

2023 Annual General Meeting

Friday, 13 October 2023 - McGrath Limited (ASX: MEA) (**McGrath**) attaches the following documents in relation to McGrath's Annual General Meeting to be held on Thursday, 16 November 2023 at McGrath, 270 Clovelly Road, Coogee NSW 2034, commencing at 1.00pm (AEDT):

- Notice of Meeting
- Proxy Form
- Shareholder Question Form

-Ends-

This announcement is authorised for release by McGrath's Board of Directors.

For further information, please contact:

Investors

Howard Herman CFO
02 9386 3333

Media

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About McGrath:

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



McGrath Limited

Notice of 2023 Annual General Meeting

1.00pm (AEDT) on Thursday, 16 November 2023

McGrath

13 October 2023

Dear Shareholder,

McGrath Limited 2023 Annual General Meeting

On behalf of the Directors of McGrath Limited (**McGrath** or the **Company**), I am pleased to invite you to attend the 2023 Annual General Meeting (**AGM** or **Meeting**) of the Company.

The Company's 2023 AGM will be held on Thursday, 16 November 2023 at McGrath, 270 Clovelly Road, Coogee NSW 2034, commencing at 1.00pm (AEDT).

If you are unable to attend the Meeting in person, you can watch the Meeting via the live webcast available at <https://mcgrath.zoom.us/j/87253111977?pwd=ysxEfQkQGChbsDXbYb4gcpaR8yzYMG.1>.

Pre-registration for the webcast is available at https://mcgrath.zoom.us/webinar/register/WN-BPrg7DWS7qzUkcle_WqsA. Although shareholders and proxy holders will be able to ask questions on the live webcast, they are unable to vote via the webcast to reduce the costs of Meeting.

An electronic copy of the Notice of Meeting can be viewed or downloaded at <https://www.mcgrath.com.au/about/investorcentre>.

Shareholders will also be able to ask questions of the Board and our external auditor:

- by attending the Meeting in person; or
- before the AGM:
 - by submitting the AGM Question Form; or
 - by lodging questions online at www.linkmarketservices.com.au.

If you are attending the AGM, please bring your Proxy Form with you to facilitate a faster registration. If you are unable to attend the AGM, I encourage you to complete and return the enclosed Proxy Form no later than 1.00pm (AEDT) on Tuesday, 14 November 2023, being 48 hours before the AGM, in one of the ways specified in the Notice of Meeting and the Proxy Form.

I also encourage you to read the Notice of Meeting (including the Explanatory Memorandum) and the Proxy Form and consider directing your proxy how to vote on each resolution by marking either the **For** box, the **Against** box or the **Abstain** box on the Proxy Form.

Subject to the abstentions noted in the Explanatory Memorandum, the Directors of McGrath unanimously recommend that shareholders vote in favour of all resolutions.

Thank you for your continued support of McGrath and I look forward to your attendance.

Yours faithfully,



Peter Lewis
Chair

NOTICE OF ANNUAL GENERAL MEETING

Notice is given that the Annual General Meeting (**AGM** or **Meeting**) of shareholders of McGrath Limited (**McGrath** or the **Company**) will be held:

Date: Thursday, 16 November 2023
Time: 1.00pm (AEDT)
Venue: McGrath, 270 Clovelly Road, Coogee NSW 2034

If you are unable to attend the Meeting in person, you can still view the Meeting proceedings (but not vote at the Meeting) on our live webcast at

<https://mcgrath.zoom.us/j/87253111977?pwd=ysxEfQkQGChbsDXbYb4gcpaR8yzYMG.1>.

The Explanatory Memorandum accompanying this Notice of Meeting provides additional information on matters to be considered at the AGM. The Explanatory Memorandum, Entitlement to Attend and Vote section and Proxy Form are part of this Notice of Meeting.

1. CONSIDERATION OF REPORTS

The first item of business is to receive and consider the Financial Report, the Directors' Report, and the Independent Auditor's Report (**Reports**) of the Company for the financial year ended 30 June 2023.

