SERVICE STREAM LIMITED

Acquisition of Lendlease Services and Capital Raising

21 July 2021

servicestream
ESSENTIAL NETWORK SERVICES

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This Presentation has been prepared by Service Stream Limited (ACN 072 369 870) ("**SSM**") and is dated 21 July 2021. This Presentation has been prepared in connection with SSM's proposed acquisition of Lendlease Services Pty Limited (ACN 081 540 847) ("**Lendlease Services**") (the "**Acquisition**") and:

- an underwritten institutional placement of new fully paid ordinary shares in SSM ("**New Shares**") to certain institutional and sophisticated investors ("**Placement**"); and
- an underwritten accelerated non-renounceable pro rata entitlement offer of New Shares to eligible existing shareholders of SSM ("**Entitlement Offer**"), (the Placement and Entitlement Offer are together, the "**Offer**").

The Entitlement Offer will comprise of an offer:

- to eligible institutional shareholders of SSM in certain permitted jurisdictions; and
- to eligible retail shareholders of SSM in Australia and New Zealand ("**Retail Entitlement Offer**"), under section 708AA of the Corporations Act 2001 (Cth) ("**Corporations Act**") as modified by the Australian Securities and Investments Commission ("**ASIC**") Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73.

The distribution of this Presentation in jurisdictions outside Australia and New Zealand may be restricted by law and you should observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

SUMMARY INFORMATION

This Presentation contains summary information about the current activities of SSM and its subsidiaries as at the date of this Presentation. The information in this Presentation is of a general nature and does not purport to be complete. This Presentation does not purport to contain all the information that an investor should consider when making an investment decision nor does it contain all the information which would be required in a disclosure document prepared in accordance with the requirements of the Corporations Act. It should be read in conjunction with SSM's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange ("**ASX**"), which are available at www.asx.com.au.

LENDLEASE SERVICES INFORMATION

Certain information in this Presentation is based on the due diligence enquiries undertaken by SSM in respect of Lendlease Services. While steps have been taken to confirm that information, no representation or warranty, expressed or implied, is made as to its fairness, accuracy, completeness, reliability or adequacy.

SSM undertook a due diligence process in respect of the Acquisition, which relied in part on the review of financial and other information provided by Lendlease Services. Despite making reasonable efforts, SSM has not been able to verify the accuracy, reliability or completeness of all the information which was provided to it. If any such information provided to, and relied upon by, SSM in its due diligence and in its preparation of this Presentation proves to be incorrect, incomplete or misleading, there is a risk that the actual financial position and performance of Lendlease Services (and the financial position and performance of SSM following the Acquisition) may be materially different to the expectations reflected in this Presentation.

Investors should also note that there is no assurance that the due diligence conducted was conclusive, and that all material issues and risks in respect of the Acquisition have been identified and avoided or managed appropriately (for example, because it was not possible to negotiate indemnities or representations and warranties from Lendlease Services to cover all potential risks). Therefore, there is a risk that issues and risks may arise which will also have a material impact on SSM (for example, SSM may later discover liabilities or defects which were not identified through due diligence or for which there is no contractual protection for SSM). This could adversely affect the operations, financial performance and/or financial position of SSM.

FINANCIAL INFORMATION

The financial information in this Presentation is presented in an abbreviated form insofar as it does not include all of the presentation and disclosures required by the Australian Accounting Standards ("**AAS**") and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act. You should consider the basis of preparation and assumptions underlying the financial information contained in this Presentation.

The financial information for SSM contained in this Presentation has been extracted from the audited consolidated annual financial statements of SSM for the fiscal year ended 30 June 2020 and the reviewed consolidated financial statements for the 6 months ended 31 December, as lodged with the ASX pursuant to SSM's continuous disclosure obligations. All financial information disclosed in this Presentation are on a post AASB-16 basis.

The financial information for Lendlease Services contained in this Presentation has been extracted from financial information made available by Lendlease Services in connection with the Acquisition. SSM has not independently reviewed or verified such information of Lendlease Services and investors should note that neither SSM nor any other person makes any representation or warranty with respect to the accuracy, completeness or adequacy of such information. Accordingly, investors should not place undue reliance on any such information.

This Presentation also contains pro forma historical financial information to show the impact of the Acquisition as if Lendlease Services had been acquired on 31 December 2020 and the impact of the Offer.

Important Notice & Disclaimer (cont'd)

The pro forma information has not been audited or reviewed by SSM's auditors. The pro forma financial information provided in this Presentation is for illustrative purposes only and is not represented as being indicative of SSM's (nor anyone else's) views on its future financial condition and/or performance or any scale benefits, synergies or opportunities that may be realised as a result of the Acquisition. The pro forma financial information has been prepared on the basis set out on pages 8 to 10 and 30 to 32 of this Presentation.

The pro forma financial information has been prepared by SSM in accordance with the recognition and measurement principles of AAS.

Investors should also be aware that certain financial measures included in this Presentation are 'non-IFRS financial information' under ASIC Regulatory Guide 230: 'Disclosing non-IFRS financial information' published by ASIC and are not recognised under AAS and International Financial Reporting Standards ("**IFRS**").

Such non-IFRS financial information/non-GAAP financial measures do not have a standardised meaning prescribed by AAS or IFRS. Therefore, the non-IFRS financial information/non-GAAP financial measures may not be comparable to similarly titled measures presented by other entities and should not be construed as an alternative to other financial measures determined in accordance with AAS or IFRS.

Although SSM believes these non-IFRS financial information/non-GAAP financial measures provide useful information to investors in measuring the financial performance and condition of its business, investors are cautioned not to place undue reliance on any non-IFRS financial information/non-GAAP financial measures included in this Presentation.

All dollar values are in Australian dollars ("**A$**" or "**$**"). A number of figures, amounts, percentages, estimates, calculations of value and fractions in this Presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this Presentation.

PAST PERFORMANCE

Past performance and pro forma historical information in this Presentation is given for illustrative purposes only and should not be relied upon (and is not) an indication of future performance including future share price information.

FORWARD LOOKING STATEMENTS

This Presentation contains certain "forward-looking statements". The words "forecast", "estimate", "likely", "anticipate", "believe", "expect", "project", "opinion", "predict", "outlook", "guidance", "intend", "should", "could", "may", "target", "plan", "project", "consider", "foresee", "aim", "will", "seek" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements, and include statements in this Presentation regarding the potential impact and duration of the global COVID-19 pandemic, the timing, impact and outcome of the Acquisition (including integration), the conduct and outcome of the Offer, the use of proceeds, the future performance of SSM and Lendlease Services post-Acquisition, estimated net synergies and scale benefits after combination with Lendlease Services, SSM's outstanding debt, and SSM's outlook for FY21.

Forward-looking statements, opinions and estimates provided in this Presentation are based on assumptions and contingencies which are subject to change without notice and involve known and unknown risks, uncertainties, assumptions, contingencies and other factors, many of which are beyond the control of SSM and its related bodies corporate and affiliates and each of their respective directors, securityholders, officers, employees, partners, agents, advisers and management. This includes statements about market and industry trends, which are based on interpretations of current market conditions. Refer to the 'Key risks' on pages 37 to 44 of this Presentation for a summary of certain risk factors that may affect SSM.

Investors are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the current economic climate and the significant volatility, uncertainty and disruption caused by the COVID-19 pandemic.

Nothing in this Presentation is a promise or representation as to the future. Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Actual results, performance or achievements may vary materially from those expressed or implied in those statements and any projections and assumptions on which these statements are based. These statements may assume the success of SSM's business strategies and the integration of Lendlease Services following completion of the Acquisition, the success of which may not be realised within the period for which the forward-looking statements may have been prepared, or at all.

No guarantee, representation or warranty, express or implied, is made as to the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects, returns, statements or tax treatment in relation to future matters contained in this Presentation. The forward-looking statements are based only on information available to SSM as at the date of this Presentation. Except as required by applicable laws or regulations, none of SSM, its representatives or advisers undertake any obligation to provide any additional or updated information or revise the forward-looking statements or other statements in this Presentation, whether as a result of a change in expectations or assumptions, new information, future events, results or circumstances.

NOT AN OFFER IN THE UNITED STATES

This Presentation may not be released to US wire services or distributed in the United States and does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States.

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Important Notice & Disclaimer (cont'd)

The New Shares have not been, nor will be, registered under the U.S. Securities Act of 1993 or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements may not be taken up by, and the New Shares may not be offered or sold to persons in the United States, except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States.

Refer to the 'International offer restrictions' on page 46 of this Presentation for more information.

INFORMATION AND LIABILITY

No party other than SSM has authorised, permitted or caused the issue, submission, dispatch or provision of this Presentation or makes or purports to make any statement in this Presentation. Ord Minnett Limited (ACN 002 733 048) ("**Underwriter**") is the sole lead manager, bookrunner and underwriter to the Offer. A summary of the key terms of the Underwriting Agreement is included in Section 7 "Key Risks" of this Presentation.
To the maximum extent permitted by law, each of SSM, the Underwriter and their respective affiliates and related bodies corporate and each of their respective directors, officers, partners, employees, agents and advisers (together, the "**Beneficiaries**") exclude and expressly disclaim:

- all duty and liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) for any expenses, losses, damage or costs (whether foreseeable or not) incurred by you as a result of your participation in, or failure to participate in, the Offer or the information in this Presentation being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise;
- any obligations or undertaking to release any updates or revisions to the information in this Presentation to reflect any change in expectations or assumptions; and
- all liabilities in respect of, and make no representation or warranty, express or implied, as to the fairness, currency, accuracy, reliability or completeness of information in this Presentation or any constituent or associated presentation, information or material, or the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects or returns (or any event or results expressed or implied in any forward looking statement) contained in, implied by, the information in this Presentation or any part of it, or that this Presentation contains all material information about SSM or which a prospective investor or purchaser may require in evaluating a possible investment in SSM or acquisition of securities in SSM.

The Underwriter and its Beneficiaries:

- have not independently verified any of the information in this Presentation and take no responsibility for any part of this Presentation or the Offer;
- have not authorised, permitted or caused the issue, lodgement, submission, dispatch or provision of this Presentation;
- make no recommendations as to whether you or your related parties should participate in the Offer nor do they make any representations or warranties to you concerning the Offer; and
- do not make or purport to make any statements in this Presentation and there is no statement in this Presentation which is based on any statement by any of them.

You represent, warrant and agree that you have not relied on any statements made by the Underwriter or its Beneficiaries in relation to the Offer and you further expressly disclaim that you are in a fiduciary relationship with any of them. You undertake that you will not seek to sue or hold the Underwriter and its Beneficiaries liable in any respect in connection with this Presentation or the Offer (to the maximum extent permitted by law).

You acknowledge and agree that:

- determination of eligibility of investors for the purposes of the Offer is determined by reference to a number of matters, including legal and regulatory requirements and the discretion of SSM and the Underwriter. You further acknowledge and agree that each of SSM and the Underwriter and their respective Beneficiaries exclude and expressly disclaim any duty or liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) in respect of the exercise or otherwise of that discretion, to the maximum extent permitted by law;
- allocations are at the sole discretion of the Underwriter and/or SSM. The Underwriter and SSM disclaim any duty or liability (including, without limitation, any liability arising from fault, negligence or negligent misstatement) in respect of the exercise or otherwise of that discretion, to the maximum extent permitted by law; and
- SSM reserves the right (with the prior written consent of the Underwriter (such consent not to be unreasonably withheld or delayed)) to change the timetable in its absolute discretion including by closing the Offer early, withdrawing the Offer entirely or extending the Offer closing time (generally or for particular investor(s)) in its absolute discretion (but have no obligation to do so), without recourse to SSM or notice to you. Furthermore, communications that a transaction is "covered" (i.e. aggregate demand indications exceed the amount of the security offered) are not an assurance that the transaction will be fully distributed.

You acknowledge that SSM and the Underwriter (and their respective Beneficiaries) are relying on you complying with this Important Notice and Disclaimer and on the truth and accuracy of the acknowledgements given by you.

The Underwriter and its affiliates are full service financial institutions engaged in various activities, which may include trading, financing, corporate advisory, financial advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. The Underwriter and its affiliates have provided, and may in the future provide, financial advisory, financing services and other services to SSM and to persons and entities with relationships with SSM, for which they received or will receive customary fees and expenses. In the ordinary course of their various business activities, the Underwriter and its affiliates may purchase, sell or hold a broad array of investments and actively trade securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and those investment and trading activities may involve or relate to assets, securities and/or instruments of SSM, and/or persons and entities with relationships with SSM. The Underwriter and its affiliates may also communicate independent investment recommendations, market colour or trading ideas and/or publish or express independent research views in respect of those assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in those assets, securities and instruments.

Important Notice & Disclaimer (cont'd)

In connection with the Offer, one or more investors may elect to acquire an economic interest in the New Shares ("**Economic Interest**"), instead of subscribing for or acquiring the legal or beneficial interest in those shares. The Underwriter (or its affiliates) may, for their own respective accounts, write derivative transactions with those investors relating to the New Shares to provide the Economic Interest, or otherwise acquire shares in SSM in connection with the writing of those derivative transactions in the Offer and/or the secondary market. As a result of those transactions, the Underwriter (or its affiliates) may be allocated, subscribe for or acquire New Shares in the Offer and/or the secondary market, including to hedge those derivative transactions, as well as hold long or short positions in those shares. These transactions may, together with other shares in SSM acquired by the Underwriter (or its affiliates) in connection with their ordinary course sales and trading, principal investing and other activities, result in the Underwriter (or its affiliates) disclosing a substantial holding and earning fee.

The Underwriter (and/or its affiliates) may also receive and retain other fees, profits and financial benefits in each of the above capacities and in connection with the above activities, including in their capacity as Underwriter to the Offer.

