

AMP sells Collimate Capital's international infrastructure equity business

AMP Limited today announces it has entered into an agreement for the sale of Collimate Capital's international infrastructure equity business to DigitalBridge Investment Holdco, LLC, a wholly-owned subsidiary of DigitalBridge Group, Inc. (DigitalBridge) for an upfront consideration of A\$462 million and total value of up to A\$699 million.

Combined with the A\$430 million from the sale of the domestic infrastructure equity and real estate business announced on 27 April, 2022 and the A\$578 million from the sale of the infrastructure debt platform completed in February 2022, this values the total Collimate Capital business at up to A\$2.04 billion including the value of retained assets, and up to A\$2.5 billion when including the maximum earn-outs.

The AMP Limited Board intends to return the majority of net cash proceeds from the recent transactions to shareholders. The capital return will be subject to requisite regulatory and shareholder approvals. AMP will also use some of the proceeds to pay down corporate debt.

Overview of transactions

AMP has agreed to sell its international infrastructure equity business to DigitalBridge, a leading global digital infrastructure investment firm, in a transaction that values the business at up to A\$699 million comprising approximately A\$462 million upfront cash payment for the management platform and seed and sponsor investments, an estimated A\$57 million of retained future carry and performance fees, and an additional amount of up to A\$180 million contingent on future fund raisings. The transaction, expected to complete by Q4 2022¹, includes:

- International infrastructure equity assets under management (AUM) of A\$9 billion²
- The management platform, including Global Infrastructure Fund (GIF) series and other related funds and the majority of unrecognised future performance fees and carried interest
- All of AMP's seed and sponsor investments in international infrastructure equity funds
- A substantial portion of the teams located across the UK and Europe, North America and Asia.

Impact on capital and separation costs

The net capital impact for AMP Limited of the sale of the international infrastructure debt and equity platforms and the real estate and domestic infrastructure equity business is expected to be an increase of approximately A\$1.1 billion. The final amount will be confirmed post transaction completion.

Work to date on the separation of Collimate Capital's businesses from AMP, as part of the demerger preparations, is well advanced. Accordingly, the incremental transaction and separation costs for the two transactions to sell Collimate Capital's businesses is approximately A\$20 million post tax.

¹ Subject to satisfaction of conditions precedent

² This represents Net Asset Value as at FY 21

Return of capital

As AMP finalises its capital and liquidity requirements, it is the Board's intention to pay down a portion of its outstanding corporate debt and to return to shareholders the majority of the net proceeds from the two sales and the sales of the infrastructure debt platform and GEFI business. This is likely to be via a mix of capital return and on-market share buy-back.

The return of capital will be subject to requisite regulatory and shareholder approvals, and completion of the transactions. AMP will provide a further update closer to transaction completion as to the timing and quantum of the return of capital.

Demerger update

As announced yesterday, subject to the completion of the Collimate Capital sales, AMP will no longer pursue a demerger of Collimate Capital.

The Board determined that, when evaluated against a demerger, the two transactions would deliver greater value and certainty for shareholders, accelerate the realisation of that value, and provide greater stability for Collimate Capital's clients and employees. As part of the transaction, key employees in Collimate Capital have also committed to moving to the new businesses to ensure continuity for clients.

AMP Limited Chair, Debra Hazelton commented:

"The transactions we have announced in the past two days represent a strong outcome for AMP shareholders and Collimate Capital stakeholders. It was clear in our 2021 portfolio review that we had two businesses that would be better separated and simplified and in doing so realise greater value and that is what we have achieved.

"AMP and Collimate Capital have built outstanding private markets businesses in infrastructure and real estate over many years. In selling these businesses to such respected specialists in DigitalBridge and Dexus, we are confident that the businesses' clients and the talented teams transferring with them will benefit.

"Post separation and these sales, AMP Limited has a focused strategy to grow AMP Bank and the wealth management businesses under CEO Alexis George's leadership with the benefit of a stronger capital and liquidity position.

"As we work through the capital implications of the transactions the Board will be focused on returning the majority of cash proceeds to AMP shareholders."

AMP Chief Executive, Alexis George commented:

"This is an important moment for AMP shareholders, clients and our people, as we announce the sale of our remaining Collimate Capital business. These sales realise significant value for shareholders and deliver certainty for clients and for our people.