All shareholders can view the Company's Annual Report which contains the Financial Report, the Directors' Report and the Independent Auditor's Report of the Company for the year ended 30 June 2023 on the Company's website at <https://www.mcgrath.com.au/about/investorcentre>.

Shareholders are not required to vote on this item. However, during the discussion on this item at the AGM, shareholders will be given an opportunity to ask questions about, and make comments on, McGrath's 2023 Annual Report.

QUESTIONS AND COMMENTS

Following consideration of the Reports, the Chair of the Meeting will give shareholders a reasonable opportunity to ask questions about, or comment on the management of the Company.

The Chair of the Meeting will also give shareholders a reasonable opportunity to ask the Auditor questions relevant to:

- a) the conduct of the audit;
- b) the preparation and content of the Independent Auditor's Report;
- c) the accounting policies adopted by the Company in relation to the preparation of the financial statements; and
- d) the independence of the Auditor in relation to the conduct of the audit.

The Chair will also give the Auditor a reasonable opportunity to answer written questions submitted by shareholders that are relevant to the content of the Independent Auditor's Report or the conduct of the audit. A list of relevant written questions submitted by shareholders will be made available at the start of the AGM and any written answer tabled by the Auditor at the AGM will be made available as soon as practicable after the Meeting.

2. ITEMS FOR APPROVAL

Resolution 1 Re-election of Director – Shane Smollen

To consider and, if thought fit, pass the following as an **ordinary resolution** of the Company:

"That Shane Smollen, who retires in accordance with rule 4.7(b) of the Company's Constitution and being eligible for election, is re-elected as a Director of the Company."

Resolution 2 Remuneration Report

To consider and if thought fit, pass the following as a **non-binding ordinary resolution** of the Company:

“That the Company’s Remuneration Report for the year ended 30 June 2023, as set out in the Directors’ Report, be adopted.”

The Remuneration Report is contained in the 2023 Annual Report and is available on the Company’s website at <https://www.mcgrath.com.au/about/investorcentre>. Please note that in accordance with section 250R(3) of the *Corporations Act 2001* (Cth) (**Corporations Act**), the vote on this resolution is advisory only and does not bind the Directors or the Company.

Voting Exclusion Statement

A vote on Resolution 2 must not be cast (in any capacity) by, or on behalf of, the following persons:

- a) a member of the Key Management Personnel (**KMP**) whose remuneration details are included in the 2023 Remuneration Report; or
- b) a closely related party of such a KMP (including close family members and companies the KMP controls).

However, a person described above may cast a vote on Resolution 2 as a proxy if the vote is not cast on behalf of a person described above and either:

- a) the proxy appointment is in writing that specifies the way the proxy is to vote (e.g., for, against, abstain) on the resolution; or
- b) the vote is cast by the Chair of the Meeting and the appointment of the Chair as proxy:
 - i) does not specify the way the proxy is to vote on the resolution; and
 - ii) expressly authorises the Chair to exercise the proxy even if the resolution is connected directly or indirectly with the remuneration of a member of the KMP.

“Key management personnel” and “closely related party” have the same meaning as set out in the *Corporations Act*.

In accordance with section 250BD of the *Corporations Act*, a vote must not be cast on Resolution 2 as a proxy by a member of the KMP at the date of the AGM, or a closely related party of those persons, unless it is cast as proxy for a person entitled to vote in accordance with their directions. This restriction on voting undirected proxies does not apply to the Chair of the Meeting where the proxy appointment expressly authorises the Chair to exercise undirected proxies even if the resolution is connected, directly or indirectly, with the remuneration of the KMP.

Resolution 3 Approval of Additional Share Issue Capacity under ASX Listing Rule 7.1A

To consider and, if thought fit, pass the following as a **special resolution** of the Company:

“That, pursuant to with ASX Listing Rule 7.1A and for all other purposes, the shareholders of the Company approve the issue of equity securities up to 10% of the issued capital of McGrath Limited (at the time of issue) calculated in accordance with the formula prescribed in ASX Listing Rule 7.1A.2 and on the terms and conditions outlined in the Explanatory Memorandum which forms part of the Notice of Meeting.”