NOT AN OFFER, ADVICE OR RECOMMENDATION

This Presentation is for information purposes only and should not be read or understood as an offer, invitation, solicitation, inducement or recommendation to subscribe, buy or sell New Shares or any other financial products in any jurisdiction. This Presentation will not form any part of any contract or commitment for the acquisition of New Shares. This Presentation is not a prospectus, disclosure statement, product disclosure statement or other offering document under Australian law or under any other law. It will not be lodged with ASIC.

Nothing contained in this Presentation constitutes financial product, investment, legal, tax or other advice or any recommendation. It does not take into account the investment objectives, financial situation or needs of any particular investor. Before making an investment decision, prospective investors should consider the appropriateness of the information in this Presentation having regard to their own investment objectives, financial situation and needs and with their own professional advice. SSM is not licensed to provide financial product advice in respect of New Shares. Cooling off rights do not apply to the acquisition of New Shares.

Each recipient of this Presentation should make its own enquiries and investigations regarding all information included in this Presentation including but not limited to the assumptions, uncertainties and contingencies which may affect future operations of SSM and the values and the impact that different future outcomes may have on SSM.

The Retail Entitlement Offer will be made on the basis of the information contained in the retail offer booklet to be prepared for eligible retail shareholders in Australia and New Zealand ("**Retail Offer Booklet**") and made available following its lodgement with ASX. Any eligible retail shareholder in Australia or New Zealand who wishes to participate in the Retail Entitlement Offer should read the Retail Offer Booklet before deciding whether to apply for New Shares under the Retail Entitlement Offer. Anyone who wishes to apply for New Shares under the Retail Entitlement Offer will need to apply in accordance with the instructions contained in the Retail Offer Booklet and the entitlement and acceptance form.

INVESTMENT RISK

An investment in SSM shares is subject to investment and other known and unknown risks, some of which are beyond the control of SSM, including possible loss of income and principal invested. SSM does not guarantee any particular rate of return or the performance of SSM, nor does it guarantee the repayment of capital from SSM or any particular tax treatment. In considering an investment in SSM shares, investors should have regard to (amongst other things) the risks outlined in this Presentation. You should carefully consider these factors in light of your investment objectives, financial situation and particular needs (including financial and taxation issues) and seek professional advice from your stockbroker, solicitor, accountant, financial adviser, tax adviser or other independent professional adviser before deciding whether to invest in SSM shares.

MARKET AND INDUSTRY DATA AND OTHER INFORMATION

Certain market and industry data and other information used in this Presentation may have been obtained from research, surveys or studies conducted by third parties, including industry or general publications. Neither SSM nor its representatives or its advisers have independently verified, or can assure investors as to the accuracy of, any market or industry data or other information provided by third parties or industry or general publications.

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GENERAL

In this Presentation references to 'SSM', 'we', 'us' and 'our' are to Service Stream Limited and (where applicable) its controlled subsidiaries.

Statements made in this Presentation are made only as at the date of this Presentation. The information in this Presentation remains subject to change without notice. SSM may in its absolute discretion, but without being under any obligation to do so, update or supplement this Presentation. Any further information will be provided subject to the terms and conditions contained in this Important Notice and Disclaimer.

SSM reserves the right to withdraw or vary the timetable for the Offer without notice.

In consideration for being given access to this Presentation, you confirm, acknowledge and agree to the matters set out in this Important Notice and Disclaimer and any modifications notified to you and/or otherwise released on ASX.

Contents

1. EXECUTIVE SUMMARY

Executive Summary

Acquisition of Lendlease Services

- Service Stream has entered into a binding agreement to acquire 100% of Lendlease Services Pty Ltd (**Lendlease Services**) from Lendlease Group (the **Acquisition**) for an enterprise value of $310 million[1] and an expected equity purchase price of ~$295 million once debt and debt-like items are considered
  - Implied Enterprise Value (**EV**) / FY21 pro forma (**FY21PF**) EBITDA multiple of 6.9x pre-synergies or 5.0x post-synergies[2]
  - Acquisition expected to deliver strong EPS-A accretion of ~30% on FY22 pro forma (**FY22PF**) basis[3,4]

Overview of Lendlease Services

- Lendlease Services is a leading provider of operations and maintenance (**O&M**) and specialist design and construction (**D&C**) services
- Provides services across the Telecommunications (**Telco**), Utilities and Transportation (**Transport**) sectors
- Long standing relationships across a diverse customer base, including some of the largest private and public infrastructure clients across Australia
- Balanced and stable portfolio of long-term contracts with >$3 billion of closing backlog revenues, providing strong visibility
- FY21 forecast (**FY21F**) revenue of $793 million and EBITDA of $45 million (excluding synergies)

Strategic Rationale

- Aligns with Service Stream's strategy of diversifying revenues, enhancing capabilities and expanding the Group's addressable markets
- Adds new transportation (roads), electricity and industrial maintenance businesses, and deepens existing Service Stream telecommunications and water maintenance capabilities providing further organic growth avenues
- Highly complementary acquisition creating a leading multi-network service provider with diverse operations servicing Australia's essential infrastructure
- Provides additional scale to Service Stream whilst building upon the successful acquisition of Comdain Infrastructure in January 2019
- The combined group of Service Stream and Lendlease Services post-acquisition (**Combined Group**) is well positioned to benefit from the significant government stimulus spending across the infrastructure sector, and longer O&M requirements flowing from these investments
- Significant potential synergies with intent to select and adopt the best people, systems and processes from across the combined businesses

1. *Enterprise value of $310 million excludes transaction costs of ~$12.5 million. The equity value of $295 million takes into account estimated lease liabilities as at completion of the Acquisition (**Completion**). This is an estimate only, with the final equity value subject to a net asset adjustment post-Completion.*
2. *This assessment is based on the due diligence undertaken by Service Stream in respect to Lendlease Services and the actual outcome may differ. Further, these numbers have been adjusted to include the full pro forma run-rate of synergies which are discussed in greater detail on pages 23-24 of this Presentation. Please refer to the Key Risks section for further information.*
3. *Earnings per share (EPS-A) excludes one-off costs and any impact of acquisition accounting. FY22PF EPS-A accretion is calculated against broker consensus published in the past three months for Service Stream's FY22 EPS-A on a standalone basis. In calculating FY22PF EPS-A accretion, the Combined Group's FY22PF EPS-A is based on management's assessment, assuming the full pro forma run-rate of net synergies ($17 million) and increased interest expense associated with the debt component of the Acquisition financing. Management's assessment considers key findings throughout the Acquisition due diligence process. The actual outcome may differ because events and actual circumstances may not occur as projected or assumed. Please refer to the Key Risks section for further information.*
4. *EPS-A is calculated as NPAT-A divided by shares outstanding. NPAT-A represents net profit after tax after adding back amortisation, acquisition costs and acquisition integration costs (after tax). Refer to page 50 for a reconciliation of statutory NPAT to NPAT-A.*

Executive Summary (cont'd)

Expected Financial Impact	▪ Acquisition is expected to be ~30% EPS-A accretive on FY22PF basis[1,2,3] - Includes expected cost synergies, but excludes one-off integration costs and costs associated with undertaking the Acquisition and Offer ▪ The Combined Group expects FY21PF revenue of ~\$1.6 billion and FY21PF EBITDA from Operations of ~\$142 million, including the full pro forma run-rate of synergies ▪ Cost synergies estimated to be ~\$17 million p.a., with ~50% of run-rate synergies expected to be realised within 12 months from Completion, and 100% realised within 24 months from Completion - Synergies are predominately cost savings associated with leveraging scale and efficiencies across the combined business - Additional synergy opportunities have been identified and will be further assessed during the business integration program ▪ Expected one-off integration costs of ~\$15 million to be incurred over 18 months following Completion. Additional transitional services costs from Lendlease Group to support the separation phase is estimated at ~\$6 million ▪ Pro forma net debt / FY22PF EBITDA including synergies is expected to be 1.3x at Completion - Strong de-leveraging profile with leverage expected to reduce to <1.0x EBITDA within 24 months from Completion - Significant headroom to covenants under the existing debt facilities ▪ The Directors have determined that a final FY21 dividend will not be declared to assist with funding the Acquisition. Resumption of dividends is expected post Completion, and will be assessed on business performance over the relevant period
Funding	▪ Total upfront funding requirement of ~\$307.9 million for acquisition consideration and transaction costs funded by: - ~\$123.1 million fully underwritten[4] 1 for 3 accelerated pro-rata, non-renounceable entitlement offer (**Entitlement Offer**) - ~\$61.9 million fully underwritten[4] institutional placement (**Placement**) (together, the Placement and Entitlement Offer is the "**Offer**" or "**Equity Raising**") - \$122.9 million from draw down of debt facilities and available cash. Existing debt facilities increased by \$120 million to \$395 million to partially fund the Acquisition, provide for client bonding requirements, and support the Combined Group's operations post Completion

1. *Earnings per share (EPS-A) excludes one-off costs and any impact of acquisition accounting. Assumes a full year contribution from the acquisition and target run-rate synergies. This assessment is based on the due diligence undertaken by Service Stream in respect to Lendlease Services and is subject to a range of assumptions and contingencies including contract wins, value of contract wins, contract margins and timing of work being completed and billed to customers. The actual outcome may differ because events and actual circumstances may not occur as projected or assumed. Please refer to the Key Risks section for further information.*
2. *FY22PF EPS-A accretion is calculated against broker consensus published in the past three months for Service Stream's FY22 EPS-A on a standalone basis. In calculating FY22PF EPS-A accretion, the Combined Group's FY22PF EPS-A is based on management's estimates, assuming the full pro forma run-rate of net synergies (\$17 million) and increased interest expense associated with the debt component of the Acquisition financing. Management's estimates considers key findings throughout the Acquisition due diligence process.*
3. *EPS-A is calculated as NPAT-A divided by shares outstanding. NPAT-A represents net profit after tax after adding back amortisation, acquisition costs and acquisition integration costs (after tax). Refer to page 50 for a reconciliation of statutory NPAT to NPAT-A.*
4. *Subject to the terms and conditions of an underwriting agreement which is summarised in the Key Risks section of this Presentation.*

Executive Summary (cont'd)

Timing and Conditions

- The Acquisition has received pre-approval from the Australian Competition and Consumer Commission (**ACCC**) and is not subject to any further regulatory approvals
- Completion is expected to occur around November 2021, subject to satisfaction of the condition precedent in respect of counterparty consents described on page 48 and subject to satisfaction of market standard completion processes

FY21 Update and Combined Group Outlook[1]

- Consistent with the Business Update on 15 June 2021, Service Stream expects to report second half EBITDA from Operations in-line with first half results
- Service Stream confirms preliminary unaudited EBITDA from Operations of $80.3 million and NPAT-A of $39.1 million for FY21[2]
- Strong cash generation for the full year, with operating cash flow conversion (OCFBIT) of 98.6%
- Closing net cash position of $15.6 million
- Statutory NPAT of $29.4 million, including $5.0 million of non-operational costs (M&A and restructuring) and amortisation of customer intangibles[2]
- No significant impacts across operations associated with recent COVID-19 lockdowns across various states through to the end of June. There have been some minor restrictions from the current lockdown impacting NSW operations and the business will continue to carefully monitor the changing situation
- The business has secured a strong backlog of work heading into FY22, with ~75% of forecast FY22 Service Stream standalone revenue currently secured[1]
- Acquisition provides Service Stream with a step-change to its financial and earnings profile, with expected Combined Group financials materially higher than on a Service Stream standalone basis:
    - Combined Group FY22PF Revenue of ~$1.7 billion
    - Combined Group FY22PF EBITDA of ~$120 – 125 million

1. *FY21 financials are estimates only, based on preliminary unaudited financial results for the year ended 30 June 2021. These results remain subject to finalisation, audit, Board review and approval and may change. Actual financial results may differ because events and actual circumstances may not occur as estimated or assumed. These contracts do not guarantee volume with the risk of lower volume of work being allocated. Please refer to the Key Risks section for further information.*
2. *These underlying profit metrics are non-IFRS measures. Refer to page 50 for further details of non-operational costs and amortisation of acquired customer contracts, and a reconciliation of these metrics to statutory NPAT. NPAT-A represents net profit after tax after adding back amortisation, acquisition costs and acquisition integration costs (after tax).*

Service Stream Going Forward

Post-acquisition, Service Stream will reflect a leading Australian essential networks services business operating across the Telco, Utilities and Transport sectors, underpinned by a core earnings base and positioned for significant and sustainable long-term growth

servicestream
ESSENTIAL NETWORK SERVICES

Vision: ***Australia's leading essential network service provider***

Our markets: TELECOMMUNICATIONS | UTILITIES | TRANSPORT INFRASTRUCTURE

Our services: DESIGN | CONSTRUCT | OPERATE | MAINTAIN

Leading essential networks services business

- ✓ Trusted partner across Telecommunications, Utilities & Transportation sectors
- ✓ 3 distinct divisions, operating across attractive market sectors
- ✓ Strong track record of safety, service delivery and customer experience
- ✓ O&M and specialist D&C capabilities

Strong core underlying business

- ✓ National capability operating across essential network infrastructure
- ✓ Proven track record of profitability and customer contract retention
- ✓ >4,400 employees and extensive pool of skilled contractors

Blue chip underlying client base

- ✓ Portfolio of clients that include some of the largest private and public infrastructure asset owners and operators in Australia
- ✓ Includes numerous long-term customer relationships with many maintained over consecutive contract renewal cycles

Customer contract life-cycle focus

- ✓ Commercial expertise and customer relationships in each state strengthened through the combination of businesses
- ✓ Contracts are typically multi-year terms with extension options
- ✓ Combined contract backlog of ~$5.8 billion

