



BOND OVERVIEW AND OPERATIONAL SUMMARY

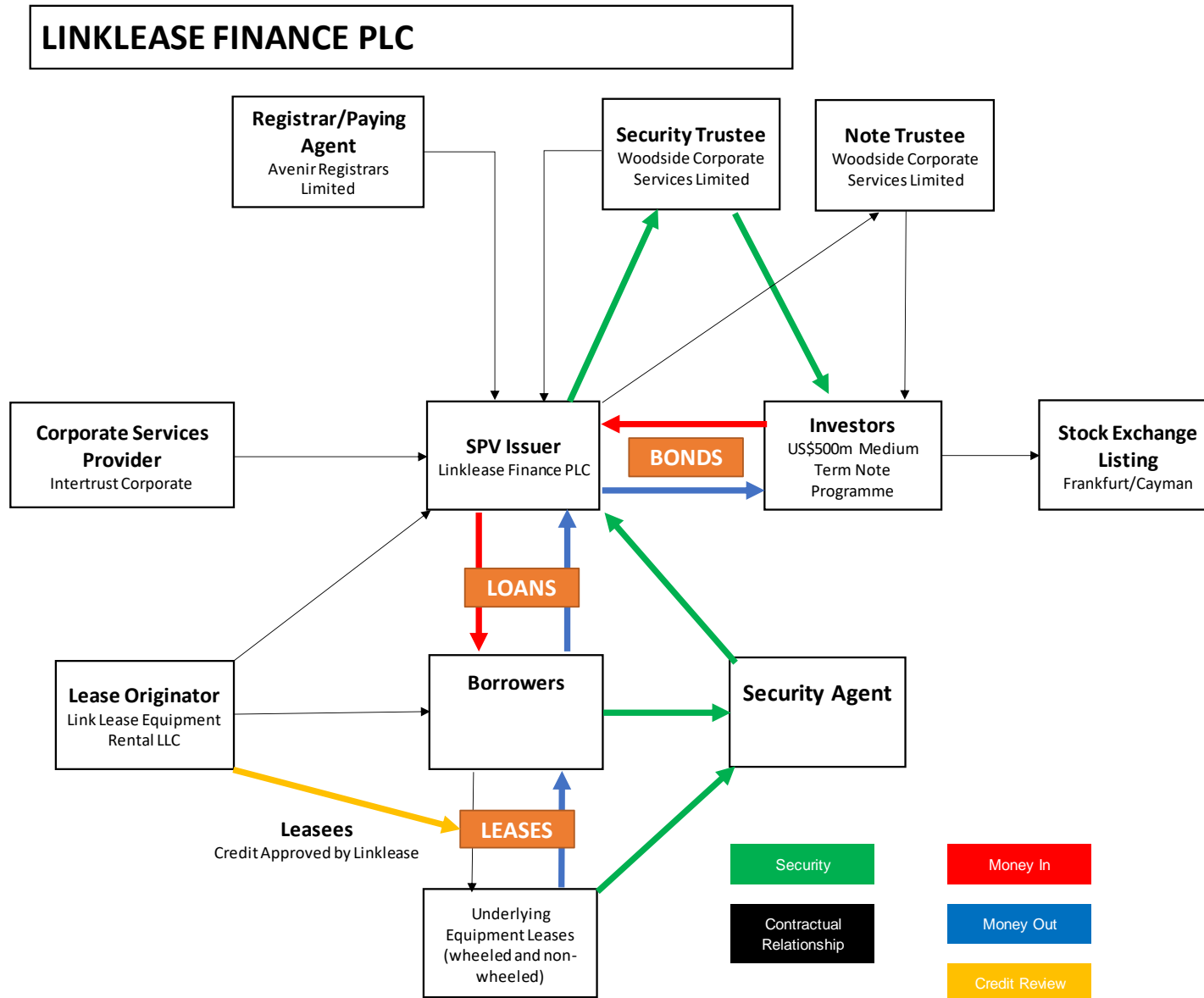
LINKLEASE FINANCE PLC

PRIVATE & CONFIDENTIAL

LINKLEASE BOND – SUMMARY

ISSUER	BORROWER	SERVICER AND ORIGINATOR
<ul style="list-style-type: none"> Linklease Finance PLC (incorporated in England with limited liability under the Companies Act 2006 with registration number 11663405) is an SPV created solely for this \$500m MTN Programme 	<ul style="list-style-type: none"> The Borrowers are stand-alone SPVs. They were setup to ringfence the equipment assets funded by each of the Bonds 	<ul style="list-style-type: none"> Linklease Equipment Rental LLC acts as the Servicer and Originator – they source lease opportunities and manages all lease agreements for the Borrowers (<i>See page 5 for more information on the Linklease team</i>)
<ul style="list-style-type: none"> The first series: 9%, \$50m secured medium term notes issued on 19 December 2018, Series 2018-LL1 (“USD Bond”) The second series: 9%, £20m secured medium term notes issued on 15 July 2020, Series 2020-LL2 (“GBP Bond”) The third series: 9%, €20m secured medium term notes issued on 14 October 2021, Series 2021-LL3 (“EUR Bond”) The fourth series: 9.75%, \$50m secured medium term notes issued on 15 December 2022, Series 2022-LL4 (“USD Bond”) 	<ul style="list-style-type: none"> Under the structure of this transaction, investors in any of the bonds ultimately have recourse to the assets of their corresponding Borrowers; as they are the entities utilising the proceeds of the investment/loan (<i>See page 4 for details of how the Bondholders are protected</i>) 	<ul style="list-style-type: none"> On behalf of the Borrowers, Linklease have originated and deployed into equipment leases all the delivered capital of the Bonds (<i>See page 6 to 8 for operational summary and risk management</i>) These lease have been provided to SMEs in industries such as construction, healthcare, logistics, manufacturing and printing, to name just a few (<i>See page 9 for case studies</i>)
<ul style="list-style-type: none"> The Issuer uses the proceeds of investment to make loans available to the independent Borrowers of each series. These loans are secured on the equipment assets that are purchased by the borrowers The benefit of this security is assigned by the Issuer to the Security Trustee 	<ul style="list-style-type: none"> Rental Collection – once an individual lease is agreed a monthly rental payment is set up 	<ul style="list-style-type: none"> Linklease only purchases an asset when it has an approved client with an immediate requirement for equipment Linklease have a pipeline of circa \$50m currently
<ul style="list-style-type: none"> A leading group of City of London based third-parties arranged this Bond, including law firm, Haynes Boone; security trustee, Woodside; corporate service provider, Intertrust and registrar, Avenir (<i>See page 3 for the structure</i>) 	<ul style="list-style-type: none"> The coupons are paid quarterly for the first USD Bond and semi-annually for the GBP, EUR and second USD Bond The Bonds have successfully paid 24 coupons Upon an unlikely insolvency event, the Security Trustee will seek to realise the security over the assets of the Borrowers (in accordance with the terms of the programme) 	<ul style="list-style-type: none"> Linklease applies in-depth due diligence of all Lessees. This process is led and signed off by an experienced investment committee All operating leases undergo stringent underwriting criteria in line with Linklease’s strict policies (<i>See page 10 to 16</i>) Alongside insurance, best-in-class technology to support equipment asset risk controls, including GPS-tracking, geo-fencing and remote usage monitoring and ‘kill switches’ (<i>See page 17 and 18</i>)