"In DigitalBridge and Dexus we are confident we have found the right owners for both businesses. They are focused on delivering strong returns for Collimate Capital's clients and opportunities for our people. We expect both will add significant value through their scale, capability and depth of talent, which our teams will complement.

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“Post completion of the two sales, AMP Limited will be a more focused entity, concentrated on driving our core banking and retail wealth businesses in Australia and New Zealand, with a core objective of accelerating our strategy and increasing our competitiveness.”

Total value for Collimate Capital

Component	Value
Upfront cash proceeds	A\$892 million
Retained future carry and performance fees	A\$57 million
Retained value (PCCP investments and surplus capital)	A\$508 million
Value realised and retained from Collimate Capital real estate and infrastructure equity businesses	A\$1.46 billion
Proceeds from sale of infrastructure debt platform	A\$578 million
Total value of Collimate Capital business	A\$2.04 billion
Contingent cash consideration (potential future earn-out)	A\$480 million
Potential total value for Collimate Capital business with earn-outs	A\$2.52 billion

As noted in AMP’s announcement yesterday, the full earn-out for the real estate and domestic infrastructure equity business is dependent on the retention of all AUM in the nine months following completion. AMP considers it unlikely the full earnout will be received given anticipated loss of AUM. At this point, AMP anticipates approximately A\$3.0 billion of AUM to leave the platform.

The full earn-out for the international infrastructure equity business is dependent on future fund raisings over several years and AMP anticipates the maximum earn-out may not be received.

In addition to the values in the above table, AMP Limited retains other assets that were previously part of AMP Capital, including the Multi-Asset Group (MAG), its China Life AMP Asset Management (CLAMP) investment, and proceeds from the sale of the GEFI business.

Conditions precedent to completion

Completion of the sale to Digital Bridge is subject to conditions precedent, including:

- Regulatory approvals
- Applicable client and third-party consents
- No material adverse effect occurring prior to completion
- Retention of key employees.

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About DigitalBridge

DigitalBridge (NYSE: DBRG) is a leading global digital infrastructure investment firm. With a heritage of over 25 years investing in and operating businesses across the digital ecosystem including cell towers, data centers, fiber, small cells, and edge infrastructure, the DigitalBridge team manages a \$45 billion portfolio of digital infrastructure assets on behalf of its limited partners and shareholders. Headquartered in Boca Raton, DigitalBridge has key offices in New York, Los Angeles, London, and Singapore.

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Authorised for release by the Market Disclosure Committee.

Sale of Collimate Capital businesses

Investor presentation

28 April 2022

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Background

Creating two focused businesses with separation of Collimate Capital from AMP

- In April 2021, AMP concluded a comprehensive review of its business portfolio
- Review determined AMP has two distinct businesses in retail wealth management and banking, and institutional private markets, with different client bases and growth opportunities
- Process commenced to separate and prepare for a demerger of Collimate Capital from AMP, to allow both businesses to focus on growth opportunities in their respective markets and realise efficiencies
- The strong progress made on separation to enable the demerger of Collimate Capital, also meant interest from potential purchasers and the opportunity for AMP to realise immediate value through a sale
- On 10 February 2022, AMP Limited confirmed it had received inbound enquiries regarding the Collimate Capital business, and would consider any approaches in line with its obligation to act in the best interests of shareholders
- A further update provided on 19 April 2022 confirmed AMP was in discussions with multiple parties, including Dexus, regarding the potential sale of the assets and businesses of Collimate Capital
- On 27 April 2022, AMP announced it entered into a sale agreement for Collimate Capital's real estate and domestic infrastructure equity business to Dexus



Collimate Capital business units

Sale agreed to Dexus

Real Estate – Domestic

Leading Australian real estate manager

A\$21b
Invested AUM¹

Team of ~500 real estate professionals

57 direct institutional clients located predominantly in Australia

Top 8
APAC Real Estate Manager²

Sector expertise



Retail



Office



Logistics

Infrastructure Equity – Domestic

Manager of diversified infrastructure portfolio

A\$10b
Invested AUM¹

25 investment professionals focused on active asset management

88 direct institutional clients

ESG focus
Founding member of GRESB Infrastructure

Sector expertise



Transport/
Logistics



Energy/
Utilities



Health/
Social



PPP

Sale agreed to DigitalBridge

Infrastructure Equity – International

Leading global manager in infrastructure equity

A\$9b
Invested AUM¹

Over 30 investment professionals focused on asset origination and active asset management

