



ASX ANNOUNCEMENT

31 July 2018

The Manager
Company Announcements Office
ASX Limited
Level 4, 20 Bridge St
Sydney NSW 2000

Extraordinary General Meeting – Address by Chair

Attached is a copy of the address to be given by the Chair at the Extraordinary General Meeting of McGrath Limited (ASX:MEA), to be held today.

For further information:

Investors

Geoff Lucas (CEO) / Glynn Wright (CFO)
02 9386 3333

Media

Terri Sissian
0419 881 414

About McGrath:

McGrath Limited (ASX: MEA) has grown to be an integrated real estate services business, offering agency sales, property management, mortgage broking and career training services. McGrath Estate Agents currently has 94 offices located throughout the East Coast of Australia. For further information, please visit www.mcgrath.com.au.

Extraordinary General Meeting, 31 July 2018 – Address by the Chair

Good afternoon, I'm Peter Lewis, Chair of the Board of Directors of McGrath Limited and as this is my first general meeting – as it is for all of the directors except John – please accept my welcome to you all.

Ladies and gentlemen it is now 2:00pm, the appointed time for the holding of the Meeting and I am advised that the necessary quorum is present.

I therefore declare this Extraordinary General Meeting of the shareholders of McGrath Limited open and formally welcome each of our shareholders here today. This is a single purpose meeting, so we will keep the proceedings as efficient as possible.

I would like to point out the Emergency exits which are where you entered the room.

Before I proceed with the business of the Meeting, I would like to introduce my fellow Directors:

- Founder and Executive Director, John McGrath; and
- Non-Executive Directors, Andrew Robinson and Wayne Mo, both of whom have joined the Board since the last meeting of shareholders.

Also present today is:

- McGrath Chief Executive Officer, Geoff Lucas;
- McGrath Chief Financial Officer, Glynn Wright; and
- McGrath Company Secretary, Melissa Jones.

The meeting is being held to seek your approval for the second tranche of a \$10.7 million strategic investment in McGrath by AL Capital Holding Pty Ltd as trustee of the AL Capital No1 Unit Trust, which is part of the Aqualand Group.

The investment by Aqualand will provide McGrath with additional capital and resources to grow and expand to benefit you, our valued Shareholders.

Under the first tranche, which has now been completed, Aqualand acquired a stake of 8.7% in McGrath.

This second tranche will give Aqualand a further interest of 6.3% in the Company, making Aqualand the second largest shareholder with a 15% relevant interest.

Aqualand is one of Australia's highest quality property development and investment groups with a portfolio of 18 sites with a collective gross development value of approximately \$5 billion.

I would like to add, that since the completion of the first tranche of shares, the respective management teams of Aqualand and McGrath have begun working collaboratively on several activities and whilst it is too early for direct financial outcomes, these first steps have been beneficial.

We have today announced an impairment which relates primarily to assets acquired in 2015, however pleasingly we have been able to reaffirm underlying guidance for the 2018 Financial Year. For the 2019 Financial Year, the recent changes in the management of your company are having a positive impact and good momentum is being achieved, albeit in a weakened overall market. We can provide more details on the conditions and outlook at the annual results presentation on 20 August 2018.

We now come to the more formal consideration of the matters before the Meeting today.

-Ends-

For further information, please contact:

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Geoff Lucas CEO / Glynn Wright CFO
02 9386 3333

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