LINKLEASE BOND – STRUCTURE



HOW THE BONDHOLDERS ARE PROTECTED

STRUCTURE

- Linklease Finance PLC is a vehicle specifically set up to issue debt and is bankruptcy remote
- This is in order to divorce the risk of the sponsor (Linklease) from the risk of the Bond issuer

RINGFENCED BORROWER

- To provide added protection for the bondholders, the borrowers were set up as a stand-alone SPVs
- This allowed for the ringfencing of the assets for each of the Bonds
- This has been structured in such a manner as to protect the bondholders who have security over the assets and lease contracts of the Bond they invest in
- It also ensures that the assets are ringfenced from Linklease's existing portfolio
- All assets, shares and bank accounts of the Borrowers are pledged to the Issuer

SECURITY TRUSTEE

- The Security and Note Trustee is there solely to act on behalf of the bondholders in the event of a default (including a failure to pay a coupon or the principal to the bondholders)
- This Bond's Trustee is Woodside Corporate Services. They are based in the UK and are FCA regulated
- In the event of default, the Trustee would have the option to proceed with the sale of the portfolio of assets and the lease contracts

SECURITY AGENT

- The Bond's Trustee will be supported by a Security Agent. The Security Agent can seize assets, shares and bank accounts on behalf of the Security Trustee
- The Trustee would then organise how to pay back bondholders and creditors
- In the case of Linklease Finance PLC, the Security Agent is Abu Dhabi Commercial Bank (ADCB), one of the region's leading banks and agents for the first two Bonds and Mashreq Bank for LL3 & LL4 Bonds

KEY LINKLEASE MANAGEMENT

Steve Williams
Founder and CEO

Steve is a seasoned business and finance leader with over 25 years of proven regional and international experience. Prior to founding Linklease, Steve was the Group Chief Executive Officer of Gulf Finance; a leading SME financing organisation. His success in repositioning the business to deliver strong growth results and rapid GCC expansion was consistently recognised by the industry with Gulf Finance winning the prestigious Banker Middle East Award for Small Business Finance for three consecutive years.

Prior to joining Gulf Finance, between 2004 and 2008, Steve was based in Dubai with Lloyds TSB. As Chief Operating Officer, he was also an appointed Board Member and earlier, joined the organisation as its Head of Commercial and Retail Banking. During these four years, Steve grew the consumer banking business from a single branch to a highly profitable, multi-branch operation across the Middle East.

Czes Brodalka
Director

Czes is an experienced professional with more than twenty years' experience in the Financial Services and Business Development fields. Following completion of his studies in Johannesburg South Africa, Czes joined Avis Fleet Services (GE Fleet Services), a joint venture company with Wesbank Corporate specializing in the financing of large Government and Corporate fleets where he held various Senior Management positions during his ten-year tenure. Czes then joined HSBC Middle East, where specialized in corporate equipment finance as a Senior Manager where he successfully developed and implemented Operating and Finance lease programs. After ten years with HSBC Czes joined Gulf Finance Corporation, a company specializing in Corporate Equipment Finance, Working Capital facilities and Business Loans as Head of Commercial Finance with a clear focus on revenue growth and client acquisition through the introduction and development of new business streams and finance structures.

