

# 1H FY24 RESULTS PRESENTATION

20 February 2024

This release has been authorised by the Link Group Board

# IMPORTANT NOTICE



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.

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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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# TODAY'S PRESENTERS



**Vivek Bhatia**

Chief Executive Officer  
and Managing Director



**Andrew MacLachlan**

Chief Financial Officer

## AGENDA

Overview | Financial Summary | Summary & Outlook | Q&A

# EXECUTIVE LEADERSHIP TEAM



## GLOBAL BUSINESS UNITS



**Vivek Bhatia**  
Chief Executive Officer and  
Managing Director



**Dee McGrath**  
CEO, Retirement &  
Superannuation Solutions



**Paul Gardiner**  
CEO, Corporate Markets

## GLOBAL FUNCTIONS



**Andrew MacLachlan**  
Chief Financial Officer



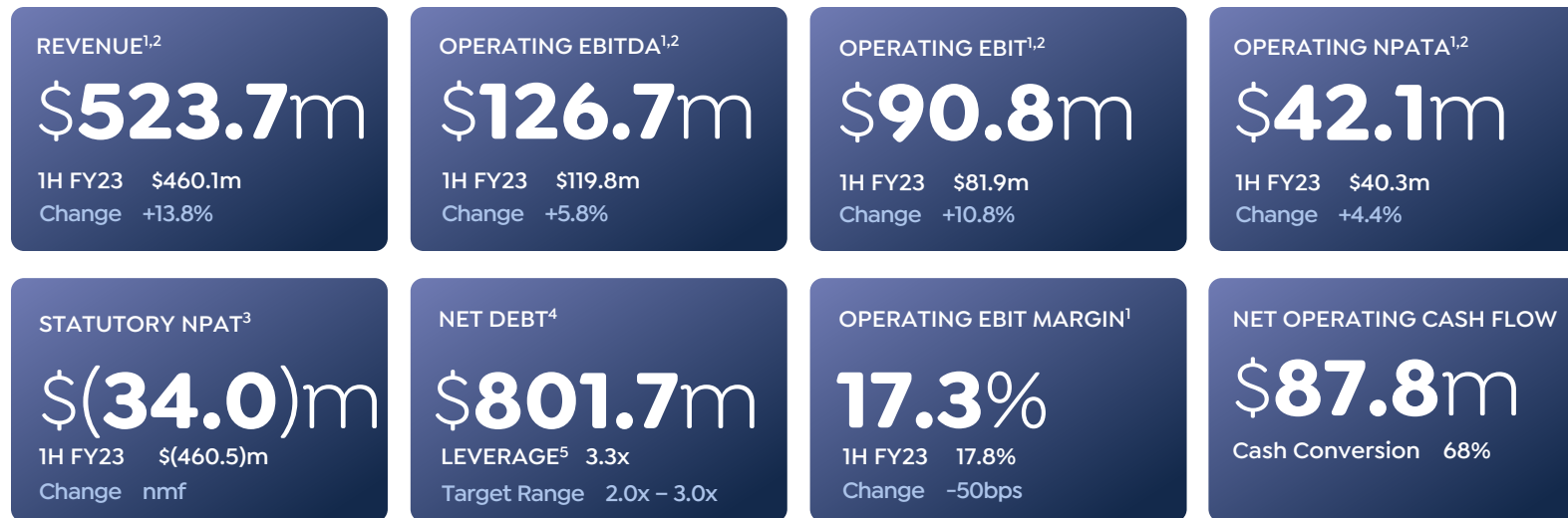
**Michael Rosmarin**  
Chief People & Group  
Services Officer



**Nicole Pelchen**  
Chief Technology Officer

# 1H FY24 FINANCIAL PERFORMANCE

Operating EBIT growth of 10.8%

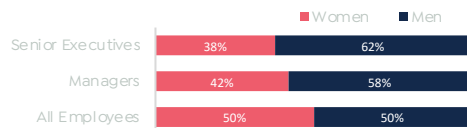


1. P&L information is presented on a Proforma Continuing Operations basis (excluding FS, BCM and PEXA) unless otherwise stated. Refer to slide 24 for reconciliation to Financial Statements.
2. Operating EBITDA, Operating EBIT, Operating NPATA, and Net Operating Cash Flow exclude Significant Items. See Appendix 1 for a reconciliation of Non-IFRS measures and definitions for non-IFRS measures. Non-IFRS measures have not been audited or reviewed in accordance with Australian Accounting Standards.
3. Refer to Slide 18 for the items that impacted 1H FY24 Statutory NPAT.
4. Excludes \$261.2m of cash held for LF Equity Income Fund Settlement Scheme (Fund Solutions divestment proceeds).
5. Calculated in accordance with Link Group's debt agreement.

# BUILDING A SUSTAINABLE, CARING & INCLUSIVE ORGANISATION



## GENDER EQUITY BALANCE<sup>1</sup>



**LINK**  
*Headlines*

Over 27,650 training hours undertaken in 1H FY24

*Appreciate*

Over 1,500 recognition moments a month (on average in 1H FY24)

**LINK**  
*Wellness*

Over 3,000 page views during 1H FY24

## ENVIRONMENTAL<sup>2</sup>

### CLIMATE ACTION

REDUCE ABSOLUTE SCOPE 2 EMISSIONS

↓ **30%**

BY FY2025<sup>3</sup>

ABSOLUTE SCOPE 2 EMISSIONS

**NET ZERO**

BY FY2025

### OUR PROGRESS

FY23 ABSOLUTE SCOPE 2 EMISSIONS

↓ **33%**

FROM FY2019 LEVELS

FY22 EMISSIONS INTENSITY PER FTE

↓ **32%**

FROM FY2019 LEVELS

## SOCIAL

### DIVERSITY, INCLUSION & WELLBEING

GENDER EQUITY TARGET

**40:40:20**

*FlexTogether*

Enhanced FlexTogether blended working

*Link Together*  
**For Good**

7 national community partners across 4 key regions

FY23

**\$540,000+**

Financial and in-kind charitable contributions +45% from FY22

## GOVERNANCE

### TCFD

Inaugural statement released as part of our FY23 Annual Report

**Australian Sustainable Finance Institute**

FOUNDING MEMBER

MAINTAINED OVER

**6,300**

people under ISO27001:2013 information security certification  
~95% global coverage

1. As of 31 December 2023. Excludes employees of divested businesses.

2. As of 30 June 2023. Includes divested businesses.

3. Measured from FY2019 levels.

# TRANSACTION UPDATES

## SCHEME WITH MITSUBISHI UFJ TRUST & BANKING CORPORATION<sup>1</sup>



We are on track to complete the transaction in May/June 2024

- We have submitted all major regulatory approval submissions with the relevant authorities in Australia, the UK, Europe and India
- Mitsubishi UFJ Trust And Banking Corporation (The Trust Bank) and Link Group's management teams have commenced working together on the integration planning process
- Preparation of scheme booklet progressing, lodgement with ASIC expected in the coming weeks

## LINK FUND SOLUTIONS LTD (LFSL) CREDITORS SCHEME

On 9 February 2024, the LFSL Creditors Scheme<sup>2</sup> was sanctioned (i.e. approved) by the UK courts. Provided that no appeals are brought against the sanction of the LFSL Scheme, the LFSL Scheme is expected to become fully effective on 2 March 2024.

