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## **ASX ANNOUNCEMENT**

6 May 2021

### **Presentation to Macquarie Australia Investor Conference – 6 May 2021**

Link Administration Holdings Limited (ASX: LNK) (**Link Group**) provides the attached presentation that will be presented at the Macquarie Australia Investor Conference today.

The release of this announcement was authorised by Vivek Bhatia, CEO and Managing Director

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# MACQUARIE AUSTRALIA INVESTOR CONFERENCE



6 MAY 2021

**Vivek Bhatia**  
CEO & Managing Director

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This presentation has been prepared by Link Administration Holdings Limited (**Company**) together with its related bodies corporate (**Link Group**). The material contained in this presentation is intended to be general background information on Link Group and its activities.

The information is supplied in summary form and is therefore not necessarily complete. It should be read in conjunction with Link Group's other periodic and continuous disclosure announcements filed with the Australian Securities Exchange, and in particular, Link Group's Interim Financial Report for 6 months ended 31 December 2020. It is not intended that it be relied upon as advice to investors or potential investors, who should consider seeking independent professional advice depending upon their specific investment objectives, financial situation or particular needs. The material contained in this presentation may include information derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information.

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This presentation contains words such as 'will', 'may', 'expect', 'indicative', 'intend', 'seek', 'would', 'should', 'could', 'continue', 'plan', 'probability', 'risk', 'forecast', 'likely', 'estimate', 'anticipate', 'believe', or similar words to identify forward-looking statements. These forward-looking statements reflect Link Group's current views with respect to future events and are subject to change, certain known and unknown risks, uncertainties, contingencies and assumptions which are, in many instances, beyond the control of Link Group, and have been made based upon Link Group's current expectations and beliefs concerning future developments and their potential effect upon us. These forward-looking statements may involve significant elements of subjective judgement and assumptions as to future events which may ultimately prove to be materially incorrect. There is no assurance or guarantee that future developments will be in accordance with Link Group's current expectations or that the effect of future developments on Link Group will be those currently anticipated. Actual results could differ materially from those which Link Group currently expects, depending on the outcome of various factors. Factors that may impact on the forward-looking statements made include, but are not limited to, general economic conditions in Australia; exchange rates; competition in the markets in which Link Group will operate and the inherent regulatory risks in the businesses of Link Group. Accordingly actual events, results, outcomes and achievements may be materially greater or less than estimated. The information in this presentation (including any forward-looking statement) is not intended to be relied on and does not take into account any individual financial objectives, situation or needs.

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# Connecting people with their assets – safely, securely & responsibly

## WHY we exist

To connect millions of people with their assets, responsibly, safely and securely.

## WHO we serve

**Our clients**  
diversified  
portfolio of  
leading & global  
clients

**Our people**  
over 6,500 FTEs







**Our stakeholders**  
valued investors and  
the communities we  
operate in

## HOW we do it

We have a scalable, reliable, technology-led range of platforms and services

## WHAT we do

-  Simplify connectivity between participants
-  Enhance the engagement experience
-  Improve efficiency by reducing friction in the ecosystem
-  Enhance quality of information through safe and secure data capture and sharing



# Link Group offers an end-to-end suite of products and services

## Key markets

- Australia (#1 administrator)
- New Zealand
- UK

## Key services

- Superannuation member administration
- Investment products
- Compliance & regulatory services

FY20 Rev: \$519m

43%<sup>2</sup>

~10m global  
account holders

Retirement &  
Superannuation  
Solutions

LINKGroup

Scalable, reliable &  
secure platforms and  
services

FY20 Rev: \$358m

40m+

shareholders

Corporate  
Markets

4,500+  
corporations

## Key markets

- #1 or #2 in:
  - Australia & New Zealand
  - UK & Ireland
  - India

## Key services

- Share registry plans
- Employee share plans
- Investor relations and company secretarial services

29%<sup>2</sup>

## Key markets

- Australia's only full service ELNO<sup>3</sup>
- Building presence in UK

## Key services

- Market leading position with over 80% market penetration
- Scalable platform supporting further value in the ecosystem
- Opportunity to replicate digitalisation in other jurisdictions (i.e. UK, NZ, Canada, Sth Africa)

FY20 Rev: \$156m<sup>1</sup>

150+  
banks &  
FI's

PEXA

9,000+  
conveyancers

Banking &  
Credit  
Management

\$130bn AUM

Fund  
Solutions

\$480bn  
AUM / AUA

FY20 Rev: \$173m

14%<sup>2</sup>

## Key markets

- UK (#1 independent AFM)
- Europe
- Australia

## Key services

- Responsible Entity Services (ACD)
- AFM / management company
- Fund Administration and Transfer Agency