Babar Malik
Director

Babar Malik is the Portfolio Director for the UAE, looking after the business in its core market and to develop new channels for the business to engage with its clients. He brings more than 2 decades of leasing expertise to the company. Having served with ORIX Corporation Japan's ventures in Pakistan, Sultanate of Oman and the United Arab Emirates in positions of increasing responsibility, Babar has developed strong ties with local corporates and developed a network of key relationships. His focus throughout his career has been to grow the balance sheet with a clear focus on sales, marketing and business development.

OPERATIONAL SUMMARY

Value creation while actively and rigorously managing risk

LEASING PROCESS

- Originate eligible plant, machinery and equipment assets with strong secondary market value
- Undertake proven and comprehensive due diligence of lessees
- Deploy investor capital to purchase eligible asset – asset owned by SPV over tenure of lease
- Commence lease tenure with usage and service covenants pertaining to misuse, overuse or excessive wear and tear
- Collect monthly lease payments and monitor asset
- Distribute quarterly or semi-annual interest payments to investors
- At the end of the tenure, sell or re-lease the assets

TARGETED INVESTMENTS

As a result of extensive industry experience, Linklease targets opportunities that maximize returns while significantly de-risking capital. Key considerations include:

LESSEES

- ✓ Strong operating track record
- ✓ Comfortable debt burden
- ✓ Diversified revenue base
- ✓ Solid cash flow and debtor control
- ✓ Credible management team

ASSETS

- ✓ Low obsolescence
- ✓ Depth of secondary market
- ✓ Strong residual value
- ✓ Ability to source maintenance
- ✓ Options for asset redeployment

PORTFOLIO

- ✓ Defensive sectors
- ✓ Diversify balance sheet across lessees
- ✓ Minimize residual risk
- ✓ Active asset management
- ✓ Strong arrears management

EXAMPLE PRODUCT MIX

When evaluating opportunities, the Company focuses on strong vendor networks, active secondary markets, reliable equipment, and residual value data – in addition to their own due diligence process and risk management criteria. Examples Include:

LOGISTICS

- Buses, Trucks, Trailers, Tipper
- Forklifts, Materials Handling Equipment

MANUFACTURING

- Bottling Lines, Blow and Injection Moulding Machines
- Packaging Units, Machine Tools

PRINTING

- Industrial Printers, Cutting Machines
- Lamination Units, Folding Equipment

HEALTHCARE

- MRI, X-Ray and Ultrasound Equipment
- Dental and Ophthalmic Assets
- Non-Invasive Aesthetic Equipment

ENERGY

- Generator Sets, Power Transformers
- Fuel Storage Units, Refinery Equipment

CONSTRUCTION

- Loaders, Excavators, Graders, Dozers, Cranes
- Lifts, Piling Rigs, Forklifts, Pipe layers, Bowers

PRUDENT RISK MANAGEMENT POLICIES

Key to Linklease's success has been a rigorous approach to de-risking balance sheet exposure and cash flows. Linklease's business model naturally targets high margin opportunities, by thoroughly managing its exposure to various risks supports a superior risk-adjusted business model and the ability to sustain increasing leverage

PORTFOLIO MANAGEMENT

- Regular client contact
- Regular asset RFID check
- Monitoring of moveable assets with real-time GPS verification
- Quarterly asset valuations
- Asset performance data
- Usage covenants
- Asset insurance
- Debtor insurance

DEFAULT RECOVERIES

- Same-day response to default
- Asset performance suspended
- Remote asset turn-off capability
- Robust rental agreement documents allow swift repossession
- Deployment of security company to monitor assets

NORMAL LEASE CONCLUSION

- 6-12 months prior to expiry, exit strategies are agreed
- Client offered to purchase asset at NBV + margin
- Asset survey factored into sale transactions
- Client offered a re-lease
- Asset recovered and disposed of in secondary market