Compelling organic growth opportunities

- ✓ Increase in industry expenditure forecast across all operating markets
- ✓ Essential and resilient operating sectors servicing critical infrastructure networks
- ✓ Extensive pipeline of opportunities across all operating markets

Experienced management team

- ✓ Highly skilled and experienced management teams will support an uplift in Combined Group's future capabilities
- ✓ Oversight from an experienced and long-standing Board of Directors

Ability to drive financial returns

- ✓ FY22PF Revenues of ~$1.7 billion comprising ~85% secured revenue
- ✓ FY22PF EBITDA of $120-125 million
- ✓ Significant pipeline of synergies to execute
- ✓ Strong cash flow conversion
- ✓ Conservative balance sheet

2. OVERVIEW OF LENDLEASE SERVICES

Lendlease Services Overview

Leading provider of Operation & Maintenance (O&M) and specialist Design & Construction (D&C) services across Telecommunications, Utilities and Transportation sectors

FY2021 Forecast[1]
Revenue ~$793 million
EBITDA ~$45 million

Solid order book of >$3 billion backlog revenue

> 2,200 employees and extensive pool of skilled contractors

Long standing contractual relationships across blue chip industrial client base

Specialised O&M and D&C provider across Telco, Utilities & Transportation sectors

National capability and footprint

Company Overview

- Lendlease Services is a provider of Operations and Maintenance and Specialist Design & Construction services across critical infrastructure
- Structured across three operating divisions:
  - Telecommunications
  - Utilities
  - Transportation Infrastructure
- Offers a comprehensive range of capabilities and services with solutions across essential assets entire life cycle
- Strong national presence, with an experienced management team and skilled workforce of > 2,200 employees across Australia[2]

Markets & Customers

- Diverse client base, including many of Australia's largest public and private infrastructure owners and operators
- Stable portfolio of contracts across a blue-chip industrial client base, with a number of longstanding relationships maintained and enhanced across consecutive contract renewal periods
- The majority of contracts operate under well known, lower-risk schedule of rate operating models[3]
- Scalable operations with exposure to a strong pipeline of opportunities across current operating sectors

1. *This assessment is based on the due diligence undertaken by Service Stream in respect to Lendlease Services. Please refer to the Key Risks section for further information.*
2. *Employees as of May 2021.*
3. *These contracts do not guarantee volume with the service provider bearing the risk of lower volume of work being allocated. Please refer to the Key Risks section for further information.*

Lendlease Services Operating Divisions

Operates across Telecommunications (Telco), Utilities (Utilities) and Transportation Infrastructure (Transport)

Telecommunications

Telco (fixed / wireless)

Design, construction, operations and maintenance of wireless and fixed-line network infrastructure

Utilities

Electricity

Design, construction, operations and maintenance of energy, control and power distribution assets

Water

Engineering, installation, operations and maintenance of water and waste-water infrastructure

Industrial

Shutdown and maintenance support services for industrial and utility asset owners and operators

Transport Infrastructure

Roads

Long-term operational support and maintenance services to public and private road and tunnel asset owners

Operation & Maintenance (O&M) Capabilities

Specialist Design & Construction (D&C) Capabilities

Lendlease Services Operating Divisions (cont'd)

Broad service offering across three large and attractive infrastructure sectors

	Telecommunications	Utilities			Transport Infrastructure
	Telco	**Water**	**Electricity**	**Industrial**	**Roads**
O&M Capabilities	▪ Fixed network services ▪ Aerial/underground network field services ▪ Network installation ▪ Mobile/fixed wireless ▪ Network operation centre	▪ Treatment plant ▪ Pumping station and network operations ▪ Network maintenance ▪ Asset renewals	▪ Control system ▪ Distribution Assets (poles & wires) ▪ Connections and metering ▪ Engineering (e.g. loads)	▪ Process plant maintenance ▪ Major shutdown maintenance projects	▪ Control room operations ▪ Transport tolling systems ▪ Routine maintenance and periodic / minor works ▪ Bridge maintenance
Minor D&C Capabilities	▪ ICT network, microwave and radio, project management ▪ Site acquisition ▪ Fixed/fibre optic ▪ Mobile network	▪ Civil construction / capital works ▪ Treatment plants including desalination	▪ Project management ▪ Distribution network assets ▪ Substations & switchyards	▪ Civil construction / capital works	▪ Minor capital works & civil construction ▪ Installation, testing and commissioning
FY21F Revenue [1]	$276 million	$264 million			$253 million
Employees [2]	~600	~1,100			~500
Customers	Optus; nbn; NSW Telco Authority; TransGrid; TPG	Energy Australia; Sydney Water; Coliban Water; SA Water; Viva Energy; Mobil; AusNet Services; CitiPower; Powercor Australia; TasNetworks; AGL; Ausgrid; IntelliHUB; South East Water			Transport NSW; VIC Roads; Mainroads WA; SA Dept for Infrastructuer & Transport; Transurban

1. *This assessment is based on the due diligence undertaken by Service Stream in respect to Lendlease Services. Please refer to the Key Risks section for further information.*
2. *Employees as of 31 May 2021. There are a further ~60 head office employees in addition to the above.*

Lendlease Services Financial Overview

High quality, profitable business with a track record of financial performance

Key Financials (FY21F)[1]

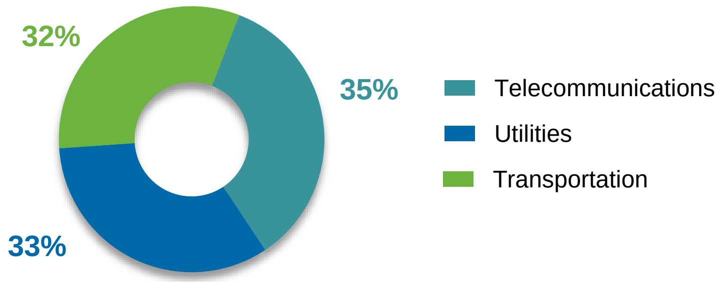
~$793m
Revenue

~$45m
EBITDA

~5.7%
EBITDA Margin

$59m
PPE[2]

FY21F Revenue by Division[1]



Key Highlights

- Diversified client base with balanced distribution of revenue across operating units
- >90% of FY22F revenue is currently secured[1], and underpinned by significant recent contract awards: nbn Unify Services, nbn fibre to node upgrade, SA Water and Connect Sydney – Sydney East Zones
- Significant new Property Plant & Equipment (**PPE**) investment expected over Q4 FY21 of $23 million primarily supporting new contract wins. $15 million of this investment is through operating leases (right-of-use (**ROU**) assets)
- Depreciation profile currently $17 million p.a. but will increase with FY21 capex investments
- Historical working capital requirement has been variable and impacted by certain contracts. OCFBIT of ~80% in line with Service Stream targets expected over time
- Bonding requirements of $91 million[1]

1. *This assessment is based on the due diligence undertaken by Service Stream in respect to Lendlease Services and the actual outcome may differ. Please refer to the Key Risks section for further information.*
2. *Property, plant & equipment (PPE) balance of $59 million includes $5.6 million of right-of-use assets. Values are as at March 2021.*

3. STRATEGIC RATIONALE

Strategic Rationale

Consistent with Service Stream's strategy, the acquisition of Lendlease Services will diversify revenues, enhance current capabilities and expand the Combined Group's addressable markets

Diversifies Service Stream's operations, creating a multi-network essential service provider	*Creates a broader portfolio of operations across the wider infrastructure services market*
Enhances the Combined Group's capabilities and expands addressable markets	*Builds deeper capabilities across electricity, water & waste-water, industrial and transportation sectors supporting an expansion of addressable markets*
Complementary client base across known and familiar markets	*Enhances the Group's portfolio of blue-chip clients, further reducing reliance on a small number of customers*
Compelling synergy realisation and business combination benefits	*The acquisition will generate significant cost synergies of ~$17 million, with further potential opportunities to be reviewed during the integration program[1]*
Financially attractive acquisition, highly accretive to earnings	*FY22PF EPS-A accretion of ~30%, before one-off transaction and implementation costs[1,2,3]*

1. *Actual financial results may differ because events and actual circumstances may not occur as estimated or assumed. Please refer to the Key Risks section for further information.*
2. *FY22PF EPS-A accretion is calculated against broker consensus published in the past three months for Service Stream's FY22 EPS-A on a standalone basis. In calculating FY22PF EPS-A accretion, the Combined Group's FY22PF EPS-A is based on management's assessment, assuming the full pro forma run-rate of net synergies ($17 million) and increased interest expense associated with the debt component of the Acquisition financing. Management's assessment considers key findings throughout the Acquisition due diligence process.*
3. *EPS-A is calculated as NPAT-A divided by shares outstanding. NPAT-A represents net profit after tax after adding back amortisation, acquisition costs and acquisition integration costs (after tax).*

Diversifies Operations

Creates a broader portfolio of businesses by expanding operations across the wider infrastructure services market

- Further diversifies earnings across a broader range of sectors and sub-sectors, thereby reducing exposure to cycles within a particular sector at any one time
- Whilst supporting the replacement of historical Telecommunication earnings, provides further earnings across Utilities and the addition of a new Transport unit
- Further complements the successful acquisition of Comdain Infrastructure
- The Combined Group is well positioned to benefit from the significant government and private industry investment across the infrastructure sector, and longer-term O&M requirements

Telecommunications

- Consolidation of Service Stream and Lendlease Services Telecommunication operations
- Enhances the Combined Group adding specialist D&C capabilities and strong client relationships
- Adds immediate scale back into Service Stream's existing operations

Revenue contribution (%)

49% › 39%

FY21 SSM standalone › FY22 Combined Group[1]

Utilities

- Provides additional capabilities and service offerings across the electricity and industrial maintenance sectors
- Enhances Service Stream's current O&M capabilities in water and waste-water, including network operations
- Primarily O&M revenue, providing diversification against Comdain growth which has been D&C centric

Revenue contribution (%)

51% › 47%

FY21 SSM standalone › FY22 Combined Group[1]

Transport Infrastructure

- Establishment of a new 3rd operating division within Service Stream
- Adds capabilities and service offerings to the Combined Group, supporting ongoing growth opportunities across a new market sector
- Brings long standing customer relationships with long-term annuity style O&M contracts

Revenue contribution (%)

n/a › 14%

FY21 SSM standalone › FY22 Combined Group[1]

1. *Actual financial results may differ because events and actual circumstances may not occur as estimated or assumed. Please refer to the Key Risks section for further information.*

Enhances Combined Group Capabilities

Deepens capabilities across electricity, water & waste-water, industrial and transportation sectors supporting an expansion of the Combined Group's addressable markets

Telecommunications

Fixed / Wireless

O&M Capabilities

- Network maintenance
- Network operations
- Customer connections
- Faults and emergency maintenance
- Mobile / fixed line wireless

D&C Capabilities

- Project Management
- Site acquisition and design
- Fixed / Wireless Network Design
- Fixed / Wireless Network Construction

Utilities

Electricity

O&M Capabilities

- Control systems
- Distribution assets (Poles and wires)
- Engineering & design
- Routine / Programmed maintenance
- Connections / Metering
- Asset inspection
- Faults and emergency support

D&C Capabilities

- Project management
- Distribution (poles and wires)
- Substations and switchyards

Water

O&M Capabilities

- Pumping stations
- Distribution assets
- Asset renewal / replacement
- Network maintenance
- Treatment plant operations
- Network operations
- Faults and emergency support

D&C Capabilities

- Project management
- Civil construction
- Distribution / Transmission pipelines
- Treatment plants
- Desalination plants

Gas

O&M Capabilities

- Transmission assets
- Distribution assets
- Network operations
- Monitoring and control systems
- Network maintenance
- Faults and emergency support

D&C Capabilities

- Project management
- Civil construction
- Distribution / Transmission pipelines
- Fabrication

Industrial

O&M Capabilities

- Process plant maintenance
- Programmed Shutdowns

D&C Capabilities

- Project Management
- Civil construction

Transport Infrastructure

Roads

O&M Capabilities

- Control room operation
- Transport tolling systems
- Routine / Programmed maintenance
- Emergency support
- Bridge & Tunnel maintenance