1. As announced on 18 December 2023.

2. Link Group refers to its announcement dated 20 April 2023, where it confirmed that it had reached a conditional agreement with the Financial Conduct Authority (FCA) to settle its investigation into Link Fund Solutions Limited (LFSL) in respect of LFSL's role as authorised corporate director (ACD) of the LF Woodford Equity Income Fund (now known as the LF Equity Income Fund) (WEIF) (the Settlement). The proposed UK creditors' scheme of arrangement addresses WEIF related redress and claims against LFSL (the Scheme).

## FUND SOLUTIONS (FS) – LUXEMBOURG AND SWITZERLAND

The sale of Link Fund Solutions (Luxembourg) S.A. and Link Fund Solutions (Switzerland) SA to Altum Group remains on track to complete in 3Q FY24, subject to receipt of regulatory approval in Luxembourg.



# FINANCIAL SUMMARY

Andrew MacLachlan



# FINANCIAL SUMMARY

A\$ MILLION	1H FY24	1H FY23	YOY CHANGE	YOY CHANGE (CC) <sup>1</sup>
Revenue	523.7	460.1	13.8%	11.5%
Operating cost	(397.1)	(340.3)	16.7%	14.5%
Operating EBITDA	126.7	119.8	5.8%	2.9%
Depreciation and amortisation	(35.9)	(37.8)	(5.2%)	(7.3%)
Operating EBIT	90.8	81.9	10.8%	7.6%
Operating EBIT Margin	17.3%	17.8%	-50bps	
Operating NPATA	42.1	40.3	4.4%	0.6%
Statutory NPAT	(34.0)	(460.5)	nmf	nmf

## Revenue increased by 13.8%, +11.5% on constant currency

- Revenues excluding acquisitions increased by 8.7%
- RSS recurring revenue benefitted from member growth, indexation and acquisitions but was offset by prior client losses due to industry consolidation (Energy Super) and change in scope of services for AustralianSuper. RSS non-recurring revenue was in line with expectations
- CM revenues benefitted from increased margin income, FX, share dealing in UK and corporate action related activities in Australia and new business wins in India and Australia and higher shareholder numbers in India

## Operating costs increased by 16.7%, excluding acquisitions operating costs were up 12.2%

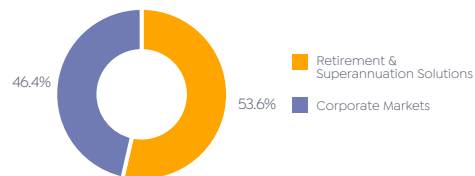
- Inflationary pressures experienced in staff and vendor costs along with increased investment in member experience in RSS which resulted in higher resourcing and technology cost

## Operating NPATA \$42.1 million reflecting growth in Operating EBIT partially offset by higher interest costs

## Statutory Loss of \$34.0 million

- Refer to Slide 18 for the items that impacted 1H FY24 statutory loss
- Significant items includes charges related to the redress related provisions, acquired amortisation and acquisition integration and transaction costs

Revenue Contribution<sup>2</sup>



Operating EBITDA Contribution<sup>2</sup>



P&L information is presented on a Proforma Continuing Operations basis (excluding FS, BCM and PEXA) unless otherwise stated. Refer to slide 24 for reconciliation to Financial Statements.

1. CC reflects constant currency, removing the impact of FX rate movement from the year-on-year change.

2. Divisional revenue contribution percentage based on Gross Revenue prior to eliminations. Divisional EBITDA contribution percentage excludes Group costs.

# CAPITAL POSITION

## CASHFLOW

A\$ MILLION	1H FY24	1H FY23	CHANGE
Net operating cash flow	87.8	150.4	(46.6%)
Net operating cash flow conversion %	68%	117% <sup>4</sup>	
Free cash flow <sup>1</sup>	(44.3)	33.7	nmf

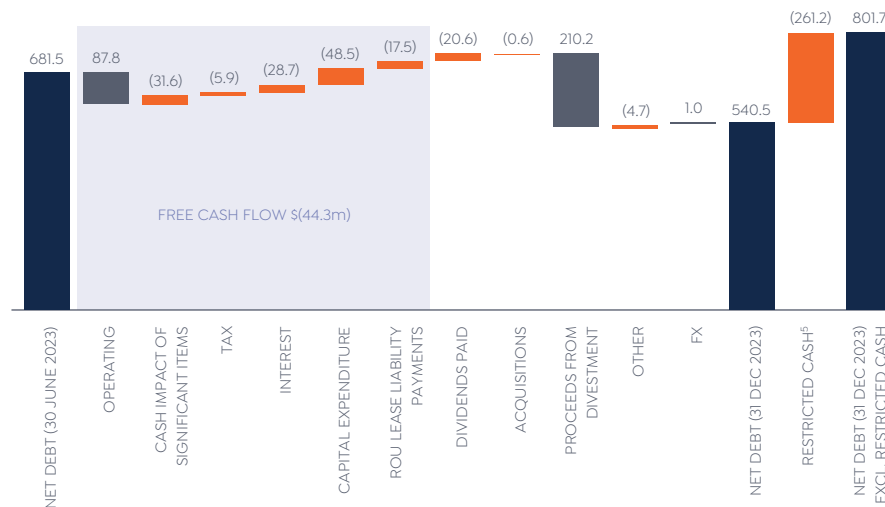
## NET DEBT

A\$ MILLION	31 DECEMBER 2023	30 JUNE 2023
Total Debt <sup>2</sup>	931.7	902.6
Cash	(391.2)	(221.1)
Exclude restricted cash <sup>5</sup>	261.2	-
Net Debt	801.7	681.5
Leverage <sup>3</sup>	3.3x	2.6x
Interest Cover <sup>3</sup>	4.3x	5.8x

- Free cash flow excludes financing, acquisition payments and divestment proceeds.
- Total debt reflects bank debt only.
- Calculated in accordance with Link Group's debt agreement.
- 1H FY23 Operating cash flow includes a benefit of \$53.7 million on AMC balances in FS. Adjusted for annual management charge (AMC) balances, 1H FY23 net operating cash flow conversion would be -69%.
- Represents cash held for LF Equity Income Fund Settlement Scheme (Fund Solutions divestment proceeds).