RISK MITIGATION STRATEGY

EXAMPLE RISK FACTOR	DESCRIPTION	MITIGATION
PAYMENT DEFAULT	The Lessee may fail to pay their lease instalments on time, or at all, resulting in a reduction in expected cash-flow, a slower rate of recovery of invested capital and a lower rate of return	Careful selection of prospective Lessee's through diligent underwriting is crucial to reducing the probability of payment default. In addition, close monitoring of and active engagement with Lessee's during the life of a lease allows for prospective problems to be identified and addressed at an early Stage
RESIDUAL VALUE	At the end of the lease it may not be possible to recover the anticipated residual value on a particular leased asset resulting in a failure to fully recover invested capital	The risk of loss of residual is substantially mitigated through accelerated capital recovery relative to the expected future market value of the equipment. Additionally, some leases may include a vendor buy-back component to underwrite the residual. Furthermore, secondary leases offer an alternate source of capital recovery albeit over a longer period of time
LIQUIDITY	Leasing contracts run for several years and provide infrequent opportunity to accelerate recovery of outstanding invested capital. There is a nascent secondary market for transactions of this nature	Where Lessee's have access to funding they may occasionally seek to acquire the equipment being leased to them. Should liquidity be required, Linklease can encourage this behavior from Lessee's and support them by tapping into its network of bank contacts
ASSET DEPLOYMENT	In the event that the Lessor takes unplanned possession of the leased asset it may be difficult or impossible to find an alternate Lessee for the asset resulting in a suppressed level of income Generation	Within the underwriting process significant emphasis is attached to selecting assets with wide utility and which can be deployed with Lessee's across a range of industries thereby minimizing the risk of encountering void periods
ASSET RECOVERY	The Lessor, or its agent, may experience difficulties in locating and taking possession of leased assets which may result in the value of the asset being written off	Active asset management forms a crucial component of a successful leasing company. Linklease deploys a range of techniques to monitor and protect its equipment with a strong track record in forced asset recovery across a range of scenarios
ASSET VALUE	Losses may arise if there is an adverse movement in the secondary market value of leased assets, if there is a loss event on the asset, or if the asset is returned in an adverse condition to the Lessor and the reduction in value is not recovered from the Lessee	Emphasis is placed on selecting assets which exhibit predictable future market values. Assets are insured on a 'property all risks' basis either directly by Linklease or by the Lessee with Linklease as 'loss-payee' Additionally, transactions are structured to achieve accelerated capital recovery relative to the expected reduction in the market value of the equipment. Finally, regular asset inspections help to ensure equipment is returned in an agreed condition
OWNERSHIP DISPUTE	Situations may arise where the ownership of the leased asset is disputed or a competing security interest exists which may result in the value of the asset being written off	This risk is most likely to crystalize under a sale and leaseback transaction. In advance of acquiring an asset Linklease will seek to validate both ownership and that there are no security interests over the asset. The recently launched UAE asset register is expected to significantly assist in this regard

SELECTED CASE STUDIES

WAREHOUSE OPERATOR

- Engaged in warehousing, distribution and freight management
- Specialised licenses for storage of hazardous goods
- 29 year trading history; turnover: US\$6m p.a.; assets: US\$14m

- Lease on new forklifts and sale and leaseback on existing forklifts
- Investment of US\$270k into assets valued at US\$380k (71%)
- 4-year lease versus 7-year weighted average remaining life

EQUIPMENT RENTAL

- Engaged in rental of mobile elevated work platforms
- Shareholders previously built and sold similar businesses
- 9-year trading history; turnover: US\$3m; assets: US\$3.2m

- Lease on six new scissor lifts directly imported from the UK
- Investment of US\$230k at 100% cost given rapid equity build
- 5-year lease versus 15-year estimated useful life

CLEAN ENERGY

- Specialises in converted used cooking oil into biodiesel
- 9-year trading history; turnover: US\$2.6m p.a.; assets: US\$1.3m
- Sale and leaseback on biodiesel fuel production system

- Investment of US\$318k into asset valued at US\$480k (66%)
- 4-year lease versus 12-year remaining useful life
- Subsequently settled at month 36, generating 21% IRR on exit

HEALTHCARE

- Well known Cosmetic Surgery Practice
- Diversified client base with over a decade of market experience
- \$2m of turnover annually, paying himself 4500k p.a.

- Purchase of new VaserLIPO equipment
- Investment of US\$200k into assets valued at US\$250k (80%)
- 4-year lease relative to remaining useful life of 8 years

QUALITY CONTROL GUIDELINES

DUE DILIGENCE

- Identity and background of key individuals satisfactorily ascertained
- Purpose of transaction validated to confirm economic rationale
- Asset title confirmed through documentary evidence of payment

DECISIONING

- Gather rich historical and current background information to support analytics
- Cross reference metrics to peer group norms and stress test as relevant
- Robust discussion at investment committee with unanimous decision required

PACKAGING

- Standard document templates adopted to minimise documentation risk
- Transaction check-list (documentation & requirements) to be adhered to
- Four eye review on key activities e.g. payment instructions

ASSET MANAGEMENT

- External asset survey to be commissioned on used equipment
- Tracking, tagging and monitoring solutions to be activated pre funds-out
- Periodic asset inspections conducted to determine usage and maintenance

LEASE MANAGEMENT

- Payment status continuously monitored and overdues actively managed
- Ongoing supply of financial information and active monitoring a condition of lease
- Periodic site visits to review assets, operations and lessee trading performance

FRAUD PREVENTION

DECISIONING INFORMATION

- Prefer high quality audited accounts over in-house management accounts
- Use data from bank statements to validate turnover levels & trade terms
- Interrogation of individual general ledger accounts if required

CERTAINTY OF ASSET TITLE

- Review security documents attaching to bank credit facilities to ensure clear title
- Seek evidence of asset acquisition e.g. purchase orders and invoices
- As required validate asset is not subject to vendor lien