At the time of despatching this Notice, the Company is not proposing to make an issue of equity securities under ASX Listing Rule 7.1A.2. Accordingly, a voting exclusion statement is not required in accordance with ASX Listing Rule 14.11.1.

BY ORDER OF THE BOARD OF DIRECTORS



Melissa Jones
Company Secretary
13 October 2023

ENTITLEMENT TO ATTEND AND VOTE

In accordance with regulation 7.11.37 of the *Corporations Regulations 2001* (Cth), the Board has determined that persons who are registered holders of shares of the Company as at 7.00pm (AEDT) on Tuesday, 14 November 2023, being two days before date of the AGM, will be entitled to attend and vote at the AGM as a shareholder.

If more than one joint holder of shares is present at the AGM (whether personally, by proxy or by attorney or by representative) and tenders a vote, only the vote of the joint holder whose name appears first on the register will be counted.

Appointment of Proxy

If you are a shareholder entitled to attend and vote, you may appoint an individual or a body corporate as a proxy. If a body corporate is appointed as a proxy, that body corporate must ensure that it appoints a corporate representative in accordance with section 250D of the Corporations Act to exercise its powers as proxy at the AGM.

A proxy need not be a shareholder of the Company.

A shareholder may appoint up to two proxies and specify the proportion or number of votes each proxy may exercise. If the shareholder does not specify the proportion or number of votes to be exercised, each proxy may exercise half of the shareholder's votes.

To be effective, the proxy must be received at the Share Registry of the Company no later than 1.00pm (AEDT) on Tuesday, 14 November 2023, being 48 hours before the AGM. Proxies must be received before that time by one of the following methods:

- | | |
|-------------------------------|--|
| By post: | McGrath Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia |
| Online (preferred): | Log onto https://investorcentre.linkgroup.com and follow the instructions. You will need to put your Securityholder Reference Number (SRN) or Holder Identification Number (HIN), details and postcode. |
| By facsimile: | (02) 9287 0309 (within Australia); or
+61 2 9287 0309 (from outside Australia) |
| By delivery in person: | Link Market Services Limited*
Parramatta Square, Level 22, Tower 6
10 Darcy Street
Parramatta NSW 2150 |

*during business hours Monday to Friday (9:00am - 5:00pm)

To be valid, a Proxy Form must be received by the Company in the manner stipulated above. The Company reserves the right to declare invalid any proxy not received in this manner.

Power of Attorney

A Proxy Form and the original power of attorney (if any) under which the Proxy Form is signed (or a certified copy of that power of attorney or other authority) must be received by the Company no later than 1.00pm (AEDT) on Tuesday, 14 November 2023, being 48 hours before the AGM.

Corporate Representatives

A body corporate which is a shareholder, or which has been appointed as a proxy, is entitled to appoint any person to act as its representative at the AGM. The appointment of the representative must comply with the requirements under section 250D of the Corporations Act. The representative should bring to the AGM a properly executed letter or other document confirming its authority to act as the company's representative. A *Certificate of Appointment of Corporate Representative* form may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

IMPORTANT: If you appoint the Chair of the Meeting as your proxy, or the Chair becomes your proxy by default, and you do not direct your proxy how to vote on Resolution 2 (Remuneration Report), then by submitting the Proxy Form you will be expressly authorising the Chair to exercise your proxy on Resolution 2, even though the resolution is connected, directly or indirectly, with the remuneration of the KMP.

Voting at the Meeting

In accordance with the ASX Listing Rules, voting on all resolutions will be conducted by way of a poll rather than a show of hands.

SHAREHOLDER QUESTIONS

Shareholders who are unable to attend or watch the Meeting or who may prefer to register questions in advance are invited to do so. Please log onto www.linkmarketservices.com.au, select 'Voting' then click 'Ask a Question', or alternatively submit the AGM Question Form.

