

ASX Release  
11 February 2021

## ASX Update: Financial Position and Related Matters

The Agency Group Australia Ltd (ASX:AU1) (“**The Agency**” or “**the Company**”) is pleased to advise that following receipt and review of a formal submission by the Company, the ASX has confirmed the Company has met all requirements pursuant to Listing Rule 12.2.

This announcement is intended to lift the suspension on the Company’s securities.

### Update on Financial Position

As demonstrated in the Company’s Half Year 2021 (“**HY21**”) Update and Appendix 4C (released to ASX on 22 January 2021), The Agency has reported the following:

- The Company has an unaudited EBITDA of A\$1.6 million for HY21 and \$883,000 for the December 2020 quarter (excluding any government incentives).
- The Company has positive operational cash flow of \$1.5 million for HY21.
- For HY21, the combined total Group revenue was \$29 million, up 15% on the previous corresponding period (\$25.2 million for Half Year 2020).
- The Company recorded a quarterly combined GCI of \$21.5 million for the December 2020 quarter and \$38.1 million for HY21.
- The Agency has a strong sales pipeline with 1,209 listings for the December 2020 quarter.
- The Company has cash and cash equivalents as at 31 December 2020 of \$5.5 million.

Post release of the Appendix 4C the Company finalised a new funding package<sup>1</sup> that consisted of:

- \$5 million in Convertible Notes issued to private investment company Peters Investments Pty Ltd<sup>2</sup>), the private investment vehicle of Mr Bob Peters (taking total value of Convertible Notes held to \$6 million).
- An extended \$5 million Macquarie Bank Limited primary secured debt facility (see updated terms overleaf).

The Company applied \$3.715 million of the funds received for the issue of the Convertible Notes towards reducing its finance facility with Macquarie Bank Limited to \$5 million. In Addition, the Company repaid a loan of \$0.75 million provided by Kalonda Pty Ltd as trustee for the Leibowitz Superannuation Fund.

On 28 January 2021 Peters Investments Pty Ltd exercised 14 million Options and converted \$3.121 million worth of Convertible Notes (and associated interest) to equity<sup>2</sup>. The exercise of Options saw \$391,656 cash received by The Agency.

Peters Investments Pty Ltd holds an interest in The Agency Group Australia Ltd of 30.24% (129,621,485 fully paid ordinary shares).

<sup>1</sup> Refer ASX announcement dated 5 January 2021

<sup>2</sup> Refer ASX announcement dated 28 January 2021

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## Summary of key terms and conditions of Macquarie Bank Limited Loan Agreement

Further to the Company's announcement dated 6 January 2021, the Company advises that the key terms of its loan agreement with Macquarie Bank Limited ("**Macquarie Bank**") (as amended at the beginning of January 2021) ("**Loan Agreement**") are as follows:

<b>Loan Amount</b>	\$5 million
<b>Term</b>	2 years from 4 January 2021
<b>Interest Rate</b>	8.55%
<b>Repayment Date</b>	On or before 4 January 2023
<b>Covenants by the Company</b>	<p>The Company has covenanted to Macquarie Bank that:</p> <ul style="list-style-type: none"> <li>• It will maintain a loan to value ratio ("<b>LVR</b>") based on the value of the Company's property management book (on agreed multiples applied by Macquarie Bank) as a percentage to the Company's secured debt position.</li> <li>• It will provide monthly reporting to Macquarie Bank in accordance with the terms of the Loan Agreement.</li> <li>• It will provide a compliance certificate to Macquarie Bank each month to confirm that the Company has complied with the covenants set out above and that no event of default exists in relation to the Company.</li> </ul>
<b>Termination / default provisions</b>	It is an event of default under the Loan Agreement if the total number of sales agents employed by the Company's wholly owned subsidiary, Top Level Real Estate Pty Ltd, is less than, or falls to less than 59. The Loan Agreement otherwise contains default and termination provisions considered standard for a bank facility of this nature.

The Agency is comfortably meeting the above covenants with approximately 300 Agents and its LVR obligations.

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

**ENDS**

**If you require further information, please contact:**

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### Media

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