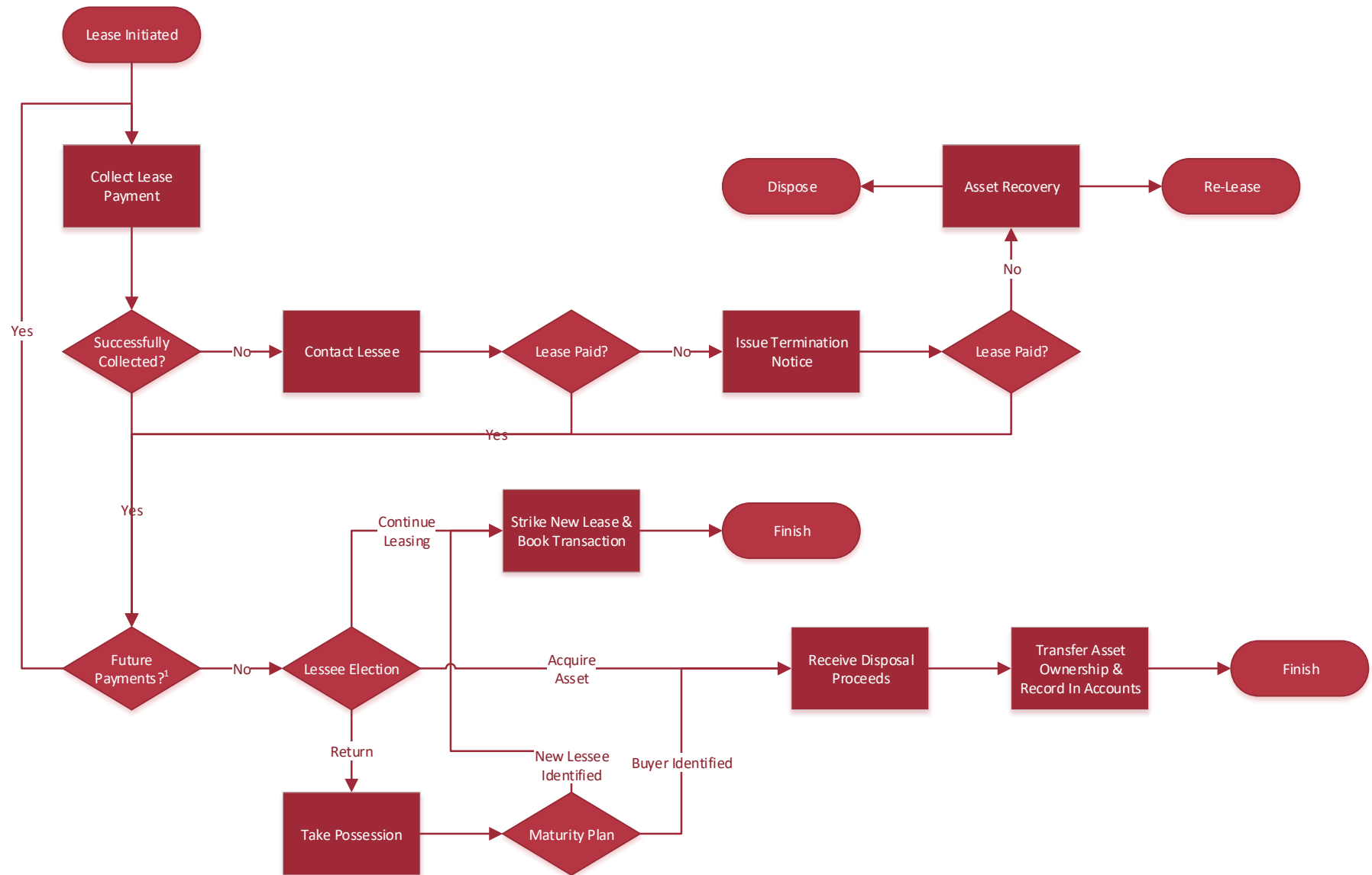
ASSET VALUATION

- Review original purchase invoice and seek quotes for new assets
- Commission independent asset valuations
- Use open source data to validate valuation expectations

