

19 September 2022

ASX ANNOUNCEMENT

UPDATE ON SCHEME – NEW PROPOSAL FROM DYE & DURHAM

Link Administration Holdings Limited (ASX: LNK) (**Link Group**) refers to the proposed acquisition of Link Group by Dye & Durham Corporation (**Dye & Durham**) by way of a scheme of arrangement (**Scheme**). Link Group also refers to its announcement of 13 September 2022 in relation to the Woodford Matters and the FCA approving the proposed acquisition of Link Fund Solutions Limited (**LFSL**), subject to a condition that Dye & Durham commits to make funds available to meet any shortfall within LFSL in the amount available to cover the redress payments LFSL may be required to make (**FCA Conditions**).

Under the terms of the Scheme Implementation Deed between Link Group and Dye & Durham (**SID**), approval from the FCA on an unconditional basis, or on terms that are acceptable to Dye & Durham acting reasonably, is a condition precedent to the Scheme.

Link Group received a letter from Dye & Durham on 18 September 2022 stating that having regard to a number of factors, including discussions with Dye & Durham's financiers for the transaction, Dye & Durham has come to the view that it is likely Dye & Durham cannot accept the FCA Conditions.

The letter from Dye & Durham also states that it has developed a revised proposal (**New Proposal**) which is structured as an upfront cash payment of \$3.81 per Link Group share payable to Link Group shareholders on implementation of the Scheme; plus a contingent payment (the **Contingent Payment**), payable under the following circumstances:

- if, within 24 months of implementation of the Scheme, the final and binding conclusion of the FCA enforcement process is that LFSL is not liable for restitution and/or redress payments in relation to the management of the Woodford Fund (a **Redress**) or else no Redress is due, a cash payment of \$1.00 per Link Group share; or
- if within 24 months, the final and binding conclusion of the FCA enforcement process is that LFSL is liable for Redress, and that Redress amount is less than £306 million, a cash payment per Link share equal to £306 million less the actual Redress amount divided by the Link Group shares outstanding as at the date of the implementation of the Scheme; plus
- Link Group shareholders will remain entitled to receive net consideration of up to \$0.13 per Link Group share from the sale of the Banking and Credit Management (**BCM**) business if it is sold and proceeds are received up to 12 months after the implementation of the Scheme.

The New Proposal, which the letter states is subject to Dye & Durham Corporation and Dye & Durham Limited board approval, is subject to the following conditions:

- Dye & Durham's financiers agree to the New Proposal;
- satisfactory documentation is entered into between Dye & Durham and Link Group;
- the parties are able to obtain Court approval to an extension of the current Scheme process to enable the parties to amend the SID to reflect the New Proposal and allow the parties to obtain the requisite Court and shareholder approvals to implement the Scheme under the current process and documentation;
- the deferral of the vesting and issuance of Link Group shares in respect of senior management incentive plans in connection with the Scheme; and

- the Contingent Payments described above do not require a debenture or similar to be issued by Dye & Durham or another party in respect of the Scheme.

The Link Group Board has considered a range of factors in relation to the New Proposal, including matters related to value, structure and alternatives available to Link Group if a transaction with Dye & Durham does not proceed. The Link Group Board is unable to recommend the New Proposal.

In the event the Scheme does not proceed, as previously advised, Link Group intends to evaluate alternatives for the business, including an in specie distribution of a minimum of 80% of Link Group's shareholding in PEXA, in order to maximise value for shareholders.

The release of this announcement was authorised by the Link Group Board.

For further information:

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About Link Group

Link Group connects millions of people with their assets, including equities, pension and superannuation, investments, property and other financial assets. Link Group partners with thousands of financial market participants to deliver services, solutions and technology platforms that enhance the user experience and make scaled administration simpler. They help manage regulatory complexity, improve data management and provide the tools to connect people with their assets, leveraging analysis, insight and technology.

For more information, please visit: www.linkgroup.com.

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