## NET DEBT

A\$ MILLION



### Net debt up once adjusted for restricted cash held for LFSL Scheme settlement (FS divestment proceeds)

- Leverage ratio<sup>3</sup> of 3.3x above targeted range (2.0-3.0x)
- 1H FY24 capital expenditure (excluding BCM and FS) was \$47.0 million or 9.0% of Group Revenue.
- 1H FY24 Net operating cash conversion of 68% reflects, seasonality on trade and other receivables, timing of FY23 staff bonus payments and the unwind of BCM and FS working capital (prior to divestment).

# RETIREMENT & SUPERANNUATION SOLUTIONS

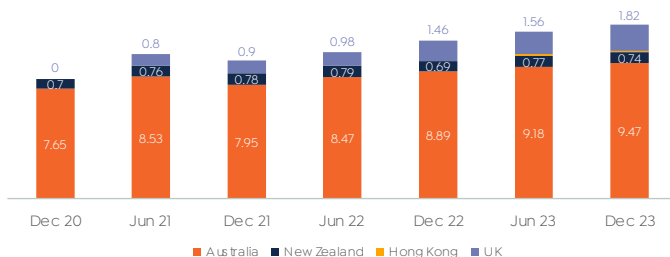


Over 12.0 million member accounts administered across Australia, New Zealand, Hong Kong and the UK

## FINANCIALS

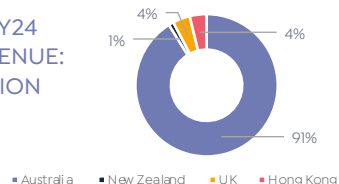
AS MILLION	1H FY24	1H FY23	YOY CHANGE	YOY CHANGE (CC)
Revenue	285.1	267.9	6.4%	6.0%
Operating EBITDA	73.0	76.9	(5.1%)	(5.5%)
<b>Operating EBIT</b>	<b>55.8</b>	<b>55.3</b>	<b>0.8%</b>	<b>0.3%</b>
Recurring Revenue %	92.3%	90.5%		
Operating EBIT margin %	19.6%	20.7%		

## STRONG MEMBER ACCOUNT GROWTH

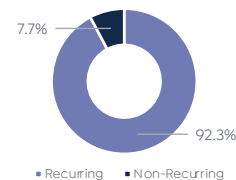


1. Divisional revenue contribution percentage based on Gross Revenue prior to eliminations. Divisional EBITDA contribution percentage excludes Group costs.

## 1H FY24 REVENUE: REGION



## 1H FY24 REVENUE: TYPE



## 1H FY24 ACHIEVEMENTS

### SIMPLIFY

- Successful adoption of proven generative AI capabilities including GitHub Copilot to reduce development time in collaboration with Microsoft
- Continued to improve straight-through processing (STP) rates through digital transformation and automation
- Migration of work to India Hub continues
- Implementation of consistent workflow across all markets

### DELIVER

- Entered a memorandum of understanding with AustralianSuper to negotiate an extension until at least 2028
- Delivery of our Unified Data Platform providing insights and productivity
- 400+ API's servicing an open architecture
- Automation of payment processing & high-volume tasks
- Agile delivery implementation across the business improving client delivery

### GROW

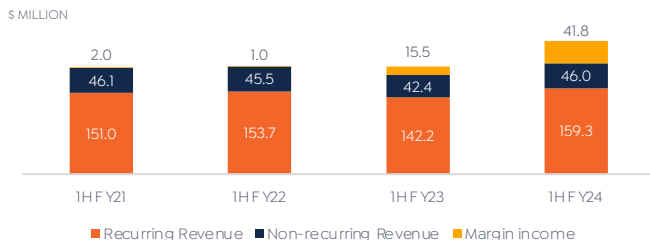
- RSS member numbers in Australia and NZ up 6.6% in 1H FY24 to 10.2 million
- Administering approximately 1.8 million pension accounts in the UK
- RSS is now one of the biggest players in the Occupational Retirement Scheme Ordinance (ORSO) pensions administration market in Hong Kong
- Implemented innovative retirement product onto the Pathfinder platform

# CORPORATE MARKETS

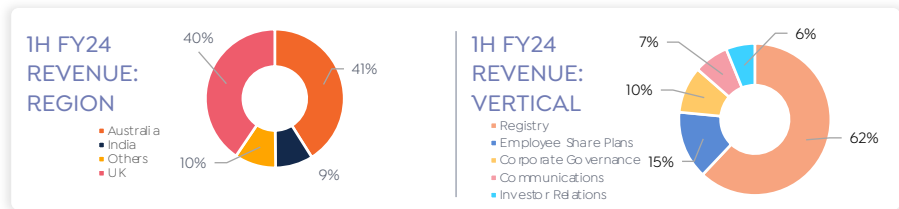
Recurring revenue growth in India and Australia and higher margin income in Australia and the UK

FINANCIALS				
A\$ MILLION	1H FY24	1H FY23	YOY CHANGE	YOY CHANGE (CC)
Revenue	247.0	200.2	23.4%	18.6%
Operating EBITDA	74.2	59.9	23.9%	17.4%
<b>Operating EBIT</b>	<b>55.6</b>	<b>43.6</b>	<b>27.4%</b>	<b>20.2%</b>
Recurring Revenue %	64.5%	71.0%		
Operating EBIT margin %	22.5%	21.8%		

## MARGIN INCOME BENEFITTING FROM HIGHER INTEREST RATES



1. Divisional revenue contribution percentage based on Gross Revenue prior to eliminations. Divisional EBITDA contribution percentage excludes Group costs.