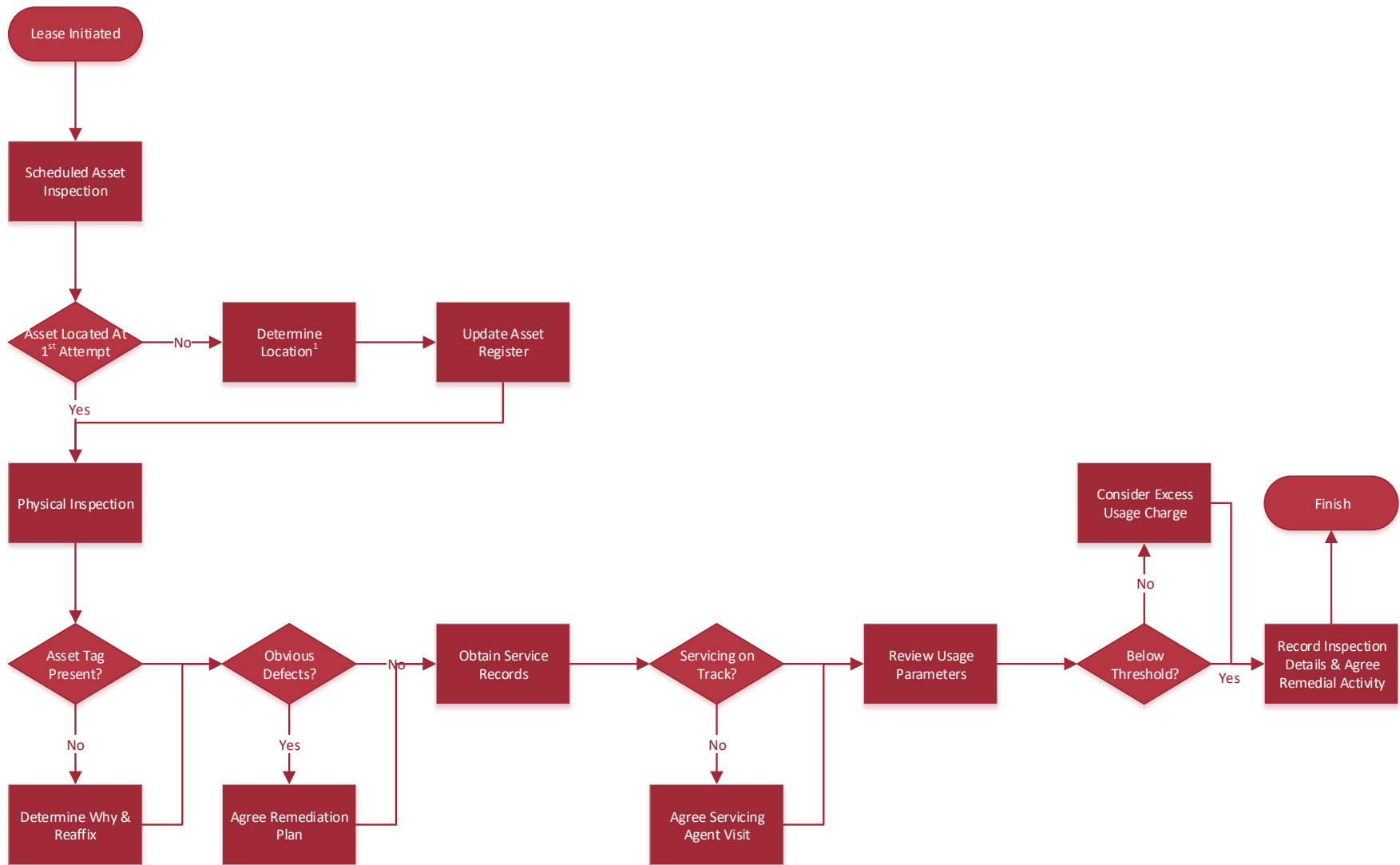
PRESERVATION OF TITLE

- Where permissible register title with public registries
- Tagging, tracking and inspection to reduce risk of theft
- First loss payee or co-insured on asset insurance policies