To allow time to collate questions and prepare answers, please submit any questions by 1.00pm (AEDT) on Thursday, 9 November 2023, being no later than the fifth business day before the AGM is held. Questions will be collated, and, during the AGM, the Chair will seek to address as many of the more frequently raised topics as possible. However, there may not be sufficient time available at the AGM to address all topics raised. Please note that individual responses will not be sent to shareholders.

If you are unable to attend the Meeting, there will be a live webcast of the Meeting at <https://mcgrath.zoom.us/j/87253111977?pwd=ysxEfQkQGChbsDXbYb4gcpaR8yzYMG.1>. You can pre-register at https://mcgrath.zoom.us/webinar/register/WN_-BPrg7DWS7qzUkcle_WqsA. Shareholders and proxy holders will be able to ask questions through the live webcast however are unable to vote via the webcast.

CONDUCT OF MEETING

McGrath is committed to ensuring that its shareholder meetings are conducted in a manner which provides those shareholders (or their proxy holders) who attend the Meeting, with the opportunity to participate in the business of the Meeting in an orderly fashion and to ask questions about and comment on matters relevant to the business of the Meeting or about the Company generally.

McGrath will not allow conduct at any shareholder meeting which is discourteous to those who are present at the meeting, or which in any way disrupts or interferes with the proper conduct of the Meeting. The Chair of the Meeting will exercise his powers as the Chair to ensure that the Meeting is conducted in an orderly and timely fashion, in the interests of all attending shareholders.

EXPLANATORY MEMORANDUM

This Explanatory Memorandum has been prepared for the information of shareholders of the Company (**shareholders**) in relation to the business to be conducted at the Company's AGM to be held on Thursday, 16 November 2023 at 1.00pm (AEDT).

The purpose of this Explanatory Memorandum is to provide shareholders with information that is reasonably required by shareholders to decide how to vote upon the resolutions.

Subject to the abstentions noted below, the Directors unanimously recommend shareholders vote in favour of all Resolutions. The Chair of the Meeting intends to vote all available undirected proxies in favour of each Resolution.

Resolution 1 is an ordinary resolution, which requires a simple majority of votes cast by shareholders present and entitled to vote on the resolution. Resolution 2, relating to the Remuneration Report, is advisory and does not bind the Directors or the Company. Resolution 3 is to be voted on as a special resolution. For a special resolution to be passed, at least 75% of the votes cast by shareholders present and entitled to vote on the resolution must be in favour of the resolution.

1. FINANCIAL STATEMENTS AND REPORTS

The Corporations Act requires the Financial Report, Directors' Report and Auditor's Report for the past financial year (**Reports**) to be tabled before the AGM, and the Company's Constitution provides for such reports to be received and considered at that Meeting. Neither the Corporations Act nor the Company's Constitution requires a vote of shareholders at the AGM on the Reports. The AGM provides a forum for shareholders to ask questions and make comments on the Company's Reports and accounts and on the business and operations of the Company for the year ended 30 June 2023.

Following consideration of the Financial Statements and Reports, the Chair will give shareholders a reasonable opportunity to ask questions about or comments on the business of the Meeting, the management of the Company or about the Company generally.

The Company's external Auditor, KPMG, will attend the Meeting and there will be a reasonable opportunity for shareholders to ask the Auditor questions relevant to:

- the conduct of the audit;
- the content of the auditor's report;
- the accounting policies adopted by the Company for the preparation of the financial statements; and
- the auditor's independence in relation to the above items.

The Chair will also give the Auditor a reasonable opportunity to answer written questions submitted by shareholders that are relevant to the content of the Independent Auditor's Report or the conduct of the audit.

Shareholders may view or download the Company's 2023 Annual Report from the Company's website at <https://www.mcgrath.com.au/about/investorcentre>.

Resolution 1 Re-Election of Director – Shane Smollen

Resolution 1 is an ordinary resolution, which requires a simple majority of votes cast by shareholders present and entitled to vote on the resolution.

Shane Smollen was appointed a Non-Executive Director of the McGrath Board on 3 September 2020. In accordance with clause 4.7(b) of the Company's Constitution, Mr Smollen retires from office at the conclusion of the AGM and is eligible for re-election as a Director of the Company. If shareholders do not approve the election of Mr Smollen, then Mr Smollen will cease to be a Director at the conclusion of the Meeting.