165 direct institutional clients located in the largest global markets

Top 10
Global Infrastructure Equity Manager³

Sector expertise



Health/
Social



Transport/
Logistics



Energy/
Utilities



Digital

1. Represents Net Asset Value as at FY 21; invested AUM excludes uncalled commitments; excludes JV-related AUM
2. Rankings per ANREV Survey 2021, top 10 managers by non-listed real estate funds AUM Asia-Pac strategy.
3. Rankings per Infrastructure Investor 100 2021, league table based on capital raised over preceding 5-year period.

Sale of international infrastructure equity business

Transaction overview

- Business sold to DigitalBridge in a transaction that values the business at up to A\$699 million including:
 - Upfront cash payment of approximately A\$462 million
 - An estimated A\$57 million of retained future carry and performance fees
 - Up to A\$180 million earn-out potential, contingent on future fund raisings.
- Transaction perimeter comprises:
 - International infrastructure equity AUM of A\$9 billion¹
 - Seed and sponsor investments of A\$194 million
 - All international infrastructure equity clients
 - Substantial portion of teams located across the UK, Europe, North America and Asia
- Transaction expected to complete by Q4 2022, subject to regulatory approvals, applicable third party consents and key employee retention.

About DigitalBridge

- DigitalBridge is a leading global digital infrastructure investment firm headquartered in Boca Raton with key offices in New York, Los Angeles, London, and Singapore.
- More than \$45 billion in assets under management in digital infrastructure assets on behalf of its limited partners and shareholders
- 25 years' experience in investing in and operating businesses across the digital ecosystem including cell towers, data centres, fibre, small cells, and edge infrastructure

1. As at FY 21

Sale of real estate and domestic infrastructure businesses

Transaction overview

- Businesses sold to Dexus for up to A\$730 million, comprising upfront cash payment of A\$430 million with additional cash earn-out of up to A\$300 million
- Earn-out is dependent on the retention of all AUM in the nine months post completion. AMP considers it unlikely the full earn-out will be received given anticipated loss of AUM. At this point, it's anticipated approx. A\$3.0 billion of AUM will leave the platform
- Transaction perimeter comprises:
 - Domestic real estate AUM of A\$21 billion¹
 - Domestic infrastructure equity AUM of A\$10 billion¹
 - Seed and sponsor investments of A\$180 million
 - All client relationships across institutional, retail and direct
 - Business unit teams and some support employees
- AMP Limited to retain equity stake in PCCP valued at A\$157 million and related seed investment of A\$51 million¹
- Transaction expected to complete in 2H 2022, subject to regulatory approvals in China for transfer of AMP's interest in CLAMP out of the sale perimeter and other conditions precedent

About Dexus

- One of Australia's leading fully integrated real estate groups with exposure to Australian office, industrial, retail and healthcare properties
- Headquartered in Sydney with office locations in Sydney, Melbourne, Brisbane and Perth
- A\$45.3 billion in AUM on behalf of clients, directly owning A\$18.3 billion of office and industrial properties. The Dexus group manages a further A\$27.0 billion of office, retail, industrial and healthcare properties for third party clients.
- Strong track record of investment performance
- Dexus' A\$17.8 billion development pipeline provides the opportunity to grow both portfolios and enhance future returns

1. Represents Net Asset Value as at FY 21; invested AUM excludes uncalled commitments; excludes JV-related AUM

Combined transaction overview

Combined, the transactions accelerate returns to shareholders from Collimate Capital