## Key markets

- Ireland (#1 independent debt servicer)
- UK & NL (2nd tier provider)
- Europe

14%<sup>2</sup>

FY20 Rev: \$166m

## Key services

- Portfolio management
- Bank outsourcing
- New lending services

1. Link Group owns 44.2% of PEXA

2. Divisional revenue contribution percentage based on the gross divisional revenue excluding Technology and Operations and prior to eliminations

3. Electronic Lodgement Network Operator approved to collaborate electronically to complete conveyancing transactions

# Value of platforms - enhancing customer experience and enabling efficient ecosystems

## Platform characteristics

Allow platform participants to focus on their core activities and shed non-core activities to others connected on the platform

Allow others to connect, adding capability and creating value for all platform participants

Foster deep, trust-based relationships as platform participants realise increasing value for their own organisation over time

Leveraging an established integrity and governance structure, protocols can evolve to facilitate connection, coordination and collaboration

Expanding creative and innovative solutions for all platform participants

## Link Group credentials

Scalable, best-in-class administration platform with technology and services that facilitate connection to other chosen participants

Broad range of financial institutions connected to the ecosystem including banks, asset managers, custodians, etc

Modularised offering allowing clients to elect which parts of the service delivery to operate

Strong data security and regulatory compliance DNA

Open API architecture and ecosystem integration



Investing in the future >>

**LINK**Group



A proven, robust and secure, scaled administration platform – with further investment to facilitate efficiency, enhanced connectivity and value creation



A core proposition that is modularised, easy and simple – making complex administration simple for our clients



Innovative technology-enabled solutions – helping clients accelerate and innovate, enhancing end-user experiences



Reducing operating costs through continued investment in AI and robotic process automation



Investing in a sustainable future, underpinned by robust information & data security and risk management



# Link Group is well positioned and has a clear strategy for growth

## There are positive macro trends...

- ✓ Increasingly complex regulatory environment
- ✓ Increased requirements for information and data security
- ✓ Technology driving increased digitalisation and low unit costs
- ✓ Data analytics, AI & machine learning providing opportunities for improved customer experience
- ✓ Lifting from a cyclical economic low point

## and specific market drivers...

- ✓ **RSS:** Industry consolidation, regulatory oversight seeking better member outcomes (scale and unit cost economics)
- ✓ **CM:** Increasing capital markets activity & shareholder engagement
- ✓ **FS:** Increased regulatory complexity driving service outsourcing
- ✓ **BCM:** Rising bank costs, bottom of economic cycle
- ✓ **PEXA:** Strong property markets, global digitalisation opportunity

## ... which Link Group is well positioned to capitalise on

- ✓ Demonstrated ability to respond effectively to regulatory change
- ✓ Scale to support robust information and data security program
- ✓ Investing 4-6% of Link Group revenue on enhancing our technology platforms (~\$60m pa)
- ✓ Non recurring revenues to benefit from lift in economic activity

## ... which support organic growth

- ✓ **RSS:** Link Group's underlying member growth was 5.4% in CY20
- ✓ **CM:** Shareholder growth in Australia of ~15% in CY20
- ✓ **FS:** Growth in outsourced AuM in the UK growing at a CAGR of 20.7% over the last 5 years (2015 – 2020)
- ✓ **BCM:** Total loss provisions of European Banks increasing by €120bn in Q12020 (vs Q12019)<sup>1</sup>
- ✓ **PEXA:** market penetration increased from 52% in FY19 to over 80% in FY21

# Progressing our strategy to simplify, deliver and grow

## Immediate Priorities

Maximise value for clients, employees and stakeholders by continually improving our service, product offering and value proposition

### DELIVER

- Continue to pursue automation opportunities
- Continue delivery of Global Transformation Program – focus on scaling up global hubs
- Continued application of technology to drive efficiency

### SIMPLIFY

- Continue to identify opportunities to streamline and simplify our portfolio
- Strengthen monthly portfolio reviews
- PEXA trade sale and IPO process progressing
- Simplify business unit financial disclosure & align organisational structure

### GROW

- Focus on organic growth and value added services
- Disciplined pipeline management
- UK pension market opportunity
- Fund Solutions - Luxembourg bolt-on acquisition<sup>1</sup>



<sup>1</sup>) Subject to regulatory approval.



# Q&A

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