ASX Listing Rule 14.4 provides that a director of an entity must not hold office (without re-election) past the third annual general meeting following the director's appointment or 3 years, whichever is longer.

Mr Smollen is a member of the Remuneration and Nomination Committee.

Mr Smollen was appointed to the McGrath Board with a depth of property experience and a focus on results, leadership and ethics. Having owned one of the country's leading franchise networks prior to selling to McGrath in 2015, Mr Smollen turned his focus to property development.

As a director of Central Element, Mr Smollen has been heavily involved in developing premium residential, commercial and hotel projects across Sydney and regional centres.

Mr Smollen holds a Bachelor of Business from Queensland University of Technology.

Mr Smollen is not considered independent as he is a substantial shareholder of the Company and continues to advise McGrath's sales management team with a focus on productivity and revenue growth.

Prior to submitting himself for re-election, Mr Smollen confirmed that he would continue to have sufficient time to properly fulfil his director's duties for McGrath.

The Board supports the election of Mr Smollen as a non-executive director as he provides a valuable contribution to the Board and the Company, specifically in relation to management and real estate industry matters.

For the reasons set out above, the Directors, with Mr Smollen abstaining, unanimously recommend shareholders vote in favour of Resolution 1.

Resolution 2 Remuneration Report

Section 250R(2) of the Corporations Act requires that the section of the Directors' Report dealing with the remuneration of Directors and key management personnel (**KMP**) of the Company (**Remuneration Report**) be put to the vote of shareholders for adoption by way of a non-binding vote. The vote on this resolution is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into account in setting remuneration policy for future years.

Shareholders can view the full Remuneration Report in the Company's 2023 Annual Report which is available on the Company's website at <https://www.mcgrath.com.au/about/investorcentre>.

Following consideration of the Remuneration Report, the Chair of the Meeting will give shareholders a reasonable opportunity to ask questions about, or make comments on, the Remuneration Report.

Noting that each director has a personal interest in their own remuneration from the Company as set out in the Remuneration Report, the Directors unanimously recommend Shareholders vote in favour of Resolution 2.

Resolution 3 Approval of additional share issue capacity under ASX Listing Rule 7.1A

Resolution 3 is a special resolution and can only be passed if at least 75% of the votes cast, in person or by proxy, by members who are entitled to vote on the resolution, vote in favour.

ASX Listing Rule 7.1 generally limits the amount of equity securities that a listed entity can issue without the approval of its shareholders over any 12-month period to 15% of the fully paid ordinary securities it had on issue at the start of that period.

However, under ASX Listing Rule 7.1A, eligible listed companies may seek shareholder approval by special resolution to issue equity securities equivalent to an additional 10% of the number of ordinary securities on issue by way of placement over a 12-month period (**10% placement capacity**). This is in addition to the existing 15% placement capacity permitted by ASX Listing Rule 7.1.

A company is eligible to seek shareholder approval for this additional placement capacity under ASX Listing Rule 7.1A if it satisfies both of the following criteria at the date of the AGM:

- a) it has a market capitalisation of \$300 million or less; and
- b) it is not included in the S&P/ASX 300 Index.

The Company currently satisfies both the above criteria, and it is anticipated that it will satisfy both these criteria at the date of the AGM. If on the date of the AGM, McGrath no longer meets this eligibility criteria, this Resolution 3 will be withdrawn.

The Company previously obtained the same approval under ASX Listing Rule 7.1A at the previous AGM on 22 November 2022 and has not used the additional 10% placement capacity during the 12-month period after that date.

Accordingly, Resolution 3 is seeking approval of shareholders by special resolution for the issue of up to the number of equity securities as calculated under the formula set out in ASX Listing Rule 7.1A.2, at an issue price as permitted by ASX Listing Rule 7.1A.3, to such persons as the Board may determine, on the terms as described in this Explanatory Memorandum.

