

ASX Release
28 January 2021

Strong show of support from Peters Investments Pty Ltd, with conversion of \$3million of Convertible Notes and exercise of 14 million Options

Highlights:

- **Peters Investments Pty Ltd converts \$3.0 million worth of Convertible Notes, together with accrued interest on these Convertible Notes to equity and exercises 14 million Options.**
- **Conversions of Convertible Notes see \$3.121 million of debt and interest converted into 115,621,485 shares to be issued today**
- **Exercise of Options sees \$391,656 received by The Agency**
- **Peters Investments Pty Ltd will hold an interest in The Agency Group Australia Ltd of 30.24% (129,621,485 fully paid ordinary shares)**
- **The Agency balance sheet further enhanced by new funds and significant debt reduction**
- **Conversions show strong support for board, staff and agents, as strong operational and financial results continue to be achieved across all key metrics of the business (refer ASX announcement dated 22 January 2021)**
- **Rent roll and mortgage book trail has an estimated market value of \$27 million**

The Agency Group Australia Ltd (ASX:AU1) (“**The Agency**” or “**the Company**”) is pleased to advise that Peters Investments Pty Ltd (“**Peters Investments**”), the private investment vehicle of Mr Bob Peters, has shown strong support for the Agency, its strategy and long-term plans, exercising 14 million Options and converting \$3.121 million worth of Convertible Notes (and associated interest) to equity.

Commenting on the Convertible Note conversion and Options exercise, The Agency Managing Director, Mr Paul Niardone said:

“Peters Investments has shown, in a very tangible way, strong support for The Agency, its strategy and long-term plans. Peters Investments has converted 50% of his secured Convertible Notes to equity, providing the Company with a stable and financial major shareholder to support the Company on its continued growth.

Peters Investments has seen our outstanding results and is backing the board, executive team and staff to continue this strong momentum.

These conversions further enhance The Agency’s already strong balance sheet, through the conversion of \$3 million of debt to equity.”

In its recently released Half Year 2021 Update and Appendix 4C¹ The Agency confirmed that:

- Unaudited EBITDA of A\$1.6M for HY21, \$883k for Dec QTR (excl. any Govt. incentives)
- Positive operational cash flow of \$1.5M for HY21
- Combined total Group revenue of \$29M for HY21, up 15% on previous corresponding period (\$25.2M: HY20)
- Record Quarterly Combined GCI of \$21.5M for Dec QTR, \$38.1M for HY21
- Strong sales pipeline with 1,209 listings for the December quarter
- Receipts from Customers of \$34.6M for HY21 and \$19M for Dec QTR
- Cash and cash equivalents at 31st December 2020 of \$5.5M

¹ Refer ASX Announcement dated 22 January 2021.

Peters Investments Pty Ltd will hold an interest in The Agency Group Australia Ltd of 30.24% (129,621,485 fully paid ordinary shares) when the shares are issued later today.

The Agency notes commentary in various media outlets from Magnolia Equities III Pty Limited ("Magnolia") confirming that due to a number of defeating conditions having been triggered, Magnolia's takeover bid (refer ASX announcement dated 4 January 2021) will not proceed.

This announcement is released with the approval of the board of The Agency Group Australia Ltd.

ENDS

If you require further information, please contact:

Investors

The Agency Australia Ltd
Paul Niardone
T: +61 08 9204 7955

Media

Chapter One Advisors
David Tasker / Colin Jacoby
T: +61 433 112 936 / +61 439 980 359
E: dtasker@chapteroneadvisors.com.au