D&C Capabilities

- Intelligent transport systems installation, testing and maintenance

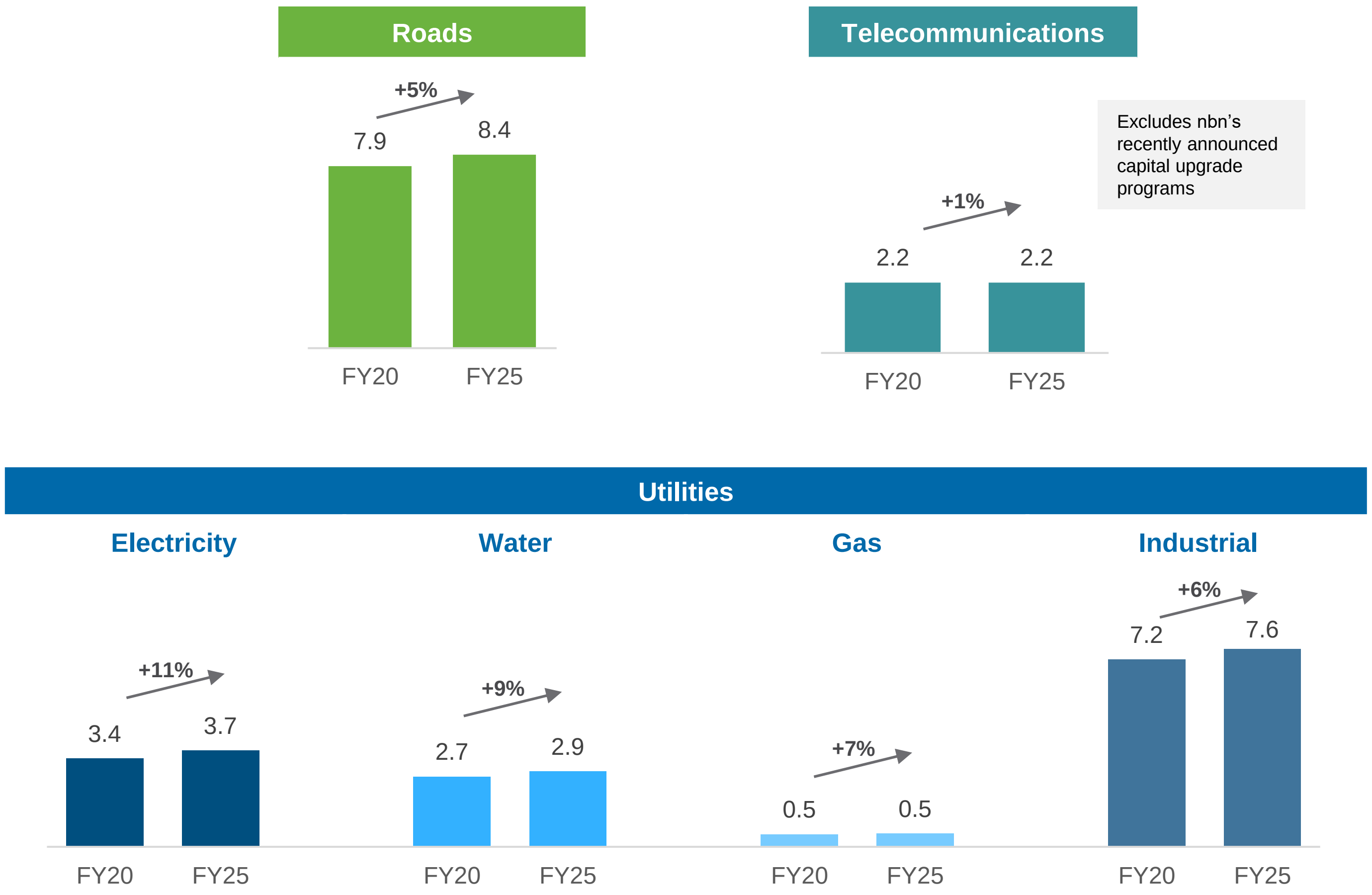
Additional Lendlease Services capabilities

Exposure to Growing Infrastructure Sector

The Acquisition enhances Service Stream's exposure to Australia's growing Infrastructure Sector

- The Australian maintenance services market is estimated at $48.3 billion in FY20, and expected to average $51.6 billion p.a. over the next 5 years[1]
- The addressable market of the Combined Group is estimated at approximately half of the total Australian maintenance services market, at $25.3 billion by 2025
- Strong industry fundamentals will continue to drive sustained demand and growth for maintenance services:
  - Large base of existing infrastructure assets in Australia that will require continued maintenance
  - New pipeline of projects benefitting from increased Government stimulus and private sector investment requiring maintenance over the long term
  - In the near term, resumption of proactive maintenance activities and upgrades deferred due to COVID-19
  - Continued trend towards outsourcing of maintenance to the private sector
  - Ageing infrastructure requiring increased maintenance and/or replacement
  - Changes to technology and safety standards requiring refresh to assets

Australian Maintenance Sector Annual Expenditure ($ billion)[1]



1. *Source: BIS Oxford Economics 2021, 'Maintenance in Australia' 2021 Edition. Excludes capital expenditure forecast. Actual expenditure or amounts may differ because events and actual circumstances may not occur as estimated or assumed.*

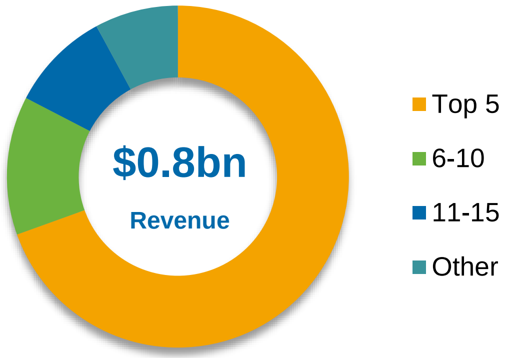
Complementary Blue-Chip Client Base

Enhances the Combined Group’s portfolio of blue-chip clients, further reducing reliance on a small number of customers

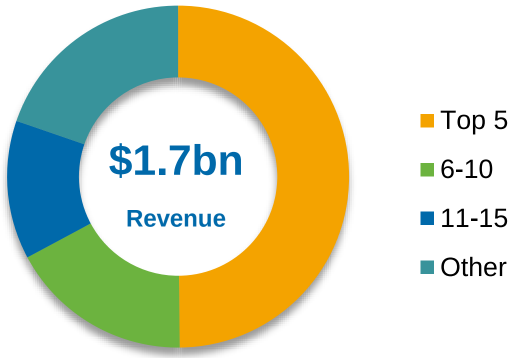
- Lendlease Services portfolio of quality clients is highly complementary to the Service Stream’s existing customer base
- Strong alignment of customers without cannibalising current contracted revenues[1]
- The majority of Lendlease Services’ contracts are long term, O&M focussed
- The majority are based on a schedule of rates operating models, consistent with Service Stream’s preferred contracting approach and risk profile[2]
- The Acquisition provides significant customer diversification, reducing reliance on a small number of customers[2]
- High quality contract book provides solid core to leverage further growth[2]
  - Majority (~85%) of FY22F Combined Group revenue currently secured
  - Solid contract cover positions across all business units
  - Closing contract backlog revenue at June 21 estimated at $5.8 billion
  - Represents ~3.4 years contract cover on FY22F revenue

Pro forma Customer Concentration

FY21 Service Stream (Standalone)



FY22 Combined Group



1. *There are a small number of overlapping contracts where the acquisition of Lendlease Services is expected to provide further market share or increased revenue through expanded regions serviced.*
2. *Actual financial results may differ because events and actual circumstances may not occur as estimated or assumed. These contracts do not guarantee volume with the risk of lower volume of work being allocated. Please refer to the Key Risks section for further information.*

Compelling Acquisition Synergies

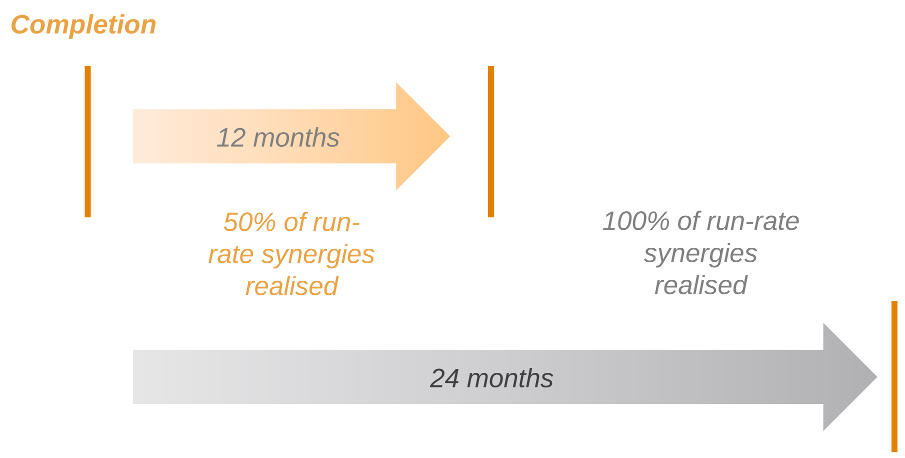
Following a detailed assessment and completion of due diligence, the business expects to realise significant cost synergies

- The acquisition of Lendlease Services is expected to generate cost synergies across the Combined Group of ~$17 million
- Additional synergy opportunities have been identified and will be assessed during the integration program
- Whilst revenue synergies are expected over time, no value has been ascribed
- The program excludes cost & benefits from longer term IT systems consolidation with the merits of each proposal to be considered
- The business expects to incur one-time integration costs of ~$15 million. Delivery of additional synergies may require further integration costs
- A Transitional Services Agreement (**TSA**) has been agreed with Lendlease Group for a period of up to 8 months post Completion, to support business continuity during the integration. The cost of the TSA over the 8-month period is estimated to be ~$6 million

Synergy Identification

Synergy	
Business Unit Synergies	~$8 million
Corporate Support Functions	~$7 million
Other Cost Savings	~$2 million
Total estimated annual synergies	**~$17 million**

Delivery Timeframe



1. *All information contained in this page comprises a detailed management estimate of achievable acquisition synergies. Please refer to the Key Risks section for further information.*

Synergy Realisation and Business Integration

Following completion of due diligence, the business has identified significant opportunities for cost synergies and business integration

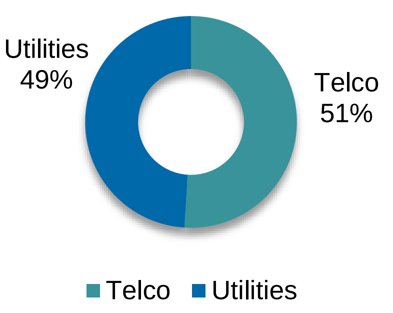
- Independent due diligence has been completed by Service Stream's advisers to identify and quantify potential synergies and assist with integration planning
- The integration program is expected to be completed over an 18-24 month period with primary focus on ensuring continuing operations and realisation of synergies
- Intent is to select and adopt the best people, systems and processes from across the combined businesses
- The integration program will leverage the framework and learnings from the successful integration of Comdain Infrastructure which was delivered on time and budget

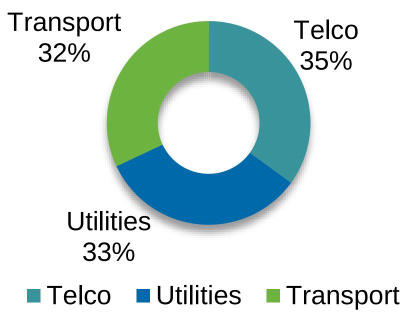
Business Unit Synergies	Corporate Support Functions	Other Cost Savings
Synergies from the consolidation of the Telecommunication and Utility divisions of ~$8 million	**Synergies from consolidation of corporate support and enabling functions of ~$7 million**	**Synergies from leveraging combined scale ~$2 million**
▪ Consolidation of respective Telecommunication and Utility operations into single divisions ▪ Streamlined national management structures from operational to executive levels ▪ Consolidate and align operating division support functions: - Finance - Business Development / Pre-contracts - Commercial	▪ Combined Group support / enabling functions to deliver headcount savings, efficiencies and standard operating models: - Corporate strategy, governance and leadership - Finance and shared services - HR - HSEQ - Legal ▪ Offset by increased resources required to service a larger combined business	▪ Consolidation of central state-based office locations into existing Service Stream premises ▪ Consolidation of operational depots ▪ Leverage IT infrastructure and systems ▪ Savings across indirect costs

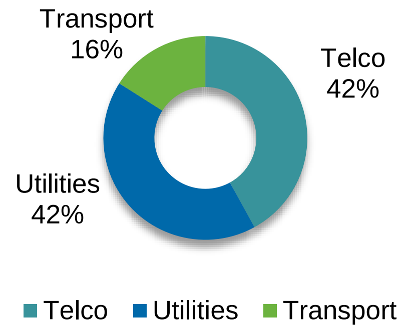
Business Combination

	Service Stream (standalone)	Lendlease Services	Combined Group
Business Units	Telecommunications Utilities	Telecommunications Utilities Transport Services	Telecommunications Utilities Transport Services
Revenue FY21F ($m)	$804.4	$792.7	$1,597.0
EBITDA from Operations[1] FY21F ($m)	$80.3	$44.9	$125.3
Employees	2,218	2,244	4,462

Revenue by segment (FY21F)







1. *This assessment is based on the due diligence undertaken by Service Stream in respect to Lendlease Services and Service Stream's unaudited financial results for the year ended 30 June 2021. These results remain subject to finalisation, audit, Board review and approval and the actual outcome may differ. Please refer to the Key Risks section for further information. Combined Group EBITDA of $125.3 million excludes $17 million of full pro forma run rate synergies, which are discussed in greater detail on pages 23-24 of this Presentation.*

Financially Attractive Acquisition

Materially enhances Service Stream's scale and revenue	▪ Acquisition transforms Service Stream's scale and revenue ▪ Combined Group's revenue for FY21PF expected to be $1.6 billion and EBITDA from Operations expected to be $142.3 million (including synergies)
Highly accretive to earnings	▪ EPS-A accretion of ~30% on a FY22PF NPAT-A basis including expected total synergies[1,2]
Maintains strong balance sheet	▪ Service Stream is committed to maintaining a strong balance sheet ▪ Pro forma net debt / FY22PF EBITDA following the acquisition is expected to be 1.3x ▪ Strong cash flow generation to support deleveraging over time
Dividend Policy	▪ As a result of the Acquisition, and to ensure a strong balance sheet is maintained, the Board of Service Stream has determined that a final FY21 dividend will not be declared ▪ The resumption of dividends is expected post Completion, and will be determined based on business performance for the relevant period
Earnings outlook going forward	▪ Acquisition provides Service Stream with a step-change to its financial and earnings profile, with expected Combined Group financials materially higher than on a Service Stream standalone basis: - Combined Group FY22PF Revenue of ~$1.7 billion - Combined Group FY22PF EBITDA of ~$120 – 125 million

1. *FY22PF EPS-A accretion is calculated against broker consensus published in the past three months for Service Stream's FY22 EPS-A on a standalone basis. In calculating FY22PF EPS-A accretion, the Combined Group's FY22PF EPS-A is based on management's assessment, assuming the full pro forma run-rate of net synergies ($17 million) and increased interest expense associated with the debt component of the Acquisition financing. Management's assessment considers key findings throughout the Acquisition due diligence process.*
2. *EPS-A is calculated as NPAT-A divided by shares outstanding. NPAT-A represents net profit after tax after adding back amortisation, acquisition costs and acquisition integration costs (after tax).*