## 1H FY24 ACHIEVEMENTS

### SIMPLIFY

- Implementation of new CRM system commenced across our sales teams globally to improve productivity efficiencies
- Migration of work to India Hub from UK & Australia continues
- Integration of Better Orange Germany is on track for June 30

### DELIVER

- Successful launch of Link's core platform Link Investor Centre in the UK
- Integration of Allens' clients into Company Matters Australia progressing well
- Link Intime launched Meetezy, a new board portal product, to manage the entire lifecycle of board and committee meetings for corporates

### GROW

- Acquisition of C B Management Pvt Ltd in India to grow Market share
- Strong Revenue growth of 13.9% in Link Intime as they become a significant contributor to Corporate Markets performance
- Link secured second place in the Capital Analytics UK registrars Benchmarking survey in overall company satisfaction at 90%, 7% up from 2022

# OUTLOOK

Vivek Bhatia

# FY24 GUIDANCE RE-AFFIRMED

Operating EBIT growth of between 7% and 9% for Continuing Operations<sup>1</sup>



## REVENUE<sup>2,3</sup>

- Group Revenue growth of at least 6.5%<sup>2,3</sup>
- FY24 corporate actions and capital market activity assumed to be broadly in line with FY23



## OPERATING EBIT<sup>1</sup>

- Operating EBIT growth of between 7% and 9%<sup>1</sup>
- FY24 depreciation and amortisation expected to be in the \$73 to \$78 million range (Continuing Operations and excludes acquired amortisation)
- Link Group Operating EBIT margin expected to be broadly in line with FY23



## BALANCE SHEET

- FY24 Group capital expenditure to be at the top end of the 4% - 6% range
- No interim dividend declared by the Board, consistent with the SID. Subject to the Scheme becoming effective, the Link Board intends to pay a special dividend of 16.0 cents per share



## Other Items

- Effective tax rate expected to be in the 25%-30% range

All figures are presented in AUD, unless otherwise stated. P&L information is presented on a Proforma Continuing Operations basis (excluding FS, BCM and PEXA) unless otherwise stated.

1. For comparative purposes FY 2023 Operating EBIT (proforma Continuing Operations) was \$171.0 million.

2. For comparative purposes FY 2023 Revenue (proforma Continuing Operations) was A\$955.6 million.

3. Float Balance expected to be approximately \$1.6-\$1.8 billion. ~70% of float is in the UK. FY24 weighted average central bank cash rate assumed to be 4.45% with approximately 90% earn through rate.

# CLOSING REMARKS

- Link Group has again delivered on guidance as provided on 28 November 2023
  - 1H FY24 Revenue from continuing businesses<sup>1</sup> of \$523.7 million, is up 13.8% on 1H FY23
  - 1H FY24 Operating EBIT from continuing businesses<sup>1</sup> of \$90.8 million, is up 10.8% on 1H FY23
- Link Group simplification is complete
- FY24 Operating EBIT growth expected to be between 7% and 9%<sup>2</sup> and Operating EBIT margin expected to be broadly in line with FY23
- On track to complete the Mitsubishi UFJ Trust & Banking Corporation Scheme in May/June 2024

1. From Continuing Operations only.

2. Link Group continuing operations only. For comparative purposes FY23 Operating EBIT (Proforma Continuing Operations) is \$171.0 million.



**Vivek Bhatia**

Chief Executive Officer  
and Managing Director



**Andrew MacLachlan**

Chief Financial Officer





## APPENDIX 1

Additional Financial Information

# OPERATING NPATA DETAIL

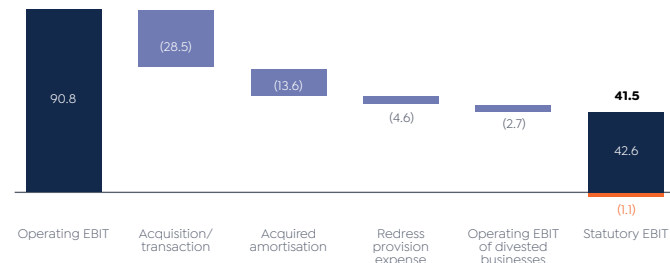
Proforma Continuing Operations



FINANCIALS					
A\$ MILLION	1H FY23	1H FY24 CC	1H FY24	YOY CHANGE (CC)	YOY CHANGE
Revenue	460.1	512.8	523.7	11.5%	13.8%
Operating cost	(340.3)	(389.6)	(397.1)	14.5%	16.7%
<b>Operating EBITDA</b>	<b>119.8</b>	<b>123.2</b>	<b>126.7</b>	<b>2.9%</b>	<b>5.8%</b>
Depreciation and amortisation	(37.8)	(35.1)	(35.9)	(7.3%)	(5.2%)
<b>Operating EBIT</b>	<b>81.9</b>	<b>88.1</b>	<b>90.8</b>	<b>7.6%</b>	<b>10.8%</b>
Net finance expense	(22.7)	(33.5)	(34.1)	47.7%	50.5%
Gain / (loss) on assets held at fair value	(0.2)	-	-	nmf	nmf
Other JV profit / (loss)	(0.1)	-	-	nmf	nmf
<b>NPBT</b>	<b>59.0</b>	<b>54.7</b>	<b>56.7</b>	<b>(7.3%)</b>	<b>(3.8%)</b>
Income tax expense	(18.6)	(14.1)	(14.6)	(24.4%)	(21.6%)
<b>Operating NPATA</b>	<b>40.3</b>	<b>40.6</b>	<b>42.1</b>	<b>0.6%</b>	<b>4.4%</b>
Operating earnings per share (cents)	7.9	7.9	8.2	0.3%	4.0%
<b>Statutory NPAT</b>	<b>(460.5)</b>	<b>nmf</b>	<b>(34.0)</b>	<b>nmf</b>	<b>nmf</b>

