

ASX Release
1 February 2021

Agency achieves dual wins against Magnolia Capital / Mitchell Atkins

The Agency Group Australia Ltd (ASX:AU1) (“**The Agency**” or “**the Company**”) is pleased to advise that it has achieved significant results today in the actions brought by Mitchell Atkins and associated entities.

Federal Court Hearing held this morning – Purported administration to end today

A hearing occurred in the Federal Court this morning. As no creditors or other interested parties appeared or applied to overturn the Court’s earlier orders¹, the purported administration of AU1 will end at 4pm Perth time today.

At this hearing orders were made programming the hearing of MCL 105 Pty Ltd’s debt claim (which is disputed by AU1). That claim will now be heard on 4 March 2021.

AU1’s directors welcome the end of the purported administration and its disruptive effect on AU1 and look forward to continuing to act in the long-term interests of shareholders and other stakeholders.

The board is confident of its financial position and categorically refutes any question of insolvency.

Australian Government Takeovers Panel - declaration of unacceptable circumstances

The Takeovers Panel has today released its declaration of unacceptable circumstances and orders in relation to Magnolia’s bid².

AU1 is glad that the Takeovers Panel has acknowledged the concerns held by AU1 regarding Magnolia’s disclosure of its funding arrangements and found that Magnolia’s failure to address those matters constitutes unacceptable circumstances.

In addition, AU1 is glad to note that the Panel found that there were no unacceptable circumstances regarding AU1’s AGM and the approval of the Peters Investments funding arrangements. A copy of the Panel’s media release, declaration and orders were released to the ASX earlier today. In summary, AU1’s application was substantially successful, while Magnolia’s application was not.

Commenting, The Agency Group Managing Director said:

“This was a resounding success for The Agency Group, who have had to deal with these baseless and distractionary antics of Mitchell Atkins and Magnolia Capital.

“The Board remains resolute on continuing to deliver on its long-term strategy and deliver positive outcomes to all stakeholders, including staff, agents, clients and shareholders.

“The Agency strongly refutes any suggestions that it is insolvent. AU1’s directors are confident in their plans for the future and recent independent reviews have bolstered that confidence.

“The Company is in a strong financial position, with new major shareholder Peters Investments providing the Company with a new stable and financial major shareholder to support the Company on its continued growth.

“Mr Atkins’ comments that he may consider a future control transaction appear to be inconsistent with his assertion that AU1 is insolvent. It appears that Magnolia is still considering only what is in its own best interests and ignoring the detrimental effect of its disruptive actions on Magnolia’s own shareholding and AU1’s other shareholders.”

¹ refer ASX announcement dated 20 January 2021

² Refer ASX announcement dated 4 January 2021



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

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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