

McGrath partners with Honey Insurance

January 27, 2022 - McGrath Limited (ASX: MEA) (**McGrath**) today announced a strategic partnership and investment in insurtech company, Honey Insurance Pty Limited (**Honey**). This continues McGrath's pivot towards leading edge technology solutions and partnerships.

Honey's digital home and contents insurance service will provide McGrath's clients, including homeowners, landlords and renters, an innovative and comprehensive insurance service to protect their assets.

Mr Eddie Law, McGrath CEO said, "Our partnership with Honey Insurance further enhances McGrath's digital product offering for our clients. Honey will give McGrath's clients access to a unique customer proposition for home, contents and landlord insurance powered by smart, simple technology. This will simplify the insurance process experience for our clients at competitive pricing.

"Our investment in Honey follows the strategic move to digitise the Oxygen home loan business. It is a further example of servicing our clients by combining brilliant talent and advanced technology", he added.

The Honey investment and partnership entails:

- Investment of \$6.5 million in Honey through a Convertible Note with a maturity date of 31 December 2023 which:
 - At Honey's next qualifying raise will convert to equity at a discount to the then current market value of Honey, or
 - At maturity, at McGrath's option, is either redeemable or converts to equity.
- A referral agreement for Honey insurance products through the McGrath company-owned business.

Honey was launched in June 2021 and includes a number of high-profile distribution partners who will create tech-focussed solutions to offer home insurance to their customers.

Mr Richard Joffe, Founder and CEO of Honey said, "Home insurance is a \$10 billion market in Australia and Honey is pioneering to offer proactive technology and services to help reduce risk to our customers' homes.

“Our tech driven approach offers home insurance that’s easy to use and protects customers through innovative home monitoring and maintenance. We are thrilled to partner with McGrath who will become a key part of the Honey journey, giving their customers access to a better, smarter deal for home and contents insurance”, he concluded.

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Authorised for release by McGrath Board of Directors

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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 108 offices located across the East Coast of Australia. For further information, please visit www.mcgrath.com.au.

About Honey:

Honey is smart home insurance on a mission to eliminate the majority of avoidable accidents that happen in the home. Honey gives customers \$250 of technology upfront, and ongoing services to keep homes safer when they sign up for house and contents insurance. Honey then rewards them with a lower price on their insurance for being safer.

Honey raised \$15.5 million, the largest seed investment in Australian tech history. This funding was from industry leaders such as AGL, Metricon, Mirvac, and PEXA. It also received the start-up stamp of approval from founders of leading Australian tech companies including Afterpay, Airtasker and Zip who invested in Honey personally. Honey is underwritten by RACQ, one of the most trusted insurance companies in Australia. For further information, please visit www.honeyinsurance.com.