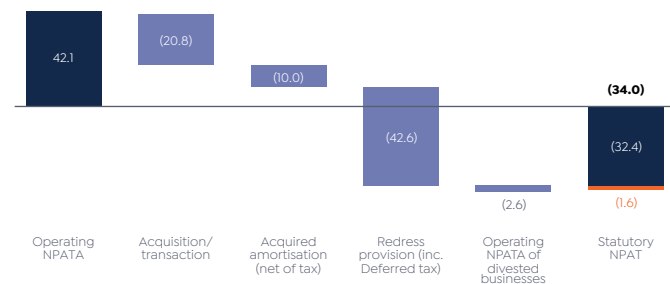
## 1H FY24 STATUTORY EBIT

A\$ MILLION



## 1H FY24 STATUTORY NPAT

A\$ MILLION

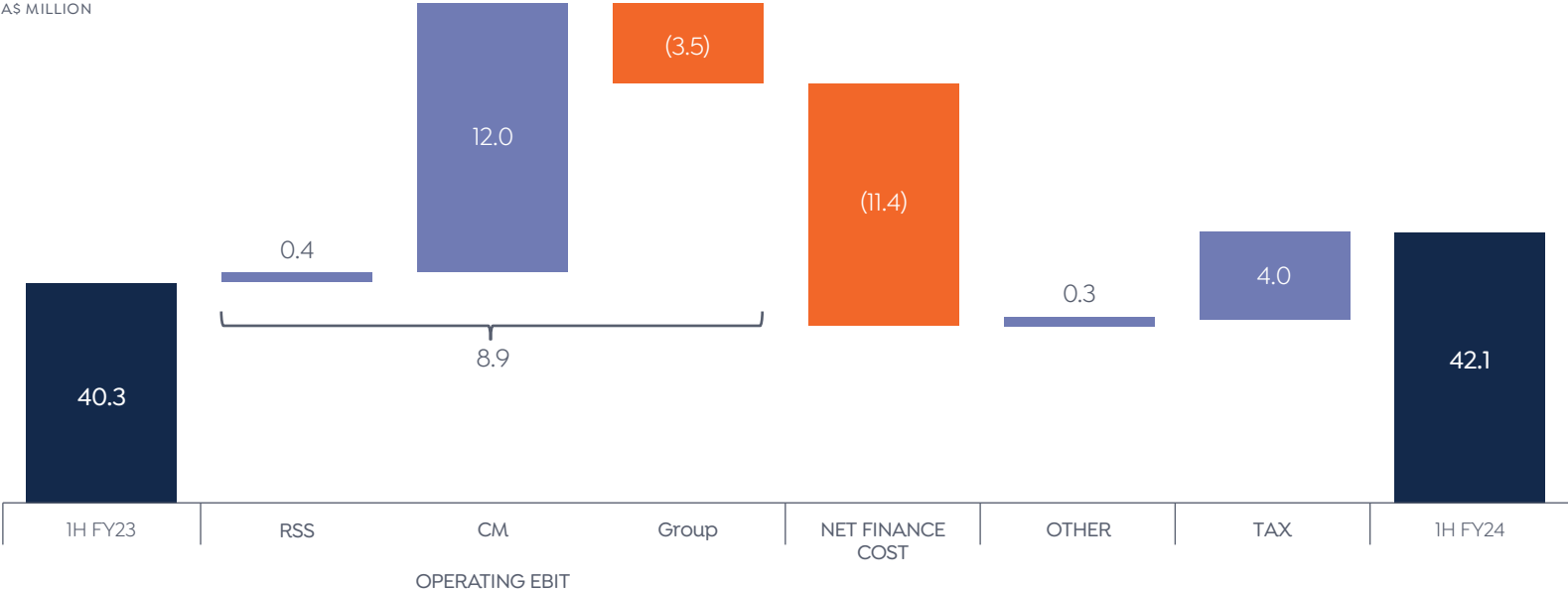


■ Continuing ■ Discontinued

# RECONCILIATION TO PRIOR YEAR

OPERATING NPATA (Proforma Continuing Operations)

AS MILLION



# BUSINESS UNIT P&L (Proforma Continuing Operations)

RETIREMENT & SUPERANNUATION SOLUTIONS					
A\$ MILLION	1H FY23	2H FY23	FY23	1H FY24	1H FY24 CC
Revenue	267.9	286.2	554.1	285.1	283.9
Operating cost	(190.9)	(201.4)	(392.4)	(212.1)	(211.1)
Operating EBITDA	76.9	84.8	161.8	73.0	72.7
Depreciation and amortisation	(21.6)	(22.2)	(43.8)	(17.3)	(17.3)
Operating EBIT	55.3	62.6	118.0	55.8	55.5
Recurring Revenue %	90.5%	89.0%	89.7%	92.3%	92.3%
Operating EBITDA margin %	28.7%	29.6%	29.2%	25.6%	25.6%
Operating EBIT margin %	20.7%	21.9%	21.3%	19.6%	19.5%

CORPORATE MARKETS					
A\$ MILLION	1H FY23	2H FY23	FY23	1H FY24	1H FY24 CC
Revenue	200.2	216.2	416.4	247.0	237.3
Operating cost	(140.2)	(157.6)	(298)	(172.8)	(167.0)
Operating EBITDA	59.9	58.6	118.6	74.2	70.3
Depreciation and amortisation	(16.3)	(17.5)	(33.8)	(18.6)	(17.9)
Operating EBIT	43.6	41.1	84.8	55.6	52.5
Recurring Revenue %	71.0%	64.1%	67.4%	64.5%	65.3%
Operating EBITDA margin %	29.9%	27.1%	28.5%	30.1%	29.6%
Operating EBIT margin %	21.8%	19.0%	20.4%	22.5%	22.1%

## GROUP REVENUE

A\$ MILLION



Group Revenue					
A\$ MILLION	1H FY23	RSS	CM	Group	1H FY24
Recurring	376.2	20.7	17.1	0.0	414.0
Non-recurring	83.9	(3.4)	29.7	(0.4)	109.7
Revenue	460.1	17.2	46.8	(0.4)	523.7
Recurring Revenue %	82%				79%

# CASHFLOW DETAIL

AS MILLION	1H FY24	1H FY23	YEAR ON YEAR CHANGE	
<b>Operating EBITDA</b>	<b>128.8</b>	<b>128.3</b>	<b>0.5</b>	<b>0.4%</b>
Changes in fund assets & liabilities	(0.2)	4.6	(4.8)	(104.9%)
Changes in net working capital	(40.8)	17.5	(58.3)	(332.5%)
<b>Net operating cash flow</b>	<b>87.8</b>	<b>150.4<sup>1</sup></b>	<b>(62.6)</b>	<b>(41.6%)</b>
Cash impact of significant items	(31.6)	(26.9)	(4.7)	(17.4%)
Tax	(5.9)	(10.1)	4.2	41.7%
Net finance cost	(28.7)	(23.2)	(5.4)	(23.3%)
<b>Net cash provided by operating activities</b>	<b>21.6</b>	<b>90.2</b>	<b>(68.5)</b>	<b>(76.0%)</b>
Capital expenditure	(48.5)	(33.9)	(14.6)	(43.1%)
ROU lease liability payments	(17.5)	(22.6)	5.1	22.5%
<b>Free cash flow (available for capital management)</b>	<b>(44.3)</b>	<b>33.7</b>	<b>(78.0)</b>	<b>(231.6%)</b>
Other investing activities	209.6	88.2	121.4	137.6%
Dividends paid	(20.6)	(41.1)	20.6	50.0%
Other financing activities	29.2	(36.4)	65.6	180.2%
<b>Net increase/(decrease) in cash</b>	<b>173.9</b>	<b>44.4</b>	<b>129.5</b>	<b>291.9%</b>
<b>Net operating cash flow conversion %</b>	<b>68%</b>	<b>117%</b>	<b>(49pp)</b>	<b>n/a</b>

1. 1H FY23 Operating cash flow includes a benefit of \$53.7 million on AMC balances in FS. Adjusted for AMC balances, 1H FY23 net operating cash flow conversion would be -69%.