- The combined transactions deliver up to A\$1.46 billion in value for Collimate Capital businesses through two transactions
 - Sale of international infrastructure equity business to DigitalBridge
 - Sale of domestic real estate and infrastructure equity business to Dexu
- Including sale of infrastructure debt platform (February 2022), a total value of up to A\$2.04 billion has been achieved for the Collimate Capital business. This excludes potential earn-out of up to A\$480 million
- Subject to satisfaction of conditions precedent, completion of international business expected to occur by Q4 2022; domestic business by 2H 2022
- Transactions significantly strengthen AMP's liquidity and capital position
- AMP will use the proceeds to pay down a further amount of corporate debt, and AMP Limited Board intends to return majority of the net cash proceeds from the sales to shareholders following sale completion, subject to regulatory and shareholder approval of the capital return
- Subject to the completion of the transactions, the proposed demerger of Collimate Capital will no longer proceed; work undertaken to separate the Collimate Capital businesses from AMP Limited supports an efficient transfer to new owners

Strategic rationale

Strategic rationale

For shareholders:

- Realises significant value of A\$2.04 billion for Collimate Capital business units excluding potential upside from earn-out
- Strengthens AMP's capital position, and enables majority of net cash proceeds to be returned to shareholders
- Accelerates transformation of AMP Limited and increases focus on growth of retail banking and wealth businesses

For Collimate Capital clients and employees:

- Maintains strong outcome for clients with transfer to trusted businesses with excellent track records
- Enables Collimate Capital clients to benefit from organisations focused on real assets investment and at greater scale
- Key business unit employees will transfer with business ensuring continuity for clients
- Provides opportunity for employees to be part of strong businesses with scale and liquidity

Benefits vs demerger

- Accelerates value to AMP shareholders from Collimate Capital
- Experienced, successful owners for both businesses, providing benefits of scale and strong investment track records to Collimate Capital fund investors
- Combination of Collimate Capital's talented teams with capabilities within Dexu and DigitalBridge
- Clear business structure and strategy for new AMP Limited, with stronger liquidity and capital base

Key transaction elements

Component		Value
Cash proceeds		
- Sale of real estate and domestic infrastructure equity business	- A\$430 million	A\$892 million
- Sale of international infrastructure equity business	- A\$462 million	
Retained value and future performance fees and carry		
- PCCP equity stake and seed investments	- A\$208 million	A\$565 million
- Rights to future performance and carry in certain international infrastructure equity funds	- A\$57 million	
- Release of excess liquidity	- A\$300 million	
Value of Collimate Capital real estate and infrastructure equity businesses		A\$1,457 million
Proceeds from sale of infrastructure debt platform		
- Cash consideration	- A\$428 million	A\$578 million
- Retained sponsor assets and rights to carried interest	- A\$150 million	
Total value of Collimate Capital business^{1 2}		A\$2,035 million
Potential future contingent consideration		
- Maximum potential earn-out on real estate business and domestic infrastructure equity	- A\$300 million	Up to A\$480 million
- Maximum potential earn-out on international infrastructure equity	- A\$180 million	
Potential total value of Collimate Capital business with earn-outs		Up to A\$2,515 million

1. The incremental transaction and separation costs for the sale of Collimate Capital's business is approximately A\$20 million post tax.

2. AMP Limited will retain other assets that were previously part of AMP Capital including the Multi-Asset Group (MAG), its China Life AMP Asset Management (CLAMP) investment, and proceeds from the sale of the Global Equities and Fixed Income (GEFI) business.