Approval of Resolution 3 does not oblige the Company to conduct a placement or use the additional 10% placement capacity. The approval would provide the Company with additional flexibility and an ability to move quickly in the event that an opportunity arose which required additional capital.

At the date of this Notice of Meeting, the Company has on issue 159,177,508 fully paid ordinary shares and a capacity to issue:

- a) 23,876,626 (159,177,508 x 15%) equity securities under ASX Listing Rule 7.1; and
- b) 15,917,751 (159,177,508 x 10%) equity securities under ASX Listing Rule 7.1A.

The actual number of equity securities that the Company will have capacity to issue under ASX Listing Rule 7.1A will be calculated at the date of issue of the equity securities in accordance with the formula prescribed in ASX Listing Rule 7.1A.2.

If shareholders approve Resolution 3, the effect will be to allow McGrath to issue equity securities under ASX Listing Rule 7.1 up to 15% capacity for ASX Listing Rule 7.1 and an additional 10% placement capacity for ASX Listing Rule 7.1A without further shareholder approval.

If shareholders do not approve Resolution 3, McGrath will not be able to access the additional 10% placement capacity to issue equity securities without shareholder approval under ASX Listing Rule 7.1A and will remain subject to the 15% capacity limit on issuing equity securities without shareholder approval under ASX Listing Rule 7.1.

The proposed allottees of any equity securities under the additional 10% placement capacity are not as yet known or identified. In these circumstances, shareholders must consider the proposal on the basis that they may or may not get a benefit and that it is possible that their holding will be diluted and there is no reason to exclude their votes.

Information required by ASX Listing Rule 7.3A

For the purposes of ASX Listing Rule 7.3A, the following information is provided:

- If any of the securities being approved by this Resolution 3 are issued, they will be issued during the 10% placement period, that is, within 12 months of the date of the AGM (i.e., by 16 November 2024). The approval being sought under Resolution 3 will cease to be valid on the earlier of either of the following events occurring:
 - the time and date of the Company's next AGM; or
 - if ordinary shareholders approve a transaction under ASX Listing Rules 11.1.2 (a significant change to the nature or scale of activities) or 11.2 (disposal of main undertaking).
- The minimum price at which the equity securities will be issued for cash consideration per security which is not less than 75% of the volume weighted average market price for ordinary shares calculated over the 15 trading days on which trades are recorded immediately before:
 - the date on which the price at which the securities are to be issued is agreed by the Company and the recipient of the securities; or
 - if the securities are not issued within 10 trading days of the date in the paragraph above, the date on which the securities are issued.
- The Company may seek to issue the equity securities to facilitate an acquisition of new assets or investments (including expenses associated with such acquisition), continued development of the Company's current assets and/or general working capital.
- If Resolution 3 is approved by shareholders and the Company issues equity securities under the 10% placement capacity, the existing ordinary shareholders face the risk of economic and voting dilution as a result of the issue of equity securities which are the subject of this Resolution, to the extent that such equity securities are issued, including the risk that:
 - the market price of equity securities may be significantly lower on the issue date than on the date on which this approval is being sought; and

- the equity securities may be issued at a price that is at a discount to the market price for those equity securities on the issue date,

which may have an effect on the amount of funds raised by the issue of the equity securities.

- The following table gives examples of the potential dilution of existing ordinary shareholders calculated as at the date of this Notice using the current market price of shares and the current number of ordinary securities for variable “A” in the formula in ASX Listing Rule 7.1A.2.
- The table also shows:
 - two examples where variable “A” has increased by 50% and 100%. Variable “A” is based on the number of fully paid ordinary securities the Company has on issue. The number of fully paid ordinary securities on issue may increase as a result of issues of fully paid ordinary securities that do not require shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under ASX Listing Rule 7.1 that are approved at a future shareholders’ meeting; and
 - two examples of where the issue price of fully paid ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Variable A as per ASX Listing Rule 7.1A2	Dilution			
	Issue price (per Share)	\$0.19 50% decrease in Issue Price	\$0.38 Issue Price	\$0.76 100% increase in Issue Price
Current Variable A 159,177,508 shares	10% voting dilution	15,917,751 shares issued	15,917,751 shares issued	15,917,751 shares issued
	Funds raised	\$3,024,372.65	\$6,048,745.30	\$12,097,490.61
50% increase in Current Variable A 238,766,262 shares	10% voting dilution	23,876,626 shares issued	23,876,626 shares issued	23,876,626 shares issued
	Funds raised	\$4,536,558.98	\$9,073,117.96	\$18,146,235.91
100% increase in Current Variable A 318,355,016 shares	10% voting dilution	31,835,502 shares issued	31,835,502 shares issued	31,835,502 shares issued
	Funds raised	\$6,048,745.30	\$12,097,490.61	\$24,194,981.22