# BALANCE SHEET (1 of 2)



A\$ MILLION	31 DECEMBER 2023			30 JUNE 2023		
	Reported	Held for sale adjustment	Consolidated	Reported	Held for sale adjustment	Consolidated
Cash and cash equivalents	387.0	4.2	391.2	124.5	96.6	221.1
Trade and other receivables	172.6	1.6	174.2	149.8	125.9	275.7
Other assets	40.9	0.5	41.5	38.9	8.6	47.6
Current tax assets	7.5	-	7.5	5.8	2.7	8.4
Fund assets	(0.0)	0.0	0.0	-	663.1	663.1
Assets held for sale	9.3	(9.3)	-	1,198.4	(1,198.4)	0.0
<b>Total current assets</b>	<b>617.3</b>	<b>(2.9)</b>	<b>614.4</b>	<b>1,517.3</b>	<b>(301.4)</b>	<b>1,215.9</b>
Investments – equity accounted	-	-	-	0.0	-	0.0
Investments – other	76.9	0.0	76.9	82.0	1.1	83.1
Plant and equipment	163.6	0.5	164.0	194.7	19.5	214.2
Intangible assets	1,282.8	2.2	1,284.9	1,285.7	269.3	1,554.9
Deferred tax assets	48.9	0.1	49.0	99.2	(0.0)	99.2
Other assets	17.0	0.2	17.2	13.2	11.6	24.8
<b>Total non-current assets</b>	<b>1,589.1</b>	<b>2.9</b>	<b>1,592.0</b>	<b>1,674.8</b>	<b>301.4</b>	<b>1,976.2</b>
<b>Total assets</b>	<b>2,206.4</b>	<b>(0.0)</b>	<b>2,206.4</b>	<b>3,192.1</b>	<b>0.0</b>	<b>3,192.1</b>

# BALANCE SHEET (2 of 2)



A\$ MILLION	31 DECEMBER 2023			30 JUNE 2023		
	Reported	Held for sale adjustment	Consolidated	Reported	Held for sale adjustment	Consolidated
Trade and other payables	165.1	4.7	169.7	150.4	191.3	341.7
Interest-bearing loans and borrowings	33.0	0.2	33.2	34.2	2.5	36.8
Provisions	440.4	0.0	440.5	450.3	0.1	450.4
Employee benefits	49.4	-	49.4	47.1	3.2	50.4
Current tax liabilities	21.7	0.0	21.8	1.5	6.3	7.9
Fund liabilities	0.0	0.0	0.0	(0.0)	661.4	661.4
Liabilities held for sale	5.6	(5.6)	-	898.6	(898.6)	-
<b>Total current liabilities</b>	<b>715.1</b>	<b>(0.6)</b>	<b>714.5</b>	<b>1,582.3</b>	<b>(33.8)</b>	<b>1,548.5</b>
Trade and other payables	14.6	-	14.6	16.3	3.3	19.6
Interest-bearing loans and borrowings	1,098.6	(0.0)	1,098.6	1,105.7	8.9	1,114.6
Provisions	15.4	-	15.4	23.0	1.3	24.3
Employee benefits	6.1	-	6.1	5.7	-	5.7
Deferred tax liabilities	45.6	0.6	46.2	58.8	20.3	79.1
<b>Total non-current liabilities</b>	<b>1,180.3</b>	<b>0.6</b>	<b>1,180.9</b>	<b>1,209.6</b>	<b>33.8</b>	<b>1,243.4</b>
<b>Total liabilities</b>	<b>1,895.5</b>	<b>(0.0)</b>	<b>1,895.5</b>	<b>2,791.9</b>	<b>0.0</b>	<b>2,791.9</b>
<b>Net assets</b>	<b>311.0</b>	<b>(0.0)</b>	<b>311.0</b>	<b>400.3</b>	<b>(0.0)</b>	<b>400.3</b>
Contributed equity	1,007.4	-	1,007.4	1,002.7	-	1,002.7
Reserves	163.2	-	163.2	223.4	-	223.4
Accumulated losses	(859.8)	0.0	(859.8)	(826.1)	0.0	(826.1)
<b>Total equity attributable to equity holders of the parent</b>	<b>310.7</b>	<b>0.0</b>	<b>310.7</b>	<b>400.0</b>	<b>0.0</b>	<b>400.0</b>
Non-controlling interests	0.3	-	0.3	0.3	-	0.3
<b>Total equity</b>	<b>311.0</b>	<b>0.0</b>	<b>311.0</b>	<b>400.3</b>	<b>0.0</b>	<b>400.3</b>

