

ASX Release
17 November 2022

THE AGENCY ACCELERATES GROWTH OPPORTUNITIES WITH STRATEGIC ALLIANCE WITH MDC TRILOGY

National real estate company The Agency Group Australia (**ASX:AU1**) (**"The Agency" or "the Company"**) has entered into a strategic alliance with MDC Trilogy Group ("MDC Trilogy") to accelerate market share growth across new and complementary geographical areas. The alliance is underpinned by a services agreement where The Agency manages property management assets purchased and owned by MDC Trilogy.

MDC Trilogy's first investment vehicle MDC Trilogy Wholesale Yield Fund I has reached financial close on its inaugural investments where it has purchased businesses with over 650 property managements across Sydney and Queensland which are now managed by The Agency.

The alliance facilitates all sales agents and team members of businesses purchased by MDC Trilogy to join The Agency. This provides a significant mechanism for market share growth.

The Agency Managing Director Geoff Lucas stated "The Agency is always looking for new and innovative ways to expand our market share and grow our agent presence. That's why we're excited to be collaborating with MDC Trilogy under a services agreement; it opens new doors to more opportunity for agents to join our business, across more markets, in more ways. It also allows continued expansion into more geographical areas across Australia in a capital efficient manner for The Agency shareholders."

"An inhibitor to agent recruitment is often an agent owning existing rent roll assets. The alliance with MDC Trilogy provides an opportunity for the agent to sell their business including rent roll assets and join The Agency as a sales agent. The business sale allows the agent to refocus on their selling strengths rather than administrative tasks that enables a focus on superior services and results to the customers."

Mr Lucas believes that with the financial backing of MDC Trilogy there is significant opportunity for The Agency to further enhance returns on its scalable operating model.

"Across Australia, there are 3.25 million rental properties which we estimate are worth near \$3 trillion dollars. This is broadly equivalent to the entire ASX listed stocks value and compared to the ASX listed funds management industry, the management of the residential rental properties has seen limited innovation over recent decades. The fragmented ownership of real estate offices across Australia means that many rent roll assets are not at sufficient scale to operate efficiently, nor can their owners appropriately invest in technology that improves the tenant and landlord experience. This is where The Agency's operating model and national presence is advantageous, and why MDC Trilogy considered us an attractive services provider for their funds management model," he said.

Mr Lucas continued, "Our partnership with MDC Trilogy is a long-term growth opportunity. These initial settlements are the first of many that we expect with MDC Trilogy, as it becomes a pillar of our broader strategy to grow our national market share through additional geographical markets and does not preclude The Agency purchasing rent roll assets directly".

Murray Darling Capital Founder Michael Birch stated "From our assessment, there is significant inherent value within Australian rent rolls. The industry is ripe for consolidation and we believe there is significant opportunity for MDC Trilogy to liberate sales agents to return to solely focus on selling while giving the property management arms of these businesses the appropriate infrastructure and system support to organically grow. This provides an opportunity to deploy significant capital in purchasing rent rolls across our target markets as we execute our strategy. MDC Trilogy chose The Agency as its key service provider because of its national reach and direct engagement model with agents.

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These factors allow us to service many geographical areas via a single agreement where we can extract efficiencies for all parties”.

Trilogy Co Founder Phillip Ryan stated “I am pleased to announce the first tranche of settlements for the MDC Trilogy Wholesale Yield Fund I. We see this as an extension of our existing managed funds operated by the Trilogy Group where we have \$1 billion under management on behalf of over 5,000 active investors. This fund is a way for our investors to gain economic exposure to the performance of a significant portfolio of property management assets held by the MDC Trilogy Group and I look forward to further settlements as we grow the portfolio”.

MDC Trilogy Group intends to continue purchasing rent rolls across areas with favourable demographics, strong rental appreciation potential and high demand from tenants and investors and is in late stage due diligence on a number of further opportunities that will be managed by The Agency.

About MDC Trilogy

MDC Trilogy Group is a joint venture between Murray Darling Capital (“MDC”) and Trilogy Funds (“Trilogy”).

About MDC

Murray Darling Capital is a corporate advisory firm and investment advisory firm. Murray Darling Capital partners maintain long standing relationships with private and institutional investors in addition to a broad array of investment advisors.

In addition to searching for investment solutions, MDC will advise clients where MDC’s capabilities can deliver debt and equity capital in addition to executing merger, privatisation, acquisitions and strategic advisory services.

About Trilogy

Trilogy Funds is one of Australia’s leading fund managers and financiers of property-based investments who have been building wealth together with Australian investors, advisers, developers and brokers for over 24 years. Trilogy has over \$1 billion in funds under management on behalf of over 5,000 active investors.

Trilogy Funds has more than 50 team members with broad experience across investment products, property acquisition, management and development, loan and portfolio management, investor relations, treasury, marketing, finance, operations and human resources.

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Announcement authorised for release by the Board of The Agency Group Australia Limited.

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