- The table has been prepared on the following assumptions:
 - the Company issues the maximum number of equity securities available under the 10% placement capacity in ASX Listing Rule 7.1A;
 - no unlisted Performance Rights vest before the date of issue of ordinary shares under ASX Listing Rule 7.1A;
 - the 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%;
 - the table does not show an example of dilution that may be caused to a particular shareholder by reason of placements under the 10% placement capacity, based on that shareholder’s holding at the date of the AGM;

- the table shows only the effect of issues of equity securities under ASX Listing Rule 7.1A, not under the 15% placement capacity under ASX Listing Rule 7.1;
- the issue of equity securities under the 10% placement capacity consists only of shares; and
- the issue price is \$0.38 per share, being the closing price of the shares on ASX on 27 September 2023.
- The Company will comply with the disclosure obligations under ASX Listing Rule 7.1A.4 upon issue of any equity securities.
- The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to the 10% placement capacity. The identity of allottees of any equity securities that may be issued have not been determined as at the date of this Notice but may include existing shareholders and/or parties who are not currently shareholders and are not related parties or associates of the Company. Any potential allottees will be determined on a case-by-case basis having regard to factors including, but not limited to, the following:
 - the methods of raising funds available to the Company (including but not limited to, rights issue or other issues in which existing security holders can participate), while balancing interest from potential allottees with the interests of existing shareholders;
 - the effect of the issue of equity securities on the control of the Company and balancing the interests of existing shareholders. Allocation will be subject to takeover thresholds;
 - the financial situation and solvency of the Company and its need for working capital at any given time; and
 - advice from corporate, financial and broking advisors (if applicable).
- The Company has not previously issued or agreed to issue equity securities under ASX Listing Rule 7.1A.2 in the 12 months preceding the AGM.

The Directors unanimously recommend shareholders vote in favour of Resolution 3.

LODGE YOUR VOTE



ONLINE

<https://investorcentre.linkgroup.com>



BY MAIL

McGrath Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



BY FAX

+61 2 9287 0309



BY HAND

Link Market Services Limited
Parramatta Square, Level 22, Tower 6,
10 Darcy Street, Parramatta NSW 2150



ALL ENQUIRIES TO

Telephone: 1300 554 474

Overseas: +61 1300 554 474



X99999999999

PROXY FORM

I/We being a member(s) of McGrath Limited and entitled to attend and vote hereby appoint:

APPOINT A PROXY

☐ the Chair of the Meeting (mark box)

OR if you are **NOT** appointing the Chair of the Meeting as your proxy, please write the name and email of the person or body corporate you are appointing as your proxy.

Name

Email

or failing the person or body corporate named, or if no person or body corporate is named, the Chair of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **1:00pm (AEDT) on Thursday, 16 November 2023 at McGrath, 270 Clovelly Road, Coogee NSW 2034 (the Meeting)** and at any postponement or adjournment of the Meeting.

A live webcast of the Meeting will be available at: <https://mcgrath.zoom.us/j/87253111977?pwd=ysxEfQkQGChbsDXbYb4gcpaR8yzYMG.1>. Information about the webcast, how to register for the webcast and how to view the Meeting online is available in the Notice of the Meeting.

Important for Resolution 2: If the Chair of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chair of the Meeting to exercise the proxy in respect of Resolution 2, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chair of the Meeting intends to vote undirected proxies in favour of each item of business.