# DETAILED P&L STATUTORY RECONCILIATION 1H FY24

AS MILLION	STATUTORY				Divestments	SIGNIFICANT ITEMS			Proforma Continuing Operations
	Continuing operations	Discontinued operations	Consolidated			Business combination/ acquisition & divestment costs	Other (non EBITDA)	TOTAL	
RSS	285.1	-	285.1			-	-	-	285.1
CM	247.0	-	247.0			-	-	-	247.0
FS	-	45.8	45.8	(45.8)		-	-	-	-
BCM	-	20.3	20.3	(20.3)		-	-	-	-
Elimination/Recharges	(8.4)	(0.1)	(8.5)	0.1		-	-	-	(8.4)
<b>Revenue</b>	<b>523.7</b>	<b>66.0</b>	<b>589.7</b>	<b>(66.0)</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>523.7</b>
Employee expenses	(266.7)	(35.4)	(302.1)	34.3		4.2	-	4.2	(263.6)
IT expenses	(52.5)	(9.8)	(62.4)	10.7		0.4	-	0.4	(51.3)
Occupancy expenses	(6.5)	(1.1)	(7.6)	1.4		0.2	-	0.2	(6.0)
Other expenses	(76.5)	(15.1)	(91.5)	17.5		11.3	-	11.3	(62.8)
Net acquisition, divestment & capital management related expenses	(24.5)	(5.2)	(29.8)	0.0		16.3	-	16.3	(13.4)
<b>Total operating expenses</b>	<b>(426.7)</b>	<b>(66.6)</b>	<b>(493.3)</b>	<b>63.8</b>		<b>32.4</b>	<b>-</b>	<b>32.4</b>	<b>(397.1)</b>
<b>EBITDA</b>	<b>97.1</b>	<b>(0.7)</b>	<b>96.4</b>	<b>(2.1)</b>		<b>32.4</b>	<b>-</b>	<b>32.4</b>	<b>126.7</b>
Depreciation	(7.5)	(0.0)	(7.5)	1.4		(0.6)	-	(0.6)	(6.7)
Amortisation (other)	(20.1)	(0.4)	(20.5)	1.1		(1.1)	-	(1.1)	(20.4)
Contract fulfilment	(1.1)	-	(1.1)	1.5		(1.5)	-	(1.5)	(1.1)
Right of use asset amortisation	(7.7)	(0.0)	(7.7)	0.8		(0.8)	-	(0.8)	(7.7)
<b>EBITA</b>	<b>60.8</b>	<b>(1.1)</b>	<b>59.7</b>	<b>2.7</b>		<b>28.5</b>	<b>-</b>	<b>28.5</b>	<b>90.8</b>
Acquired amortisation	(13.6)	-	(13.6)	-		13.6	-	13.6	-
Redress provision expense	(4.6)	-	(4.6)	-		-	4.6	4.6	-
Impairment expense	-	-	-	-		-	-	-	-
<b>EBIT</b>	<b>42.6</b>	<b>(1.1)</b>	<b>41.5</b>	<b>2.7</b>		<b>42.1</b>	<b>4.6</b>	<b>46.7</b>	<b>90.8</b>
Net finance expense	(42.9)	0.5	(42.4)	(1.6)		9.9	-	9.9	(34.1)
Gain on assets held at fair value	0.7	-	0.7			(0.7)	-	(0.7)	-
Gain on divestment of BCM and FS	25.4	-	25.4			(25.4)	-	(25.4)	-
Share of NPAT of equity accounted investments	-	-	-			-	-	-	-
<b>NPBT</b>	<b>25.9</b>	<b>(0.6)</b>	<b>25.2</b>	<b>1.1</b>		<b>25.8</b>	<b>4.6</b>	<b>30.4</b>	<b>56.7</b>
Income tax expense	(58.2)	(1.0)	(59.2)	1.6				43.1	(14.6)
<b>NPAT</b>	<b>(32.4)</b>	<b>(1.6)</b>	<b>(34.0)</b>	<b>2.6</b>				<b>73.5</b>	<b>42.1</b>



# DETAILED P&L STATUTORY RECONCILIATION 1H FY23

A\$ MILLION	STATUTORY			Divestments	SIGNIFICANT ITEMS			Proforma Continuing Operations
	Continuing operations	Discontinued operations	Consolidated		Business combination/ acquisition & divestment costs	Other (non EBITDA)	TOTAL	
RSS	267.9	-	267.9		-	-	-	267.9
CM	200.2	-	200.2		-	-	-	200.2
FS	-	73.4	73.4	(73.4)	-	-	-	-
BCM	-	59.1	59.1	(59.1)	-	-	-	-
Elimination/Recharges	(8.0)	(0.1)	(8.1)	0.1	-	-	-	(8.0)
<b>Revenue</b>	<b>460.1</b>	<b>132.4</b>	<b>592.5</b>	<b>(132.4)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>460.1</b>
Employee expenses	(238.0)	(74.3)	(312.3)	75.0	(0.5)	-	(0.5)	(237.8)
IT expenses	(43.6)	(15.4)	(59.0)	17.0	0.0	-	0.0	(42.0)
Occupancy expenses	(6.9)	(1.7)	(8.6)	1.9	(0.1)	-	(0.1)	(6.8)
Other expenses	(55.1)	(29.0)	(84.1)	30.0	0.5	-	0.5	(53.6)
Net acquisition, divestment & capital management related expenses	(9.2)	(5.3)	(14.5)	(0.0)	14.5	-	14.5	(0.0)
<b>Total operating expenses</b>	<b>(352.8)</b>	<b>(125.8)</b>	<b>(478.6)</b>	<b>123.9</b>	<b>14.4</b>	<b>-</b>	<b>14.4</b>	<b>(340.3)</b>
<b>EBITDA</b>	<b>107.2</b>	<b>6.7</b>	<b>113.9</b>	<b>(8.5)</b>	<b>14.4</b>	<b>-</b>	<b>14.4</b>	<b>119.8</b>
Depreciation	(5.3)	(4.4)	(9.7)	3.3	0.1	-	0.1	(6.4)
Amortisation (other)	(10.7)	(11.2)	(21.9)	2.9	0.0	-	0.0	(19.0)
Contract fulfilment	(1.1)	(2.5)	(3.6)	2.5	-	-	-	(1.1)
Right of use asset amortisation	(13.0)	-	(13.0)	1.7	-	-	-	(11.3)
<b>EBITA</b>	<b>77.1</b>	<b>(11.4)</b>	<b>65.7</b>	<b>1.8</b>	<b>14.5</b>	<b>-</b>	<b>14.5</b>	<b>81.9</b>
Acquired amortisation	(19.4)	(0.9)	(20.3)	-	20.3	-	20.3	-
Redress provision expense	(322.9)	-	(322.9)	-	-	322.9	322.9	-
Impairment expense	-	(225.4)	(225.4)	-	-	225.4	225.4	-
<b>EBIT</b>	<b>(265.2)</b>	<b>(237.7)</b>	<b>(502.9)</b>	<b>1.8</b>	<b>34.8</b>	<b>548.2</b>	<b>583.1</b>	<b>81.9</b>
Net finance expense	(22.7)	(0.6)	(23.4)	0.6	0.1	-	0.1	(22.7)
Gain on assets held at fair value	(0.2)	-	(0.2)	-	-	-	-	(0.2)
Gain on sale of equity accounted investment	47.9	-	47.9	-	(47.9)	-	(47.9)	-
Share of NPAT of equity accounted investments	1.6	-	1.6	(1.7)	-	-	-	(0.1)
<b>NPBT</b>	<b>(238.7)</b>	<b>(238.4)</b>	<b>(477.0)</b>	<b>0.7</b>	<b>(13.0)</b>	<b>548.2</b>	<b>535.3</b>	<b>59.0</b>
Income tax expense	13.7	2.8	16.5	3.7	-	-	(34.9)	(18.6)
<b>NPAT</b>	<b>(225.0)</b>	<b>(235.5)</b>	<b>(460.5)</b>	<b>4.4</b>	<b>-</b>	<b>-</b>	<b>500.4</b>	<b>40.3</b>