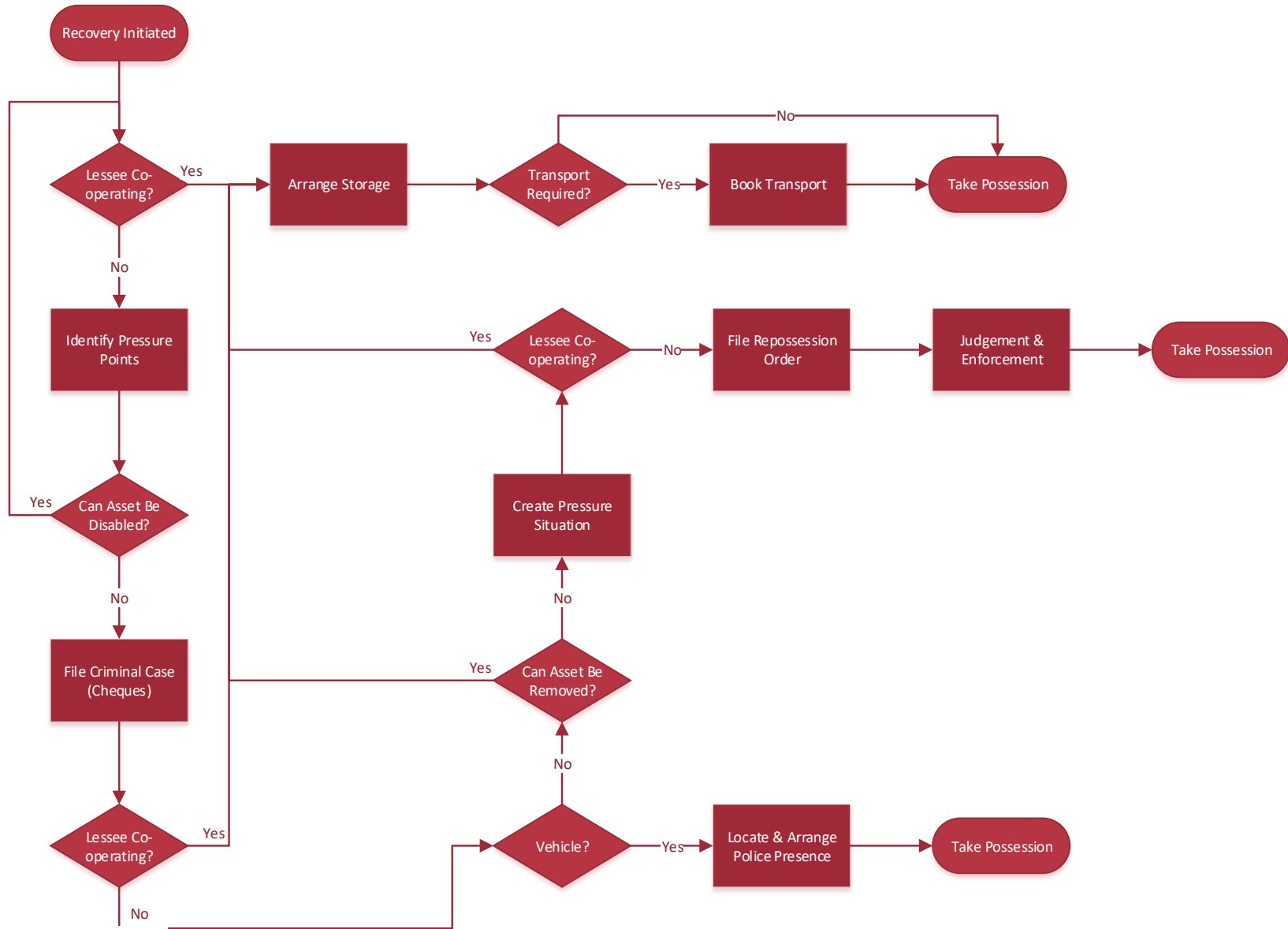
LEASE PAYMENT MANAGEMENT



ASSET MANAGEMENT



RECOVERIES



INSURANCE

PLANT & MACHINERY

- Contractors Plant & Machinery & Property All Risks Policies
- Placed with Qatar Insurance Company (S&P 'A', AM Best 'A') via Aon
- Based on full replacement cost, no asset restrictions

PRESTIGE CARS

- Motor fleet policy with Qatar Insurance Company

MASS MARKET CARS

- Unified motor policies with two local insurance companies

LIABILITY

- AED 5,000,000 Commercial General Liability cover

ENFORCEMENT

VEHICLES

- Lodge case with Police following non-payment / late return
- Covered under Article 395 of the criminal law
- Alert immediately issued to seize vehicle and detain lessee & / or driver
- Lessor may take direct possession on private property under Police supervision or may elect to take possession following recovery by the Police
- Since criminal matter no recovery cost and very quick outcome (once located)

PLANT & MACHINERY

- Lodge Recovery of Asset case with civil court following non-payment / late return
- Approx. 3 month to obtain judgement order and further 1 month for execution
- May be complemented with protective attachment order through urgent court if any threat to asset recovery (e.g. competing claims, risk of asset loss etc.)
- If asset not voluntarily returned, an arrest order may be issued against the Lessee and police will supervise recovery
- Regular civil court fees apply (3.5% of claim amount capped at AED 40K)

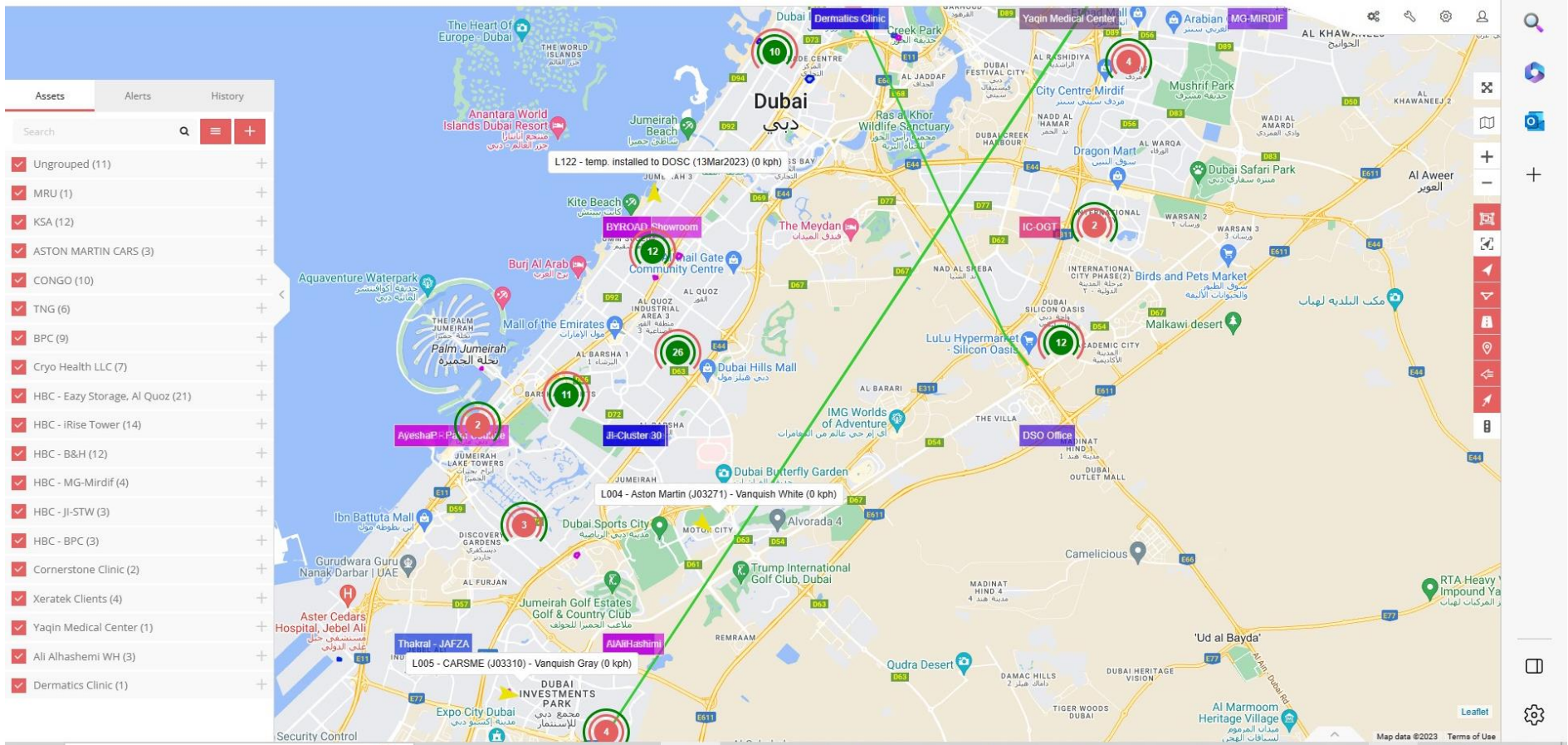
MOVABLE ASSET TRACKING – EXAMPLE SNAPSHOT