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.

Please read the voting instructions overleaf before marking any boxes with an ☒

Resolutions

For Against Abstain*

- 1 Re-election of Director – Shane Smollen
- 2 Remuneration Report
- 3 Approval of Additional Share Issue Capacity under ASX Listing Rule 7.1A

<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>



* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a poll and your votes will not be counted in computing the required majority on a poll.

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)

Joint Shareholder 2 (Individual)

Joint Shareholder 3 (Individual)

Sole Director and Sole Company Secretary

Director/Company Secretary (Delete one)

Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).

MEA PRX2301N

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chair of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chair of the Meeting as your proxy, please write the name and email of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIR OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chair of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chair of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

- (a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and
- (b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry together with an original or certified copy of any authority under which the power of attorney was signed or executed. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" must be received at vote@linkmarketservices.com.au prior to admission in accordance with the Notice of Annual General Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below by **1:00pm (AEDT) on Tuesday, 14 November 2023**, being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:



ONLINE

<https://investorcentre.linkgroup.com>

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" - Securityholder Reference Number (SRN) or Holder Identification Number (HIN).



BY MOBILE DEVICE

Our voting website is designed specifically for voting online. You can now lodge your proxy by scanning the QR code adjacent or enter the voting link <https://investorcentre.linkgroup.com> into your mobile device. Log in using the Holder Identifier and postcode for your shareholding.

QR Code



To scan the code you will need a QR code reader application which can be downloaded for free on your mobile device.



BY MAIL

McGrath Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235
Australia



BY FAX

+61 2 9287 0309



BY HAND

delivering it to Link Market Services Limited*
Parramatta Square
Level 22, Tower 6
10 Darcy Street
Parramatta NSW 2150

*during business hours Monday to Friday (9:00am - 5:00pm)

<https://investorcentre.linkgroup.com>



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C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia



+61 2 9287 0309



Link Market Services Limited
Parramatta Square, Level 22, Tower 6,
10 Darcy Street, Parramatta NSW 2150



Telephone: 1300 554 474

Overseas: +61 1300 554 474



Please use this form to submit any questions about McGrath Limited (“the Company”) that you would like us to respond to at the Company’s 2023 Annual General Meeting. Your questions should relate to matters that are relevant to the business of the meeting, as outlined in the accompanying Notice of Meeting and Explanatory Memorandum. If your question is for the Company’s auditor it should be relevant to the content of the auditor’s report, or the conduct of the audit of the financial report.

This form must be received by the Company's share registrar, Link Market Services Limited, by **1.00pm (AEDT) on Thursday, 9 November 2023.**

Questions will be collated. During the course of the Annual General Meeting, the Chair of the Meeting will endeavour to address as many of the more frequently raised shareholder topics as possible and, where appropriate, will give a representative of the Company's auditor, the opportunity to answer written questions submitted to the auditor. However, there may not be sufficient time available at the meeting to address all topics raised. Please note that individual responses will not be sent to shareholders.

My question relates to *(please mark the most appropriate box)*

- | | | |
|---|--|---|
| <input type="checkbox"/> Performance or financial reports | <input type="checkbox"/> A resolution being put to the AGM | <input type="checkbox"/> General suggestion |
| <input type="checkbox"/> Remuneration Report | <input type="checkbox"/> Sustainability/Environment | <input type="checkbox"/> Other |
| <input type="checkbox"/> My question is for the auditor | <input type="checkbox"/> Future direction | |

QUESTIONS

- | | | | | | |
|--------------------------|----------------------------------|--------------------------|-----------------------------------|--------------------------|--------------------|
| <input type="checkbox"/> | Performance or financial reports | <input type="checkbox"/> | A resolution being put to the AGM | <input type="checkbox"/> | General suggestion |
| <input type="checkbox"/> | Remuneration Report | <input type="checkbox"/> | Sustainability/Environment | <input type="checkbox"/> | Other |
| <input type="checkbox"/> | My question is for the auditor | <input type="checkbox"/> | Future direction | | |