# DETAILED CASH FLOW STATUTORY RECONCILIATION 1H FY24

A\$ MILLION	Statutory	Interest	Tax	Net operating cash flow after significant items	Significant items	Net operating cash flow
<b>NPAT</b>	<b>(34.0)</b>					
Income tax expense	59.2					
Net finance expense	42.4					
Gain on assets held at fair value	(0.7)					
Gain on divestment of BCM and FS	(25.4)					
Share of NPAT of equity accounted investments	-					
Depreciation and amortisation	50.3					
Redress provision expense	4.6					
Impairment expense	-					
<b>EBITDA</b>	<b>96.4</b>	<b>-</b>	<b>-</b>	<b>96.4</b>	<b>32.4</b>	<b>128.8</b>
Net finance expense	(42.4)	42.4	-	-	-	-
Income tax expense	(59.2)	-	59.2	-	-	-
Redress provision expense	(4.6)	-	-	(4.6)	4.6	-
Equity-settled share based payment expense	5.1	-	-	5.1	-	5.1
Unrealised foreign exchange loss/(gain)	(0.1)	0.1	-	-	-	-
Borrowing cost amortisation	1.6	(1.6)	-	-	-	-
Unwinding discount on provisions and deferred consideration	7.7	(7.7)	-	-	-	-
Loss on disposal/write off of PPE & intangibles	0.0	-	-	0.0	-	0.0
Change in trade and other receivables	(19.4)	(1.8)	-	(21.2)	-	(21.2)
Change in other assets	(1.9)	-	-	(1.9)	-	(1.9)
Change in trade and other payables	(2.5)	(2.9)	-	(5.3)	(12.9)	(18.3)
Change in employee benefits	2.1	-	-	2.1	-	2.1
Change in provisions	(14.2)	-	-	(14.2)	7.6	(6.7)
Change in current and deferred tax balances	53.4	-	(53.4)	-	-	-
<b>Total changes in working capital (exc. Fund assets &amp; liabilities)</b>	<b>17.4</b>	<b>(4.7)</b>	<b>(53.4)</b>	<b>(40.6)</b>	<b>(5.4)</b>	<b>(45.9)</b>
Change in fund assets and fund liabilities	(0.2)	-	-	(0.2)	-	(0.2)
<b>Net operating cash flow</b>	<b>21.6</b>	<b>28.7</b>	<b>5.9</b>	<b>56.2</b>	<b>31.6</b>	<b>87.8</b>

(40.8)

# DETAILED CASH FLOW STATUTORY RECONCILIATION 1H FY23

A\$ MILLION	Statutory	Interest	Tax	Net operating cash flow after significant items	Significant items	Net operating cash flow
<b>NPAT</b>	<b>(460.5)</b>					
Income tax expense	(16.5)					
Net finance expense	23.4					
Gain on assets held at fair value	0.2					
Gain on sale of equity accounted investment	(47.9)					
Share of NPAT of equity accounted investments	(1.6)					
Depreciation and amortisation	68.6					
Redress provision expense	322.9					
Impairment expense	225.4					
<b>EBITDA</b>	<b>113.9</b>	<b>-</b>	<b>-</b>	<b>113.9</b>	<b>14.4</b>	<b>128.3</b>
Net finance expense	(23.4)	23.4	-	-	-	-
Income tax expense	16.5	-	(16.5)	-	-	-
Redress provision expense	(322.9)	-	-	(322.9)	322.9	-
Equity-settled share based payment expense	7.9	-	-	7.9	-	7.9
Unrealised foreign exchange loss/(gain)	(0.5)	0.5	-	-	-	-
Borrowing cost amortisation	0.8	(0.8)	-	-	-	-
Loss on disposal/write off of PPE & intangibles	(1.6)	-	-	(1.6)	-	(1.6)
Change in trade and other receivables	(21.6)	-	-	(21.6)	-	(21.6)
Change in other assets	(1.8)	-	-	(1.8)	-	(1.8)
Change in trade and other payables	32.3	0.1	-	32.4	3.0	35.4
Change in employee benefits	2.6	-	-	2.6	-	2.6
Change in provisions	309.9	-	-	309.9	(313.3)	(3.4)
Change in current and deferred tax balances	(26.6)	-	26.6	-	-	-
<b>Total changes in working capital (exc. Fund assets &amp; liabilities)</b>	<b>294.8</b>	<b>0.1</b>	<b>26.6</b>	<b>321.5</b>	<b>(310.3)</b>	<b>11.2</b>
Change in fund assets and fund liabilities	4.6	-	-	4.6	-	4.6
<b>Net operating cash flow</b>	<b>90.2</b>	<b>23.2</b>	<b>10.1</b>	<b>123.5</b>	<b>26.9</b>	<b>150.4</b>

17.5

# GLOSSARY

TERMS			
<b>1H</b>	First half (6 months) ended 31 December	<b>FS</b>	Fund Solutions
<b>1H FY24 CC</b>	First half ended 31 December 2023 presented on a constant currency basis (underlying financial data converted using average FX rates for 1H FY23)	<b>FY</b>	Fiscal year ended/ending 30 June
<b>2H</b>	Second half (6 months) ended 30 June	<b>LTM</b>	Last 12 months
<b>ANZ</b>	Australia and New Zealand	<b>P&amp;L</b>	Profit and Loss Statement
<b>BCM</b>	Banking & Credit Management	<b>pcp</b>	Prior corresponding period
<b>CAGR</b>	Capitalised annual growth rate	<b>pp</b>	Percentage point
<b>CM</b>	Corporate Markets	<b>PPE</b>	Property, plant and equipment
<b>CY</b>	Calendar year ended/ending 31 December	<b>RSS</b>	Retirement and Superannuation Solutions
<b>D&amp;A</b>	Depreciation and Amortisation	<b>SID</b>	Scheme Implementation Deed
<b>EMEA</b>	Europe, Middle East, Africa	<b>YoY</b>	Year on year

# 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, capital markets investor relations analytics, investor relations web design, extraordinary general meetings, share sale fees, off-market transfers, employee share plan commissions 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 EBIT is earnings before interest, tax and Significant items. Link Group also presents an Operating EBIT margin which is Operating EBIT divided by revenue, expressed as a percentage. Operating EBIT margin for business segments is calculated as Operating EBIT divided by segmental Gross Revenue, while Link Group Operating EBIT margin is calculated as Operating EBIT divided by revenue.

EBIT is earnings before interest and tax.

Operating NPATA is net profit after tax and after adding back tax affected Significant items 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..

Operating earnings per share 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 items which are considered to have a material financial impact and are not part of the normal operations of the Group. Significant items are used in both profit and loss and cash flow presentation. These items typically relate to events that are considered to be 'one-off' and are not expected to re-occur. Significant items are broken down into; Business combination/acquisition & divestment costs, Global Transformation costs, and other one-off costs.

Net operating cash flow is Cash receipts in the course of operations less Cash payments in the course of operations (excludes Significant items, interest and tax).

Thank you

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