4. SERVICE STREAM FY21 UPDATE

Service Stream FY21 Update

Service Stream confirms that the full year unaudited results is in line with guidance provided to the market on 15 June 2021[1]

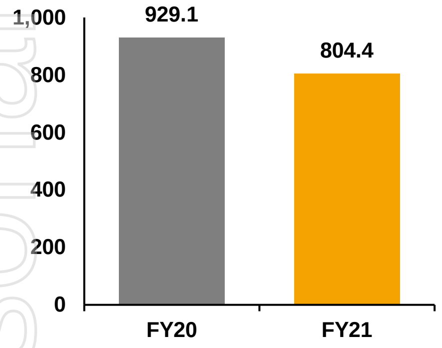
FY21 Revenue

$804.4m

-13.4% v FY20

- Revenue down by $124.7 million from FY20
- Reduction driven by lower Telco segment revenue following the conclusion of the nbn D&C program in FY20 and reduced activation and assurance volumes
- Comdain achieved 10.9% growth

Revenue ($m)



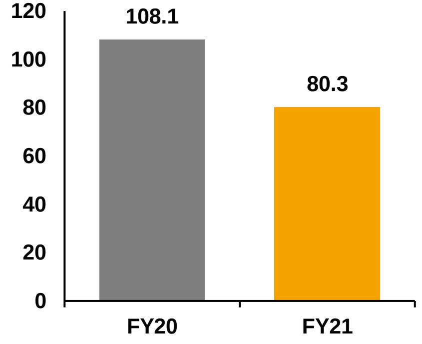
FY21 EBITDA from Operations[2]

$80.3m

-25.7% v FY20

- EBITDA from Operations[2] down from $108.1 million in FY20
- Reduction reflective of lower Telco segment revenues
- COVID-19 restrictions impacted operations, with some reduction due to deferred discretionary spend, parts shortages and delays to project mobilisations

EBITDA from Operations[2] ($m)



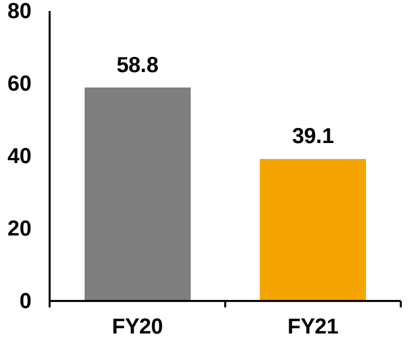
FY21 NPAT-A[2]

$39.1m

-33.5% v FY20

- NPAT-A[2] down from $58.8 million in FY20
- Statutory NPAT of $29.4 million is net of:
  - non-operational M&A and restructuring costs of $3.5 million and $1.5 million respectively
  - amortisation of customer contracts from historical acquisitions

NPAT-A[2] ($m)



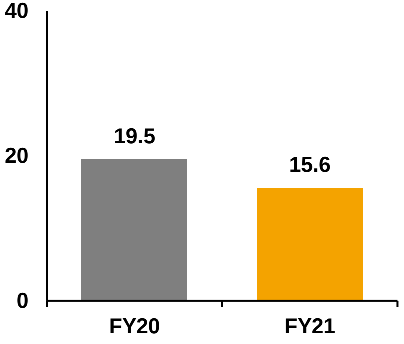
Net Cash

$15.6m

-$3.9m v FY20

- Strong FY21 EBITDA to OCFBIT conversion rate of 98.6%

Net cash ($m)



1. *FY21 financials are estimates only, based on preliminary unaudited financial results for the year ended 30 June 2021. These results remain subject to finalisation, audit, Board review and approval and may change.*
2. *These underlying profit metrics are non-IFRS measures. Refer to page 50 for further details of non-operational costs and amortisation of acquired customer contracts, and a reconciliation of these metrics to statutory NPAT. NPAT-A represents net profit after tax after adding back amortisation, acquisition costs and acquisition integration costs (after tax).*

5. ACQUISITION FUNDING

Acquisition Funding and Terms

Key acquisition terms

Acquisition price	▪ Total consideration of $310.0 million excluding Acquisition and Offer transaction costs of ~$12.5 million[1] ▪ Expected equity purchase price of ~$295 million once debt and debt-like items are considered[1] ▪ Implied Enterprise Value (**EV**) / FY21 pro forma (**FY21PF**) EBITDA multiple of 6.9x pre-synergies or 5.0x post-synergies[2]
Funding	▪ Service Stream is undertaking a $185.0 million fully underwritten[3] Offer via a: – ~$61.9 million fully underwritten Placement; and – ~$123.1 million fully underwritten Entitlement Offer • ~$122.9 million from draw down of debt facilities and available cash. Existing debt facilities increased by $120 million to $395 million to partially fund the Acquisition, provide for client bonding requirements, and support the Combined Group's operations post Completion
Timing Considerations	▪ The Acquisition has received pre-approval from ACCC and is not subject to any further regulatory approvals ▪ Completion is expected to occur around November 2021, subject to customary completion processes including client consents

Sources and uses of funds

Sources of funds	$ million
Placement	$61.9
Entitlement Offer	$123.1
Incremental drawn debt	$122.9
Total sources	**$307.9**

Uses of funds	$ million
Acquisition enterprise value	$310.0
Estimated purchase price adjustment at Completion	($14.6)
Transaction costs and stamp duty	$12.5
Total uses	**$307.9**

1. *The final consideration payable is subject to customary purchase price adjustments post-Completion.*
2. *This assessment is based on the due diligence undertaken by Service Stream in respect to Lendlease Services and the actual outcome may differ. Further, these numbers have been adjusted to include the pro forma run-rate of synergies which are discussed in greater detail on pages 23-24 of this Presentation. Please refer to the Key Risks section for further information.*
3. *Subject to the terms and conditions of an underwriting agreement which is summarised in the Key Risks section of this Presentation.*

FY21PF Profit and Loss

$ million	Service Stream (FY21[2])	Lendlease Services (FY21[2])	Acquisition Adjustments	Pro Forma Combined Group[2]
Revenue	**$804.4**	**$792.7**	**-**	**$1,597.0**
EBITDA from Operations[1]	**$80.3**	**$44.9**	**$17.0**	**$142.3**
EBITDA from Operations (% of Revenue)	*10.0%*	*5.7%*	*n/a*	*8.9%*
Depreciation & Amortisation	($29.2)	($18.1)	-	($47.3)
Adjusted EBIT (EBITA)	**$51.1**	**$26.8**	**$17.0**	**$94.9**
NPAT-A[1]	**$39.1**	**$19.1**	**$9.3**	**$67.5**
EPS-A ($ / share)	$0.0953	n/a	n/a	$0.1096
Statutory Profitability:				
Reported EBITDA	**$75.3**	**$44.9**	**$17.0**	**$137.2**
Reported EBIT	**$46.1**	**$26.8**	**$17.0**	**$89.9**

1. *These underlying profit metrics are non-IFRS measures. Refer to page 50 for further details of non-operational costs and amortisation of acquired customer contracts, and a reconciliation of these metrics to statutory NPAT. NPAT-A represents net profit after tax after adding back amortisation, acquisition costs and acquisition integration costs (after tax).*
2. *FY21 financials are estimates only, based on preliminary unaudited financial results for the year ended 30 June 2021. These results remain subject to finalisation, audit, Board review and approval and may change.*

Pro Forma Balance Sheet as at 31 December 2020

$ million	Service Stream (31 Dec 2020)	1HFY21 Dividend	Total Acquisition impact including transaction costs	Impact of the Offer and debt drawdown	Pro Forma Combined Group
Assets					
Cash and cash equivalents	$50.5	($9.6)	($304.1)	307.9	$44.7
Trade and other receivables	$35.1	-	$47.2	-	$82.3
Inventories	$7.3	-	$6.7	-	$14.0
Accrued revenue	$88.5	-	$54.8	-	$143.3
Other current assets	$7.7	-	$6.2	-	$13.9
Investments	$0.0	-	$9.9	-	$9.9
Plant and equipment	$14.8	-	$54.6	-	$69.4
Right-of-use assets	$29.5	-	$6.5	-	$36.0
Intangible assets	$310.0	-	$194.7	-	$504.7
Total Assets	**$543.4**	**($9.6)**	**$76.5**	**$307.9**	**$918.2**
Liabilities					
Trade and other payables	$95.0	-	$56.6	-	$151.6
Provisions	$32.9	-	$26.1	-	$59.0
Borrowings	$38.6	-	-	$122.9	$161.5
Lease liabilities	$33.6	-	$6.3	-	$39.9
Deferred tax liability	$22.9	-	($1.6)	-	$21.3
Total Liabilities	**$222.9**	**-**	**$87.4**	**$122.9**	**$433.2**
Net Assets	**$320.5**	**($9.6)**	**($10.9)**	**$185.0**	**$485.0**
Net cash / (debt) (excl. capitalised borrowing costs)	$10.5	($9.6)	($304.1)	$185.0	($118.2)

1. *The cash impact of the Lendlease Services acquisition of $304.1 million includes cash consideration of $307.9 million (including transaction costs) net of $3.8 million of restricted cash required to be held in accordance with legislative requirements. The final cash consideration to be paid will be subject to customary purchase price adjustments at Completion.*
2. *Lendlease Services net assets is based on the pro forma balance sheet at 31 December 2020. The difference between the cash acquisition payment of $307.9 million and net assets acquired has been allocated to Intangible assets. A formal purchase price allocation exercise will be undertaken post-Completion.*
3. *Cash funding of the acquisition will be sourced through a $185 million placement and entitlement offer, with a further $122.9 million to be sourced from a drawdown of existing debt facilities.*

6. DETAILS OF THE OFFER

Overview of the Offer

Offer Structure	▪ $185.0 million fully underwritten[1] Equity Raising comprising: - ~$61.9 million institutional placement - ~$123.1 million 1 for 3 accelerated, pro rata non-renounceable entitlement offer, consisting of an: - Institutional Entitlement Offer expected to raise ~$67.7 million; and - Retail Entitlement Offer[2] expected to raise ~$55.4 million ▪ ~205.6 million new ordinary shares (**New Shares**) representing ~50.1% of existing shares on issue ▪ The Entitlement Offer is non-renounceable and entitlements will not be tradeable or otherwise transferable
Offer Price	▪ All shares under the Offer will be issued at $0.90 per New Share (**Offer Price**), representing a: - 6.2% discount to last close at 20 July 2021 of $0.96; - 10.4% discount to the 5-day VWAP as at 20 July 2021 of $1.005; and - 4.3% discount to TERP[3] as at 20 July 2021 of $0.940
Use of Proceeds	▪ Proceeds from the Offer will be used to partly fund the upfront purchase price of Lendlease Services and pay associated transaction costs
Placement and Institutional Entitlement Offer	▪ The Placement and the institutional component of the Entitlement Offer (**Institutional Entitlement Offer**) will be conducted by way of bookbuild process on Wednesday, 21 July 2021 ▪ Entitlements under the Institutional Entitlement Offer that are not taken up and entitlements of ineligible institutional shareholders and ineligible retail shareholders under the Entitlement Offer will be offered for sale in the bookbuild
Retail Entitlement Offer [3]	▪ The Retail Entitlement Offer will open at 9:00am, Tuesday, 27 July 2021 and close at 5:00pm, Monday, 9 August 2021 ▪ Only eligible Service Stream shareholders with a registered address in Australia or New Zealand may participate in the Retail Entitlement Offer ▪ Under the Retail Entitlement Offer, Eligible Retail Shareholders that take up their full Entitlement may also apply for additional New Shares in excess of their Entitlement, up to a maximum of 100% of their Entitlement at the Offer Price
Director and Executive Participation	▪ All Service Stream Directors have each confirmed their intention to participate in the Entitlement Offer ▪ Key Service Stream executive and select senior staff members (including the CFO) intend to participate in the Equity Raising in aggregate for ~$2.3 million
Underwriting	▪ The Offer is fully underwritten by Ord Minnett Limited[1]
Ranking	▪ New Shares issued under the Offer will rank pari passu with existing shares from the date of issue
Record Date	▪ 7.00pm, Friday, 23 July 2021

Note: The above dates and times are indicative only and subject to change without notice. All dates and times are Sydney time.

1. *Subject to the terms and conditions of an underwriting agreement which is summarised in the Key Risks section of this Presentation*
2. *The Retail Entitlement Offer is only available to eligible retail shareholders of Service Stream with a registered address on the Company's share register in Australia or New Zealand on the Record Date – see the Retail Offer Booklet for further details on eligibility once available.*
3. *Theoretical ex-rights price (**TERP**) includes shares issued under the Placement, Institutional Entitlement Offer and the Retail Entitlement Offer. TERP is a theoretical calculation only and the actual price at which Service Stream shares trade immediately following the ex-date for the Entitlement Offer may be different from TERP.*

Offer Timetable

Event	Date
Trading halt and announcement of the Acquisition and Equity Raising, Placement and Institutional Entitlement Offer opens	**Wednesday, 21 July 2021**
Placement and Institutional Entitlement Offer closes	**5.00pm Wednesday, 21 July 2021**
Announcement of results of Placement and Institutional Entitlement Offer	Thursday, 22 July 2021
Trading halt lifted – shares recommence trading on ASX on an “ex-entitlement” basis	Thursday, 22 July 2021
Record Date for Entitlement Offer	7.00pm Friday, 23 July 2021
Retail Offer Booklet dispatched and Retail Entitlement Offer opens	**Tuesday, 27 July 2021**
Settlement of Placement and Institutional Entitlement Offer	Friday, 30 July 2021
Allotment and normal trading of New Shares under the Placement and Institutional Entitlement Offer	Monday, 2 August 2021
Retail Entitlement Offer closes	**5.00pm Monday, 9 August 2021**
Settlement of New Shares under the Retail Entitlement Offer	Friday, 13 August 2021
Allotment of New Shares under the Retail Entitlement Offer	Monday, 16 August 2021
Normal trading of New Shares issued under the Retail Entitlement Offer	Tuesday, 17 August 2021
Dispatch of holding statements for New Shares issued under the Retail Entitlement Offer	Tuesday, 17 August 2021

Note: The above timetable is indicative only and subject to change without notice. All dates and times are Sydney time.

