of existing contracts as well as execution risk on achieving growth in the Mediterranean region

Efficiency opportunities

- PES is highly complementary to BCM with overlapping footprint in UK & Ireland. Scope to streamline the combined operating model under Link Group's ownership
- Annual efficiency benefits estimated to be ~€10m (~A$16m) (pre-tax) to be realised over the medium term (requires an estimated one-off investment spend of ~€15m (~$A24m) to achieve the efficiency benefits)

Accretive transaction

- Attractive acquisition multiple of ~8.2x normalised CY19 EBITDA (upfront) and ~6.0x (including efficiency benefits and deferred payment for existing AUM protection)[1]
- Double digit accretive to Link Group Operating EPS[2]. Further realisation of efficiency benefits will enhance accretion by 5% to 6%
- Aligns with Link's focus on efficient capital allocation and maximising shareholder value

Notes: (1) Transaction multiple excludes the €20m deferred payment in relation to achieving growth hurdles in Spain, Greece and Cyprus given Link has attributed limited value upfront and this consideration will only be paid if additional growth hurdles are achieved. (2) EPS accretion calculated on €180m cash consideration (including €15m of deferred payment related to protection of existing AUM).

Pro forma leverage

A$ million	Link Group	Acquisition of PES (upfront payment + AUM protection + transaction costs)	Pro forma	Annual efficiency benefits	Pro forma (inc. annual efficiency benefits)
FY19A gross debt	1,154	-	1,154	-	1,154
Cash and cash equivalents	543[1]	(300)[3]	243	(24)[5]	219
Net debt	611	300	911	24	935
FY19A EBITDA	321[2]	32[4]	353	16[6]	369
Illustrative leverage	1.90x	n.a.	2.58x[7]	n.a.	2.53x

Notes

- Transaction to be funded with existing cash and debt facilities. Pro forma leverage is slightly above guidance range (noting that the transaction is expected to complete in 1H FY21). Debt servicing capacity remains strong (over 10x interest cover)
- Efficiency benefits provide further upside (expected to be realised in the medium term post completion)
- **Whilst Link's balance sheet remains robust post acquisition, further share buy-back activity will take into account increased leverage and Link will remain prudent in its capital management**

Notes: (1) Based on FY19A cash and cash equivalents balance of A$560m less ~A$17m of total share buy-back as at 31 December 2019. (2) Based on FY19A Link Group Proforma Operating EBITDA (exc. AASB 16). (3) €165m upfront payment + €15m AUM protection + €6m transaction costs (4) Based on PES FY19 (ending 31 December 2019) normalised EBITDA per management accounts of ~€20m (A$32m). (5) €15m cost to achieve efficiency benefits. (6) €10m annual efficiency benefits. (7) Initial proforma leverage based on the €165m upfront + €6m transaction costs is 2.51x.

Acquisition structure

	Nominal cash consideration	Structure	
Upfront consideration	**€165m** *(A$266m)*	• Payable on transaction completion, subject to customary completion adjustments for movement in net working capital and net debt items	
Deferred and contingent payment for protection of existing AUM	**Up to €15m** *(A$24m)* in aggregate across 2 payments	• 1st payment of €10m if PES maintains a pre-agreed AUM threshold across key contracts as at 31 December 2022 • 2nd payment calculated as a proportion of AUM across the same key contracts as at 31 December 2023, subject to the above minimum hurdle, less payment 1	*Provides value protection to Link Group on the existing PES platform*
Deferred and contingent payment for achievement of growth milestones in Spain, Greece and Cyprus	**€10m** *(A$16m)*	• 1st payment when the servicing AUM across Spain, Greece, Cyprus reaches a pre-agreed milestone by 31 December 2023 (payable upon achievement)	*Limited value attributed upfront. The deferred structure mitigates execution risks for Link from a value perspective*
	Up to €10m *(A$16m)*	• 2nd payment calculated as a proportion of servicing AUM (in Spain, Greece and Cyprus) above the higher of (i) the pre-agreed minimum threshold above or (ii) the highest previous AUM achieved • Payable quarterly based on AUM performance up to a cap of €10m	
Total maximum consideration	**Up to €200m** *(A$322m)*	• *€35m of contingent payments represent 17.5% of total consideration*	

Key transaction terms and timing

Key closing conditions	• **Regulatory and competition approvals:** Regulatory approvals for the UK, Ireland and Greece and Competition regulatory approval for Ireland and Cyprus are required pre transaction completion Link to use reasonable endeavours to obtain regulatory and competition approvals approvals on satisfactory terms to Link • **Restructuring:** Pepper to extract lending business from PES (out of scope) • **Change of control:** PES to obtain change of control consent from an agreed list of key clients
Warranties & indemnities	• Appropriate deal protection has been sought in the executed transaction documentation • Warranty & indemnity insurance has been put in place
Timing	• Timing of transaction completion depends on the speed of obtaining regulatory and competition approvals • Approvals are estimated to take up to 6 months, but may take longer

7. Closing

Transaction overview

Acquisition of Pepper European Servicing ("**PES**") from Pepper Group is strategically aligned to Link Group's growth initiatives whilst enhancing and diversifying Link's BCM business