Other considerations

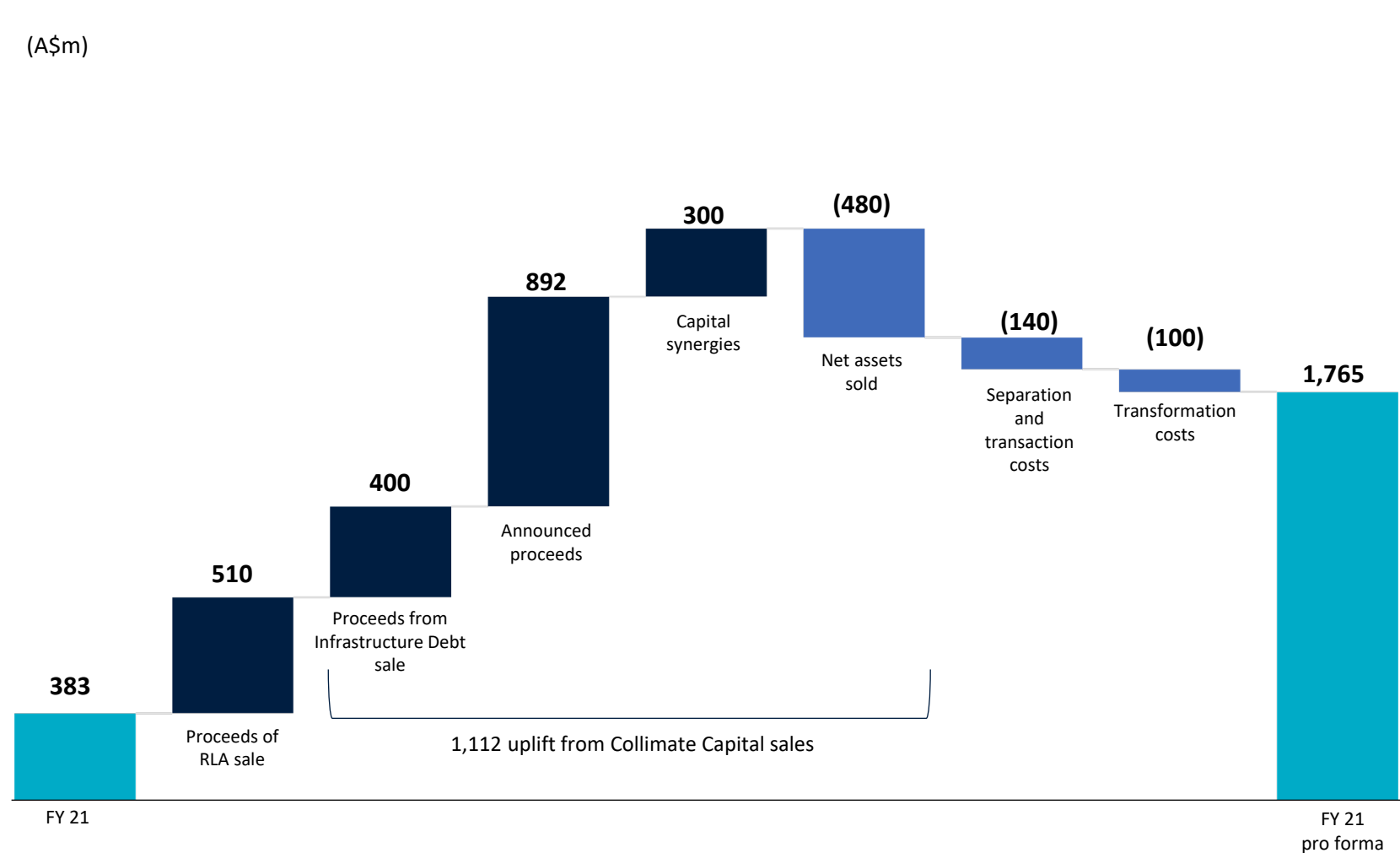
Costs and other transition impacts

- Stranded costs are expected to be in the order of A\$80 million initially, with the residual amount expected to be less than A\$20 million
- The incremental transaction and separation costs for the sale of Collimate Capital's business is approximately A\$20 million post tax.
- A further update on costs to be provided at 1H 22 results

Transitional Service Agreements

- A range of customary transitional services will be provided to each of the buyers
- These support services include technology and finance capabilities for a period that allows purchasers to complete their respective integration plans
- A brand licence agreement will facilitate the use of the AMP Capital brand during the transition phase

Capital position – FY 21 pro forma



- At 31 December 2021, total eligible capital above target requirements was A\$383m
- Key movements in the Group’s surplus capital position include:
 - Known proceeds from the sale of 20% stake in RLA (A\$510m) and gain on sale from the sale of the Infrastructure debt business (A\$400m)
 - Uplift from announced trade sales, net of total NTA attributable to the sold businesses (A\$1,112m)
 - Residual amounts are required spends to finalise the separation and facilitate the sale of the sold businesses (A\$140m) and remaining transformation costs (\$100m)
 - Capital synergies are linked to the reduction in risk-based capital required to be held against the sold businesses
 - Capital impacts exclude all future earn-out amounts (up to A\$480m)

Path to a new AMP

Streamline portfolio with a relentless focus on customers



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