# Tegel Group Holdings Limited

# Non GAAP Financial Information Policy

## Introduction and purpose

This policy sets out the way in which the Group uses and presents financial information that has not been prepared and presented in accordance with generally accepted accounting practice (GAAP). This information is described as 'non-GAAP financial information.'

The group recognises that the use of non-GAAP financial information can provide useful insights into the operations of the company and is used by both management and the Board as a key performance measure allowing for the evaluation of the underlying performance of the business and to analyse trends.

In order to provide transparency and clarity to shareholders and other users of externally presented material, this policy sets out the definitions and ways in which non-GAAP financial information can be presented.

## Underlying EBITDA

Underlying EBITDA is a non-GAAP measure used by the Group. Certain items are adjusted from earnings before interest, tax, depreciation and amortisation (EBITDA) resulting in underlying EBITDA.

The adjustments are categorised as follows:

- Fair value adjustments that are not due to, or influence, performance;
- Unrealised foreign exchange revaluations;
- Impacts on profit due to the disposal of assets;
- Impacts on profit due to one-off structural changes in the business;
- Unusual transactions by nature that are the result of a specific event or set of circumstances that are outside the control of the business, or are one-off in nature and distort management's ability to evaluate the underlying performance of the business.

## Presentation

Whenever non-GAAP financial information is presented externally, the follow criteria applies:

- A statement, or reference to a statement, is made identifying the reason the non-GAAP measure is considered relevant;
- The non-GAAP measure is not given undue prominence;
- The non-GAAP measure is clearly defined;
- The non-GAAP measure is reconciled to GAAP financial information;
- This policy is applied consistently.