7. KEY RISKS

Key Risks

SSM's financial position and performance, its dividends and the market price of SSM's shares may be adversely affected, sometimes materially, by a number of risk factors. Holders of SSM shares ("**SSM Shareholders**") should accordingly be aware that an investment in SSM carries a number of risks, some of which are specific to SSM (that is, matters that relate directly to the Acquisition or SSM's business) and some of which are general risks that relate to the industries in which SSM operates or to listed securities generally. These risks mean that the price and value of SSM shares may rise or fall over any given period. Some of these risks are beyond SSM's control.

SSM Shareholders should be aware of the following risks (which are some, but not necessarily all, of the risks) which may affect the future operating and financial performance of SSM and the value of SSM shares. Additional risks and uncertainties that SSM is unaware of, or that it currently considers to be immaterial, may also become important factors that adversely affect SSM's operating and financial performance.

Before investing in SSM shares, you should consider whether this investment is suitable for you. Potential investors should also consider publicly available information on SSM (such as that available on the websites of SSM and ASX), carefully consider their personal circumstances and consult their stockbroker, solicitor, accountant or other professional advisor to ensure they understand fully the terms of the Offer and the inherent risks before making an investment decision.

ACQUISITION RISKS

(I) COMPLETION RISK
Completion of the Acquisition is conditional on change of control consents being provided by certain contractual counterparties (such as customers and joint venture partners) as set out in the share sale agreement in respect of the Acquisition ("**Sale Agreement**").

If the condition precedent is not satisfied and/or waived, completion of the Acquisition may not occur on the current terms or at all. Similarly, if any of the completion deliverables are not delivered, completion of the Acquisition may be deferred or may not occur on the current terms or at all.

If completion of the Acquisition is delayed, SSM may incur additional costs and it may take longer than anticipated for SSM to realise the benefits of the Acquisition. Further, a significant delay to completion may have adverse effects on the Lendlease Services business including in terms of growth, employee engagement or funding costs. Any failure to complete, or delay in completing, the Acquisition may have a material adverse effect on SSM's financial performance, financial position and trading prices of SSM shares.

If the Acquisition is not completed as a result of a failure to satisfy the condition (or otherwise), SSM will consider alternative uses for and/or ways to return the proceeds of any money received from SSM shareholders under the Offer. This may include SSM utilising capital proceeds for general corporate purposes and potential future growth opportunities or seeking to return proceeds in whole or in part, having regard to all the circumstances at the time and relevant commercial, tax, legal and other considerations. Any action required to be taken to return capital may have a material adverse effect on SSM's financial performance, financial position and share price.

(II) HISTORICAL LIABILITIES
If the Acquisition completes, SSM may become directly or indirectly exposed to liabilities that Lendlease Services has incurred or is liable for in respect of prior acts or omissions (including arising from the performance of service contracts), including legal and regulatory liabilities for which it may not be adequately indemnified or insured against, or liabilities which were not identified during SSM's due diligence (including in respect of matters of which Lendlease Services was not aware) or which are greater than expected, or for which SSM was unable to negotiate sufficient protection in the Sale Agreement. Such liabilities may adversely affect the financial performance or position of SSM after the Acquisition.

(III) DISCLOSURE RISK
The Sale Agreement contains a number of representations, warranties and indemnities, however the warranties and indemnities may not be sufficient to cover the actual liability incurred in connection with any known or unknown liabilities of Lendlease Services. The warranties and indemnities are also subject to certain financial claims thresholds and other limitations. Any material unsatisfied warranty or indemnity claims could adversely affect SSM's business, operations or financial performance.

(IV) RELIANCE ON INFORMATION PROVIDED
SSM undertook a due diligence process in respect of the Acquisition, which relied in part on the review of financial and other information provided by Lendlease Services or discussed at meetings held with Lendlease Services management. Despite making reasonable efforts, SSM has not been able to verify the accuracy, reliability or completeness of all the information which was provided.

If any information provided and relied upon by SSM in its due diligence and preparation of this Presentation proves to be incorrect, incomplete or misleading, there is a risk that the actual financial position and performance of Lendlease Services and SSM may be materially different to the expectations and targets reflected in this Presentation.

Investors should also note that there is no assurance that the due diligence conducted was conclusive, and that all material issues and risks in respect of the Acquisition have been identified and avoided or managed appropriately (for example, because it was not always possible to negotiate indemnities or representations and warranties from Lendlease Services to cover all potential risks). Therefore, there is a risk that issues and risks may arise which will also have a material impact on SSM (for example, SSM may later discover liabilities, defects or gaps which were not identified through due diligence or for which there is no contractual protection for SSM). This could adversely affect the operations, financial performance or position of SSM.

Key Risks (cont'd)

(V) INTEGRATION AND SYNERGIES
The Acquisition is a complementary acquisition that will create a leading multi-network essential provider with diverse operations. There are strong cost synergies with the potential to realise tenders for larger opportunities through increased scale.

There is a risk that the success and profitability of SSM following completion could be adversely affected if Lendlease Services is not integrated effectively, such as in relation to integration of employees or IT systems, infrastructure and data. There will be certain transitional services provided by Lendlease following the completion of the Acquisition to facilitate Lendlease Service's integration into the SSM business.

There is a risk that integration could take longer, be more complex or cost more than expected, encounter unexpected challenges or issues, divert management attention or that the anticipated benefits and synergies of the integration may be less than estimated. Possible problems may include:

- differences in corporate culture between the businesses being integrated;
- lack of capability and talent to deliver integration;
- unanticipated or higher than expected costs, delays or failures relating to integration of businesses, support operations, accounting, other systems or insurance arrangements;
- unanticipated or higher than expected costs or extensive delays in the planned upgrades, migration, integration and decommission of information technology systems and platforms;
- loss of, or reduction in, key personnel, expert capability or employee productivity, or failure to procure or retain employees;
- failure to derive the expected benefits of the strategic growth initiatives; and
- disruption of ongoing operations of other SSM businesses.

Any failure to achieve the targeted synergies of integration may impact on the financial performance, operation and position of SSM and the future price of SSM shares.

(VI) SSM'S STRATEGIC GROWTH INITIATIVES
There is a risk that existing customers may elect to leave Lendlease Services following completion. Should this occur on a large scale, this could result in one of the strategic rationales for the acquisition being materially different to the expectations reflected in this Presentation and may also affect the diversification of SSM's revenue following completion.

(VII) RISKS ASSOCIATED WITH EXISTING CONTRACTS AND AGREEMENTS
As part of completion, certain contracts, guarantees (such as parent and/or performance guarantees) and other forms of bonding will need to be assigned, transferred, novated, terminated and/or replaced, as part of the transitional and separation arrangements in respect of the Acquisition. There is a risk that the assignment, transfer or replacement of such contracts, guarantees and other forms of bonding may be delayed or may not proceed as efficiently as anticipated by SSM.

Lendlease Services is a party to certain contractual arrangements (including joint venture arrangements) containing termination for convenience provisions and change of control provisions that, in the absence of counterparty consent, may be triggered by implementation of the Acquisition. There is a risk of each counterparty or joint venture party refusing or imposing onerous or unacceptable conditions on their consent. As parts of Lendlease Services' operations rely on government and government agency contracts, these may be affected by changes to relevant government policy or trading practice and there is a risk that existing contracts are not completed or terminated.

While the Acquisition will result in diversification of SSM's revenues, there is some overlap between Lendlease Services' customer base and SSM's existing customer base. As a result, following the Acquisition, SSM may be exposed to customer concentration risk or a reduction in opportunities in respect of those customers. Customers may also seek to amend the rates and overheads paid to the Combined Group under existing agreements after Completion.

There is also a risk that contractual arrangements could be terminated, lost or impaired, or renewed or replaced on less favourable terms from time to time. Some of these contractual arrangements can be terminated without cause or on short notice periods (depending on the circumstances). Further, some contractual arrangements may be breached or terminated as a result of the Acquisition. The breach, termination or non-renewal of material contracts could have adverse consequences for SSM's operational and financial performance or financial condition.

(VIII) RISKS ASSOCIATED WITH EMPLOYEES
Employees employed by Lendlease Services at the time it is acquired will be covered by contractual terms and conditions which may differ to SSM's arrangements. SSM will have to meet employees' existing employment terms and conditions or if those conditions cannot be met because of operational or commercial constraints, SSM will have to provide commensurately beneficial terms to the employees (this may be financially onerous) or implement variations to terms and conditions of employment (this may result in disputes, or SSM may not secure the desired changes).

Given there will be cultural differences between Lendlease Services and SSM, there is a risk that these differences, if not carefully managed, may lead to a loss of Lendlease Services employees or give rise to potential industrial disputes (in respect of Lendlease Services and/or SSM employees). Any inability to retain, attract and motivate key Lendlease Services and/or SSM employees following the Acquisition could also adversely impact SSM's future operating and financial performance.

(IX) IMPAIRMENT OF INTANGIBLE ASSETS
As part of the acquisition, SSM will need to perform a fair value assessment of Lendlease Services' assets (including intangibles) and liabilities. In the event that goodwill or any other intangible assets are recognised upon acquisition, it will be required to be tested annually for impairment. Should, under the Australian Accounting Standards, it be assessed that there is an impairment to intangible assets in future periods, this will result in an additional expense in SSM's income statement.

Key Risks (cont’d)

(X) FUNDING AND UNDERWRITING RISK
SSM’s intends to fund the Acquisition through a mix of cash, debt financing and partly through the funds raised under the Offer.

SSM has entered into an Underwriting Agreement with the Underwriter (**Underwriting Agreement**) pursuant to which the Underwriter has agreed to underwrite the Offer, subject to the terms and conditions of the Underwriting Agreement. If certain conditions are not satisfied or certain customary termination events occur, the Underwriter may terminate the Underwriting Agreement. Those termination events are summarised on pages 42 and 43 of this Presentation. Termination of the Underwriting Agreement could have an adverse impact on the amount of proceeds raised under the Offer, which could result in SSM not having access to sufficient capital to fund the Acquisition or to undertake integration activities.

SSM may need to seek alternative sources of funding, which may result in SSM incurring additional costs (for example, by way of interest payments on debt) and/or restrictions being imposed on the manner in which SSM conducts its business and deals with its assets (for example, by way of restrictive covenants binding upon SSM). There is no guarantee that alternative funding could be sourced on satisfactory terms and conditions or at all. Failure to source alternative funding could result in SSM being unable to perform its obligations to complete the Acquisition or being unable to implement the proposed integration of Lendlease Services. Any of these outcomes could have a material adverse impact on SSM’s financial position, prospects and reputation.

(XI) ANALYSIS OF ACQUISITION OPPORTUNITY
SSM has undertaken financial, tax, legal, employment, health safety and environment, commercial, insurance, and separation analysis of Lendlease Services in order to determine its attractiveness to SSM (including in relation to synergies) and whether to proceed with the Acquisition. It is possible that despite such analysis and the best estimate assumptions made by SSM, the conclusions drawn are inaccurate or are not realised. To the extent that the actual results achieved by the Acquisition are different to those indicated by SSM’s analysis, there is a risk that the performance of SSM following the Acquisition may be different (including in a materially adverse way) from what is reflected in this Presentation.

KEY RISKS ASSOCIATED WITH SSM’S BUSINESS

SSM’s activities are subject to risks that can adversely impact its business, operations and financial condition. Certain risks and uncertainties that SSM may face are summarised below.
Additional risks and uncertainties that SSM is unaware of, or that SSM currently deems to be immaterial, may also become important factors that affect it. If any of the listed or unlisted risks actually occur, SSM’s business, operations, financial condition, or reputation could be materially and adversely affected, with the result that the trading price of SSM’s shares could decline, and investors could lose all or part of their investment.

(I) COVID-19 PANDEMIC
The COVID-19 pandemic has created an unprecedented level of uncertainty. SSM continues to experience some minor impacts from COVID-19 (including reduced volumes, shortage of materials and from State based short-term snap lockdowns). Although impact to SSM’s operations to date, and demand for its services, have not been significant, the evolution of the pandemic and any escalation of the government’s response, including but not limited to, further lockdowns, increased restriction of workforce movement, increased safety protocols, and reduction in demand from SSM’s customers may further negatively impact SSM’s operations.

(II) CUSTOMER CONCENTRATION
SSM has exposure to a small number of key customers and infrastructure programs particularly within the telecommunications sector as a source of revenue and profitability. SSM remains alert to factors that could disrupt or delay the flow of work from its major customers, and implements strategies (including through inorganic growth, such as the Acquisition) to actively pursue the diversification of income streams both within and separate to those customers by developing and offering a broad range of services and geographic coverage.

(III) CUSTOMER DEMAND
Many of SSM’s customer contracts do not contain volume commitments and are therefore dependent on the customer’s demand requirements which can change at any time. The rate of adoption of new technology by SSM’s customers, such as 5G technology, can also provide variability against expected future earnings. Whilst SSM takes a balanced view on the level of customer demand that is expected to arise when forecasting financial performance, there is a risk that the level of customer demand may change over time. Should the level of customer demand decrease, SSM may suffer from a loss of scale in its operations, which may in turn impact its operating margins and financial performance beyond the loss of volume.