- **Upfront cash consideration of €165 million (~A$266 million)** and up to a further €35 (~A$56 million) million contingent on performance over 3 years
- Executing on **BCM expansion strategy** outlined in prior communications to investors
- **Scaled operations** in mature markets will improve operating margins
- The expanded BCM business is strategically **positioned to capture growth** in active and emerging markets in the medium term
- **Double digit accretive** to Link Group Operating EPS, with a further 5% to 6% accretion upside from realisation of efficiency benefits {estimated annual efficiency benefits of €10 million (~A$16 million) over the medium term}

8. Q&A

9. Appendix

Defined Terms

- **IMPORTANT NOTICE:** Link Group uses a number of non-IFRS financial measures in this presentation to evaluate the performance and profitability of the overall business. Although Link Group believes that these measures provide useful information about the financial performance of Link Group, they should be considered as supplemental to the information presented in accordance with Australian Accounting Standards and not as a replacement for them. Because these non-IFRS financial measures are not based on Australian Accounting Standards, they do not have standard definitions, and the way Link Group calculated these measures may differ from similarly titled measures used by other companies. The principal non-IFRS financial measures that are referred to in this presentation are as follows:
- **Recurring Revenue** is revenue arising from contracted core administration servicing and registration services, corporate and trustee services, transfer agency, stakeholder engagement services, share registry services and shareholder management and analytics services that are unrelated to corporate actions. Recurring Revenue is expressed as a percentage of total revenue. Recurring Revenue is revenue the business expects to generate with a high level of consistency and certainty year-on-year. Recurring Revenue includes contracted revenue which is based on fixed fees per member, per client or shareholder. Clients are typically not committed to a certain total level of expenditure and as a result, fluctuations for each client can occur year-on-year depending on various factors, including number of member accounts in individual funds or the number of shareholders of corporate market clients.
- **Non-recurring Revenue** is revenue the business expects will not be earned on a consistent basis each year. Typically, this revenue is project related and can also be adhoc in nature. Non-Recurring Revenue includes corporate actions (including print and mail), call centre, capitals markets investor relations analytics, investor relations web design, extraordinary general meetings, share sale fees, off-market transfers, employee share plan commissions and and margin income revenue. Non-Recurring Revenue also includes fee for service (FFS) project revenue, product revenue, revenue for client funded FTE, share sale fees, share dealing fees, one-off and other variable fees.
- **Gross Revenue** is the aggregate segment revenue before elimination of intercompany revenue and recharges such as Technology and Innovation recharges for IT support, client-related project development and communications services on-charged to clients. Link Group management considers segmental Gross Revenue to be a useful measure of the activity of each segment.
- **Operating EBITDA** is earnings before interest, tax, depreciation and amortisation and Significant items. Management uses Operating EBITDA to evaluate the operating performance of the business and each operating segment prior to the impact of Significant items, the non-cash impact of depreciation and amortisation and interest and tax charges, which are significantly impacted by the historical capital structure and historical tax position of Link Group. Link Group also presents an Operating EBITDA margin which is Operating EBITDA divided by revenue, expressed as a percentage. Operating EBITDA margin for business segments is calculated as Operating EBITDA divided by segmental Gross Revenue, while Link Group Operating EBITDA margin is calculated as Operating EBITDA divided by revenue. Management uses Operating EBITDA to evaluate the cash generation potential of the business because it does not include Significant items or the non-cash charges for depreciation and amortisation. However, the Company believes that it should not be considered in isolation or as an alternative to net Operating free cash flow.
- **EBITDA** is earnings before interest, tax, depreciation and amortisation.
- **Operating NPATA** is net profit after tax and after adding back tax affected Significant items (including the discount expense on the un-winding of the Superpartners client migration provision) and acquired amortisation. Acquired amortisation comprises the amortisation of client lists and the revaluation impact of acquired intangibles such as software assets, which were acquired as part of business combinations. Link Group management considers Operating NPATA to be a meaningful measure of after-tax profit as it excludes the impact of Significant items and the large amount of non-cash amortisation of acquired intangibles reflected in NPAT. This measure includes the tax effected amortisation expense relating to acquired software which is integral to the ongoing operating performance of the business. Link Group also presents Operating NPATA margin which is Operating NPATA divided by revenue, expressed as a percentage. Operating NPATA margin is a measure that Link Group management uses to evaluate the profitability of the overall business.
- **Operating earnings per share ("Operating EPS")** is Operating NPATA divided by the weighted average number of ordinary shares outstanding for the period. Link Group management considers Operating earnings per share to be a meaningful measure of after-tax profit per share as it excludes the impact of Significant items and the large amount of non-cash amortisation of acquired intangibles reflected in basic earnings per share. This measure includes the tax effected amortisation expense relating to acquired software which is integral to the ongoing operating performance of the business.
- **Significant items** refer to revenue or expense items which are considered to be material to NPAT and not part of the normal operations of the Group. These items typically relate to events that are considered to be 'one-off' and are not expected to re-occur. Significant items are used in both profit and loss and cash flow presentation. Significant items are broken down into; business combination costs, integration costs, client migration costs, IT business transformation (all above EBITDA) and finance charges and one-off gains/losses associated with the fair value measurement or sale of Link Group's investments (all below EBITDA).

End