The screenshot displays a web-based vehicle tracking application. At the top, there are status indicators (41, 38, 3, 41) and user information (9552.48 Dh, helen.molyneux@link-lease.com). The main area is a map of Dubai with several vehicle icons. A popup window for 'P23977 Nissan Patrol (White) - 2 devices' is open, showing the following details:

- LAST CONNECTION:** 08:54:18 12.05.2023
- DRIVER:**
- PHONE:**
- COORDINATES:** 25.1235800, 55.1263450
- ADDRESS:** Dubai, United Arab Emirates
- SPEED:** 58 km/h
- SATELLITES:** 16
- ODOMETER:** 74,410.60 km
- STATUS:** Moving 58 km/h
- SENSORS:**
 - External Power Status: External PowerOn (14:25 27.03.2023)
 - External power supply: On (14:25 27.03.2023)
 - Ignition sensor: On (08:14)
 - Power Voltage: 13.38 Volts (08:53)

Other vehicles visible on the map include: L23659 BMW 730 (Gray), H23886 Mini Cooper (Silver) - 2 devices, T85672 Jeep Wrangler (Black) - 2 devices, X39192 Nissan Kicks (Gray) - 2 devices, and N65727 Nissan Qashqai (Gray). The interface includes a 'Control panel' on the left, a 'Street view' and 'Traffic' toggle on the right, and a footer with app store links and version information (node 3 v 3.0.42.1).

FIXED ASSET TRACKING – EXAMPLE SNAPSHOT



DISCLAIMER

The information presented in this document is sent to you on a private and confidential basis and for your use only.

The information presented here does not constitute investment advice or a recommendation, and is not an invitation to invest. Nothing in this document is intended to nor will create any binding obligation on anyone. The information contained in this document is provided as at the date of hereof and is subject to change without notice. The information herein is subject to updating, revision and amendment. The information in this document (i) includes certain information drawn from public sources in addition to confidential information, (ii) does not purport to be comprehensive and (iii) has not been independently verified. No liability is accepted by any of the parties listed in this document for any such information or opinions (which should not be relied upon) and no responsibility is accepted for any errors, misstatements in or omissions from this document or for any loss howsoever arising, directly or indirectly, from any use of this document or its contents. Applications should only be made on the basis of the Pricing Supplement and Listing Particulars which are available from authorised distributors. Prospective investors should be capable of evaluating the risks and merits associated with this investment and have sufficient resources to bear any losses. This investment is intended to be held by the investor until maturity. Whilst a secondary market may exist, there is no guarantee of a purchaser. Liquidity may therefore be limited and should not be relied on when choosing this investment. Investment in the Bonds involves risk to your capital. If you suffer a loss, you are not entitled to compensation from the Financial Services Compensation Scheme. Linklease Finance PLC are not regulated or authorised by the Financial Conduct Authority. Investing in the Bonds involves risks, including loss of capital and illiquidity and it should be done only as part of a diversified portfolio. This document does not constitute an offer or solicitation with respect to the purchase or sale, investment or subscription in any security and neither this document nor anything contained therein or the information to which it refers shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. In order to invest in the Bonds, you must confirm yourself to be a person (i) who has professional experience in matters relating to investments and fall within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "FPO") and/or (ii) who are persons falling within Article 49(2)(a) to (d) of the FPO (iii) Persons to whom it may otherwise lawfully be communicated (all such person who fall within (i), (ii), or (iii) being "relevant persons"). If contrary to the above you are not a relevant person but you are in receipt of this Investment Memorandum, then you must seek suitable financial advice before investing, to ascertain and understand the full risks and terms associated with any investment, and any such investment must be made through an authorised firm in accordance with the applicable form available from authorised distributors. Any investment in the Bonds is only available to, and will be engaged in with, relevant persons. You are strongly recommended to seek independent financial and legal advice before making an investment decision.