In addition, the potential variability in customer demand (including as a result of volumes not being properly forecast by customers or tender timelines being altered by customers) presents operational challenges to SSM. In this regard, SSM is conscious of the need to maximise the variability of its cost-base and structures by maintaining an appropriate balance between a self-perform workforce and the use of subcontractors. Processes are therefore established and maintained to attract, mobilise and retain key resources to ensure that they are available at the right time and right place to match customers' forecasts of volume as they change over time.

(IV) CONTRACT MANAGEMENT
SSM’s operating model is premised on the provision of infrastructure-related services to customers under periodically renewed contracts. SSM is therefore required to manage its exposure to risks that can arise through the acceptance of sub-optimal conditions in customer contracts and through the ineffective commercial administration of these contracts over their term. SSM remains focused on ensuring that appropriate contract management disciplines are effectively embedded in the organisation to manage contract risks and to maximise contract entitlements.

(V) RENEWAL OF CUSTOMER CONTRACTS
Whilst SSM has been successful in renewing and extending the majority of all customer contracts that have recently expired, the renewal of contracts remains a risk that SSM continues to actively monitor and manage. SSM operates in a limited number of market segments in which there are relatively few competitors. SSM is therefore particularly conscious of the risks related to the loss of business to competitors either through their ability to potentially leverage more cost-effective business platforms or as a consequence of their potential adoption of loss-leading strategies to maintain or increase market share.

Key Risks (cont'd)

(VI) RETENTION OF KEY PERSONNEL AND SOURCING OF CONTRACTORS
The talents of a growing, yet relatively small number of key personnel contribute significantly to SSM's operational effectiveness. SSM has implemented strategies to retain those personnel, including participation in appropriate incentive arrangements and participation in SSM's employee development, talent identification and succession programs. However, the unexpected departure of an individual in a key role, or SSM's failure to recruit and retain appropriately skilled and qualified persons into these roles, could each have an adverse effect on SSM's business, prospects, reputation, financial performance or financial condition.

Access to an appropriately skilled and resourced pool of subcontractors across Australia is also critical to SSM's ability to successfully secure and complete field-based work for its customers. Failure to obtain sufficient numbers of subcontractors may also have an adverse effect on SSM's business, prospects, reputation, financial performance or financial condition.

(VII) WORKING WITH POTENTIAL SAFETY HAZARDS
In undertaking work and delivering programs for its customers, SSM's employees and subcontractors can operate in potentially hazardous environments and perform potentially hazardous tasks. SSM remains alert to the safety risks posed to employees and subcontractors, devotes significant time to monitoring the effectiveness of its safety framework, and has implemented a wide range of controls and proactive programs to increase awareness of significant hazards and prevent injuries to employees and subcontractors.

However, there remains a risk of non-compliance with these controls and programs, which may result in personal injury or property damage and associated claims, regulatory non-compliance and consequent fines, and adverse publicity and additional cost to SSM.

(VIII) WORKING WITH DIGITAL DISRUPTION
As technology continues to change and evolve at a rapid pace, it is possible that such advances may cause disruptions to certain elements of the markets in which SSM operates, or to services that SSM provides. SSM undertakes a detailed assessment of relevant external factors, including digital disruption or technological changes, which may have a bearing on SSM's current markets and service offerings, and in turn its business financial performance or financial condition.

(IX) INFORMATION TECHNOLOGY SYSTEMS AND CYBER SECURITY
SSM's operational agility, overall cost effectiveness and ability to convert works to cash in a timely manner are becoming increasingly reliant on a number of business-critical systems and in turn, the appropriate management of data and information and risks associated with cyber security and malicious emails. Cyber security is also a key potential risk for Lendlease Services.
SSM remains alert to ensure that funds are sufficient and made available to maintain fit-for-purpose system applications and infrastructure, and that IT investments are appropriately prioritised and undertaken effectively as part of SSM's annual strategic planning process.

(X) ENVIRONMENTAL AND CLIMATE CHANGE RISK
SSM and its customers operate businesses in a range of sectors and geographical locations which are exposed to environmental risks as well as risks related to climate change. A failure to manage these risks and respond appropriately could adversely impact SSM's reputation and financial performance.

(XI) FUNDING RISK
SSM's banking facilities require SSM to operate its business within facility limits and certain covenants that have been agreed with SSM's financiers. There is a risk that profit and cashflow underperformance may require concessions to be sought from SSM's financiers or access to additional funding by way of subordinated debt or equity. The same risk of profit and cashflow underperformance may impede the ability of SSM to secure refinancing at competitive rates following expiry of current facility terms.

If SSM fails to maintain its current creditworthiness, this could adversely affect SSM's cost of funds and related margins, competitive position and its access to capital and funding markets. This could adversely affect SSM's businesses, tenders for new contracts, financial performance, liquidity, financial condition and prospects. The extent and nature of these impacts would depend on various factors, including the extent of any change in creditworthiness, whether the creditworthiness of SSM differs among credit funding providers and whether any creditworthiness changes also impact SSM's peers.

(XII) REGULATORY AND LITIGATION RISK
The telecommunications and utility industries are highly regulated. SSM is subject to regulatory and licensing requirements, and its business is sensitive to regulatory changes. Obtaining and maintaining approvals from regulatory bodies or other third parties can involve significant time and expense, and delays in obtaining approvals or changes to laws and regulations may adversely impact SSM's operations.

SSM may also be subject to litigation in the future and there can be no assurance that the outcome of legal proceedings from time to time will not have an adverse effect on SSM's businesses, financial performance, financial condition or prospects.

Key Risks (cont'd)

(XIII) OPERATIONAL RISK
Operational risk is the risk of loss resulting from inadequate or failed internal processes, people or systems (including information security systems), or from external events. SSM is exposed to a variety of risks including those arising from process error, fraud, technology failure, security and physical protection, staff skills, workplace safety, compliance, business continuity and crisis management. In response to COVID-19, a proportion of SSM's workforce is now working from home. This exposes SSM to additional operating risk, including increased risk of fraud, technology and related risks and employee health and safety risks.

(XIV) REPUTATION RISK
Reputation risk may arise through the actions of SSM or other industry participants and adversely affect perceptions of SSM held by the public, holders of its shares, regulators or rating agencies. Damage to SSM's reputation may have an adverse impact on SSM's financial performance, financial position and prospects.

(XV) FAILURE OF RISK MANAGEMENT STRATEGIES
SSM has implemented risk management strategies and internal controls involving processes and procedures intended to identify, assess, measure, monitor, report and mitigate risks to which it is subject. However, there are inherent limitations with any risk management framework as there may exist, or develop in the future, risks that SSM has not anticipated or identified or controls that may not operate effectively. If any of SSM's risk management processes and procedures prove ineffective or inadequate or are otherwise not appropriately implemented, SSM could suffer unexpected losses and reputational damage which could adversely impact SSM's financial performance, financial position and prospects.

(XVI) CHANGES TO ACCOUNTING POLICIES AND/OR METHODS IN WHICH THEY ARE APPLIED MAY ADVERSELY AFFECT SSM'S BUSINESS, OPERATIONS AND FINANCIAL CONDITION
The accounting policies and methods that SSM applies are fundamental to how it records and reports its financial position and results of operations. SSM must exercise judgment in selecting and applying many of these accounting policies and methods as well as estimates and assumptions applied so that they not only comply with generally accepted accounting principles but they also reflect the most appropriate manner in which to record and report on the financial position and results of operations. However, these accounting policies may be applied inaccurately, and/or incorrect assumptions or judgments made, resulting in a misstatement of financial position and results of operations leading to an adverse impact on SSM's financial performance, financial position and prospects.

(XVII) INSURANCE RISK
SSM maintains insurance that it considers to be prudent for the scope and scale of its activities. If SSM's third-party providers fail to perform their obligations and/or its third-party insurance cover is insufficient for a particular matter or group or related matters, the net loss to SSM could adversely impact SSM's financial performance, financial position and prospects.

Future changes to insurance market conditions may also result in material or significant increases in the cost of obtaining insurance, and/or the inability for SSM to obtain insurance coverage: (i) in respect of certain risks; (ii) to the extent to which it had previously obtained; or (iii) to the level it considers prudent for the scope and scale of its activities.

(XVIII) STRATEGIC RISK
Strategic risk is the risk associated with the pursuit of SSM's strategic objectives including the risk that it fails to execute its chosen strategy effectively or within a timely manner. A failure to execute SSM's strategic objectives may result in a failure to achieve anticipated benefits and ultimately adversely impact SSM's operations, financial performance, financial position and prospects.

(XIX) MERGER, ACQUISITIONS AND DIVESTMENTS
SSM may engage in merger, acquisition or divestment activities which facilitate SSM's strategic direction. Whilst SSM recognises that benefits may arise from merger, acquisition or divestment activities, significant risks exist in both the execution and implementation of such activities. It is likely that SSM would raise additional debt or raise equity to finance any major merger or acquisition and this would cause SSM to face the financial risks and costs associated with additional debt or equity. Changes in ownership and management may result in impairment of relationships with employees and customers of the acquired businesses. Depending on the type of transaction, it could take a substantial period of time for SSM to realise the financial benefits of the transaction, if any.

Any acquisition or divestment may result in a material positive or negative impact on SSM's financial position. There can be no assurance that any acquisition (or divestment) would have the anticipated positive results, including results relating to the total cost of integration (or separation), the time required to complete the integration (or separation), the amount of longer-term cost savings, the overall performance of the combined (or remaining) entity, or an improved price for SSM's shares. SSM's operating performance, risk profile and capital structure may be affected by these corporate opportunities.
Integration (or separation) of an acquired (or divested) business can be complex and costly, sometimes including combining (or separating) relevant accounting and data processing systems, and management controls, as well as managing relevant relationships with employees, customers, regulators, counterparties, suppliers and other business partners. Integration (or separation) efforts could create inconsistencies in standards, controls, procedures and policies, as well as diverting management attention and resources. This could adversely affect SSM's ability to conduct its business successfully and impact SSM's financial performance, financial position and prospects. Additionally, there can be no assurance that employees, customers, counterparties, suppliers and other business partners of newly acquired (or retained) businesses will remain post-acquisition (or post-divestment), and the loss of employees, customers, counterparties, suppliers and other business partners could adversely affect SSM's financial performance, financial position and prospects.

(XX) RELIANCE ON EXTERNAL PARTIES
SSM's operations depend on performance by a number of external parties under contractual arrangements with SSM. Non-performance of contractual obligations and poor operational performance of external parties may have an adverse effect on SSM's business and financial performance.

Key Risks (cont'd)

OFFER AND GENERAL RISKS

(I) MARKET PRICE OF ORDINARY SHARES WILL FLUCTUATE
Ordinary shares trade on ASX. The market price of ordinary shares on ASX may fluctuate due to various factors, including:
- the impact of COVID-19, or other pandemics or epidemics, and the measures taken to control their spread;
- the impact of government stimulus and other fiscal measures employed in response to COVID-19 and the timing and impact of when those measures cease to have effect;
- Australian and international general economic conditions (which have generally deteriorated in the context of COVID-19) (including inflation rates, the level of economic activity, interest rates and currency exchange rates), changes in government policy, changes in regulatory policy, the expressed views of regulators, investor sentiment and general market movements, which may or may not have an impact on SSM's actual operating performance;
- operating results that vary from expectations of securities analysts and investors;
- changes in expectations as to SSM's future financial performance, including financial estimates by securities analysts and investors;
- changes in market valuations of competitors;
- changes in dividends paid to shareholders, SSM's dividend payout policy or SSM's ability to frank dividends;
- announcement of the results of tenders, entry into or cessation of contracts, acquisitions, strategic partnerships, joint ventures or capital commitments by SSM or its competitors;
- changes in the market price of ordinary shares and / or other securities issued by SSM or by other issuers, or changes in the supply of equity securities or capital securities issued by SSM or by other issuers;
- changes in institutional or shareholder (including director) portfolio management or shareholding strategies;
- changes in laws, regulations and regulatory policy;
- SSM's failure to comply with law, regulations or regulatory policy;
- other major Australian and international events such as hostilities and tensions, and acts of terrorism; and
- other events set out on pages 39 to 41 under the heading "Key risks associated with SSM's business".

It is possible that the price of ordinary shares will trade at a market price below the Offer Price as a result of these and other factors. It is also possible that new risks might emerge as a result of Australian or global markets experiencing extreme stress or existing risks may manifest themselves in ways that are not currently foreseeable. There have been in recent months, and may be in the future, significant fluctuations and volatility in the prices of shares. In particular, the COVID-19 pandemic, and the continuing uncertainty as to its future impact on the Australian and global economies, has contributed to significant market falls and volatility, including on the prices of shares trading on the ASX (including the price of SSM shares) and other foreign securities exchanges, which may materially adversely impact the market price of New Shares.

(II) UNDERWRITING RISK

SSM and the Underwriter have entered into the Underwriting Agreement, under which the Underwriter has agreed to act as underwriter, lead manager and bookrunner to the Offer, subject to the terms and conditions of the Underwriting Agreement. If certain conditions are not satisfied or certain events occur, then the Underwriter may terminate the Underwriting Agreement. The events which may trigger termination of the Underwriting Agreement include (but are not limited to) the following:
- ASX announces that SSM will be delisted or the Offer Shares suspended from quotation by ASX for any reason;
- ASX does not, or states that it will not, agree to grant official quotation of all the Offer Shares on an unconditional basis by the time required in the timetable;
- SSM alters its capital structure without the consent of the Underwriter (acting reasonably), other than by issuing Shares pursuant to the terms of the Offer or as otherwise permitted under the Underwriting Agreement;
- any event specified in the timetable:
- which is due to occur on or before the announcement of the results of the Institutional Entitlement Offer and Placement in accordance with the timetable is delayed by SSM for 1 or more business days without the prior written consent of the Underwriter;
    - which is due to occur after the announcement of the results of the Institutional Entitlement Offer and Placement but on or before the settlement of the Institutional Entitlement Offer and Placement under the timetable is delayed by SSM for more than 2 business days or more without the prior written consent of the Underwriter; or
    - which is due to occur after the Settlement of the Institutional Entitlement Offer and Placement under the timetable is delayed 3 business days or more without the prior written consent of the Underwriter;
- SSM withdraws the Offer (or any component of it) or indicates that it does not intend to or is unable to proceed with the Offer (or any component of it);
- any certificate which is required to be furnished by SSM under the Underwriting Agreement is either:
    - not furnished when required; or
    - * misleading or deceptive (including by omission) or otherwise incorrect;
- SSM (or any of its related bodies corporate) or the Target Group become insolvent;
- * a statement contained in the Offer materials is or becomes misleading or deceptive or likely to mislead or deceive, or the Offer materials omit any information they are required to contain;
- * the Offer materials include any forecast, expression of opinion, belief, intention or expectation which is not based on reasonable grounds or which ceases to be based on reasonable grounds;
- ASX or ASIC withdraws, revokes or amends any ASX waivers or ASIC modifications;
- SSM or Lendlease Services or any of their directors or officers engage in any fraudulent conduct or activity whether or not in connection with the Offer;
- a director or senior manager of SSM or Lendlease Services is charged in relation to fraudulent conduct, whether or not in connection with the Offer, or a director of SSM is charged with an indictable offence relating to financial or corporate matters or a director of SSM is disqualified from managing a corporation;
- there is an event or occurrence, including any statute, order, rule, regulation, directive or request of any Government Agency which makes it illegal for the Underwriter to satisfy an obligation under the Underwriting Agreement, or to market, promote, underwrite or settle the Offer;
- a change in the Managing Director, Chief Financial Officer or the General Counsel and Company Secretary or board of directors of SSM occurs or is announced;

Key Risks (cont'd)

- ASIC or any other Government Agency issues, or indicates an intention to issue, proceedings in relation to the Offer or commences an inquiry or investigation into the Offer, SSM or any Offer materials;
- there is an application to any Government Agency for any order, declaration or other remedy in connection with the Offer and such application is not unconditionally withdrawn or revoked within 2 business days;
- * ASIC or any other Government Agency commences or gives notice of an intention to commence a prosecution of SSM or any director or employee of SSM;
- * SSM is in breach of any terms and conditions of the Underwriting Agreement or any representation or warranty given by SSM is or becomes incorrect, untrue or misleading;
- * certain due diligence reports in respect of the Acquisition or any other information supplied by or on behalf of SSM to the Underwriter for the purposes of the due diligence investigations, the Offer materials or the Offer, is or becomes false, misleading or deceptive (including by omission);
- * a new circumstance that would be adverse from the point of view of an investor arises that would have been required to be disclosed in the Offer materials had it arisen, or otherwise been known, before the Offer materials were lodged with ASX;
- in the reasonable opinion of the Underwriter an obligation arises on SSM to give, or SSM gives, ASX a notice in accordance with sections 708AA(10) or 708AA(12) of the Corporations Act;
- * there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State of Australia a new law, or the Reserve Bank of Australia, or any Commonwealth or State authority, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced prior to the date of the Underwriting Agreement) any of which does or is likely to prohibit or regulate the Offer, capital markets or stock markets;
- * SSM or the Target Group charges, or agrees to charge, the whole or a substantial part of their respective business or property other than in situations specified in the Underwriting Agreement;
- * SSM commits a contravention of the Corporations Act, its constitution, any of the ASX Listing Rules, any other applicable law or regulation (as amended or varied) or order or request made by or on behalf of ASIC, ASX, Financial Markets Authority of New Zealand or any Government Agency;
- * any aspect of the Offer does not comply with the Corporations Act or the ASX Listing Rules any other applicable laws, or any ASX waivers or ASIC modifications;
- SSM is prevented from allotting and issuing the Offer Shares under the ASX Listing Rules, applicable laws, an order of a court of competent jurisdiction or a Government Agency;
- * trading of all securities quoted on ASX, LSE, NASDAQ or NYSE is suspended or limited in a material respect for one or more trading days or a substantial part of a trading day;
- * a general moratorium on commercial banking activities in Australia, the United States or the United Kingdom is declared by the relevant central banking authority in any of those countries or there is a material disruption in commercial banking or Share settlement or clearance services in any of those countries;
- * any adverse change or disruption to the existing financial markets, political or economic conditions of Australia, the United States of America, the United Kingdom or the international financial markets or any change involving a prospective adverse change in national or international political, financial or economic conditions; or
- * hostilities not presently existing commence or a major escalation in existing hostilities occurs involving any one or more of Australia, Singapore, the United States of America, United Kingdom, Japan, North Korea, any member state of the European Union, Israel or the People's Republic of China (including Hong Kong) or a national emergency is declared (other than as already declared prior to the date of the Underwriting Agreement) or there is an escalation or extension of a national emergency (other than as already declared prior to the date of the Underwriting Agreement) by any of those countries or a major terrorist act is perpetrated anywhere in the world.

The ability of the Underwriter to terminate the Underwriting Agreement in respect of the above termination events denoted with an asterisk (*) will depend on whether the event, in the actual and reasonable opinion of the Underwriter:
- has, or is likely to have, individually or in the aggregate, a material adverse effect on the success, marketing or settlement of the Offer, the value of the Shares or the willingness of investors to subscribe for Offer Shares;
- has, or is likely to have, individually or in the aggregate, a material adverse effect on the business, financial position or prospects of SSM and its subsidiaries; or
- leads, or is likely to lead:
    - to a contravention by the Underwriter (or one of its affiliates) of, or the Underwriter (or one of its affiliates) being involved in a contravention of, the Corporations Act or any other applicable law; or
    - to a liability for the Underwriter (or one of its affiliates) under the Corporations Act or any other applicable law.

If the Underwriting Agreement is terminated for any reason, then SSM may not receive the full amount of the Offer, its financial position may change, and it may need to take other steps to raise capital.
The Underwriting Agreement is also subject to customary conditions precedent, representations, warranties and indemnities.
In this risk:
- "Government Agency" means any government or any government department, governmental, semi-governmental, administrative, fiscal, judicial, investigative, review or regulatory body, department, commission, authority, tribunal, agency, stock exchange or entity in any jurisdiction relevant to the Offer, including ASX, ASIC, the Australian Taxation Office, the Foreign Investment Review Board, the Treasurer of the Commonwealth of Australia (or his or her delegate) and the Takeovers Panel; and
- "Target Group" means Lendlease Services, its subsidiaries and any other entity in which it has an equity interest.

(III) DILUTION
Entitlement Offer rights cannot be traded on ASX or otherwise transferred. If SSM Shareholders do not participate in the Entitlement Offer, then their percentage shareholding in SSM will be diluted and they will not be exposed to future increases or decreases in SSM's share price in respect of those New Shares that would have been issued to them had they participated in the Entitlement Offer. Similarly, SSM Shareholders who are ineligible, unable to, or do not participate in the Placement for a pro rata share will have their percentage security holding in SSM diluted.

(IV) LIQUIDITY RISK
SSM Shareholders who wish to sell their ordinary shares may be unable to do so at an acceptable price, or at all, if insufficient liquidity exists in the market for ordinary shares. SSM does not guarantee the market price or liquidity of ordinary shares and there is a risk that you may lose some of the money you invested.

(V) DIVIDENDS MAY FLUCTUATE OR MAY NOT BE PAID
Dividends are discretionary and do not accrue. The rate of dividends may fluctuate or SSM may not pay dividends at all. There is a risk that dividends may become less attractive compared to returns on comparable securities or investments. None of SSM, SSM's directors or any other person guarantees any particular rate of return on ordinary shares.

Key Risks (cont'd)

(VI) TAXATION
Any change to the current rate of company income tax or tax law in jurisdictions where SSM operates may impact on shareholder returns. Any changes to the current rates of income tax or tax law applying to shareholders, whether they are individuals, trusts or companies may similarly impact on shareholder returns.

(VII) SHAREHOLDERS ARE SUBORDINATED AND UNSECURED INVESTORS
In a winding up of SSM, shareholders' claims will rank after the claims of creditors preferred by law, secured creditors and general creditors. Shareholders' claims will rank equally with claims of holders of all other ordinary shares.
If SSM were to be wound up and, after the claims of creditors preferred by law, secured creditors, general creditors and holders of subordinated instruments (if any) are satisfied, there are insufficient assets remaining, you may lose some or all of the money you invested in ordinary shares.

(VIII) FUTURE ISSUES OF DEBT OR OTHER SECURITIES BY SSM
SSM may, at its absolute discretion, issue additional securities in the future that may rank ahead of, equally with or behind ordinary shares, whether or not secured. Any issue or conversion of securities may dilute the relative value of existing ordinary shares and affect your ability to recover any value in a winding up.
An investment in ordinary shares confers no right to restrict SSM from raising more debt or issuing other securities (subject to restrictions imposed under the ASX Listing Rules), to require SSM to refrain from certain business changes, or to require SSM to operate within potential certain ratio limits.

An investment in ordinary shares carries no right to participate in any future issue of securities (whether equity, hybrid, debt or otherwise), other than future pro rata issues if the shareholder is eligible to participate in the pro rata issue under relevant laws.

No prediction can be made as to the effect, if any, such future issues of debt or other issues of securities may have on the market price or liquidity of ordinary shares.

(IX) OTHER EXTERNAL EVENTS
Acts of terrorism, an outbreak of international hostilities, labour strikes, civil wars or fires, floods, earthquakes, cyclones and other natural disasters (including where the frequency and severity of such events increase as a result of the effects of climate change), and outbreaks of disease and biosecurity threats such as COVID-19 may cause an adverse change in investor sentiment with respect to SSM specifically or the share market more generally, which could have a negative impact on the value of an investment in ordinary shares.

8. INTERNATIONAL OFFER RESTRICTIONS

International Offer Restrictions

This document does not constitute an offer of new ordinary shares ("**New Shares**") of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

Hong Kong
WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance). No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.
The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

New Zealand
This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "**FMC Act**").
The New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.
Other than in the entitlement offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Norway
This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007 no. 75. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act. The New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in the Norwegian Securities Trading Act).

Singapore
This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.
This document has been given to you on the basis that you are (i) an "institutional investor" (as defined in the SFA) or (ii) an "accredited investor" (as defined in the SFA). If you are not an investor falling within one of these categories, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.
Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

Switzerland
The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or on any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the New Shares constitutes a prospectus or a similar notice, as such terms are understood under art. 35 of the Swiss Financial Services Act or the listing rules of any stock exchange or regulated trading facility in Switzerland.
No offering or marketing material relating to the New Shares has been, nor will be, filed with or approved by any Swiss regulatory authority or authorised review body. In particular, this document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority ("**FINMA**").
Neither this document nor any other offering or marketing material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. The New Shares will only be offered to investors who qualify as "professional clients" (as defined in the Swiss Financial Services Act). This document is personal to the recipient and not for general circulation in Switzerland.

United Kingdom
Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("**FSMA**")) has been published or is intended to be published in respect of the New Shares.
The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" within the meaning of Article 2(e) of the UK Prospectus Regulation. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.
Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.
In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("**FPO**"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "**relevant persons**"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

9. SUMMARY OF SHARE SALE AGREEMENT

Summary of Share Sale Agreement

Acquisition	▪ Service Stream, through its wholly-owned subsidiary Service Stream Holdings Pty Ltd, has agreed to acquire 100% of the ordinary share capital in Lendlease Services from Lendlease Services (Holdings) Pty Limited pursuant to a share sale agreement (**SSA**)
Purchase price	▪ The purchase price is $310 million, subject to standard closing account adjustments in relation to net assets (expected to result in a purchase price of ~$295 million)
Condition precedent (CP)	▪ Completion is conditional on consents being obtained in connection with the change in ownership in Lendlease Services from certain contractual counterparties (such as customers and joint venture partners)
Completion	▪ Subject to the satisfaction of the CP, completion is currently expected to occur in or around November 2021 (noting that timing is subject to the satisfaction of the CP) ▪ For the period between signing and completion, Lendlease must ensure that the business of Lendlease Services is conducted in the ordinary course consistent with usual business practices and policies, with various customary restrictions
Liability regime	▪ The SSA contains a suite of business and tax warranties and indemnities, which are standard for a transaction of this nature and subject to various limitations, qualifications and exceptions ▪ Indemnities have also been provided for specific matters, such as tax and in respect of certain restructures that are anticipated to occur prior to completion ▪ The warranties and indemnities are subject to an aggregate limit of the purchase price
Transitional services	▪ The parties have agreed transitional arrangements in relation to the separation and disengagement of Lendlease Services from Lendlease and transitioning to Service Stream, to be governed by a transitional services agreement (to which Service Stream Holdings Pty Ltd is also a party)

10. APPENDIX

Service Stream Financial Reconciliations

The following table reconciles reported EBITDA to EBITDA from Operations, and Statutory NPAT to NPAT-A[1]

$ million	FY20 (audited)	FY21 (unaudited)
Reported EBITDA to EBITDA from Operations		
Reported EBITDA	**$105.6**	**$75.3**
Due diligence costs on acquisition opportunities	$1.3	$3.5
Restructuring costs	-	$1.5
Integration costs (Comdain)	$1.2	-
EBITDA from Operations	**$108.1**	**$80.3**
Statutory NPAT to NPAT-A		
Statutory NPAT	**$49.3**	**$29.4**
As above for EBITDA adjustments	$2.5	$5.0
Amortisation of acquired customer contracts	$11.0	$8.9
Tax effect of above (as relevant)	($4.1)	($4.1)
NPAT-A	**$58.8**	**$39.1**

1. FY21 financials are estimates only, based on preliminary unaudited financial results for the year ended 30 June 2021. These results remain subject to finalisation, audit, Board review and approval and may change.