



THE AGENCY  
— GROUP AUST LTD



INVESTOR PRESENTATION FOR HALF  
YEAR RESULTS END 31<sup>ST</sup> DECEMBER 2020

26<sup>TH</sup> FEBRUARY 2021

ASX:AU1

# Highlights HY2021

- ✓ **Record EBITDA of \$2.76M & Revenue of \$29.4M**
- ✓ Results confirming The Agency Group as one of Australia's fastest growing integrated real estate services companies
  - ✓ 53% increase in Gross Commission Income (GCI)
  - ✓ 51% increase in number of sales
  - ✓ 33% increase in revenue
  - ✓ 10% decrease in Opex as % revenue for half year
- ✓ MFSA settled 186 home loans valued at \$67M
- ✓ New debt facility for 2 years with MQB @ \$5M
- ✓ Net assets a 34% growth (after refinancing & conversion of Convertible  
Note on 28<sup>th</sup> January 21)



# 1H FY2021 Key Takeaways



**Maiden NPAT**  
**\$0.83M**  
(HY20: \$1.67M Loss)

**\$2.57M**  
**Operational Cashflow**  
(HY20: \$1.46M)

**\$2.76M**  
**EBITDA<sup>1</sup>**  
(HY20: \$0.5M)

**\$29.4M**  
**Revenues from Ordinary**  
**Activities**  
(HY20: \$22.1M)

**\$38.1M**  
**GCI**  
(HY20: \$24.9M)

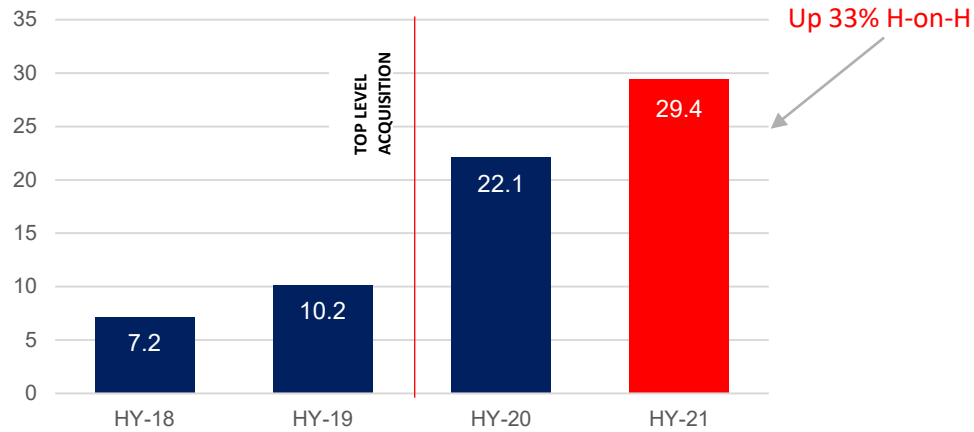
**2449**  
**New Listings**  
(HY20: 1955)

**\$2.2B**  
**Value of Exchanges**  
(HY20: \$1.5B)

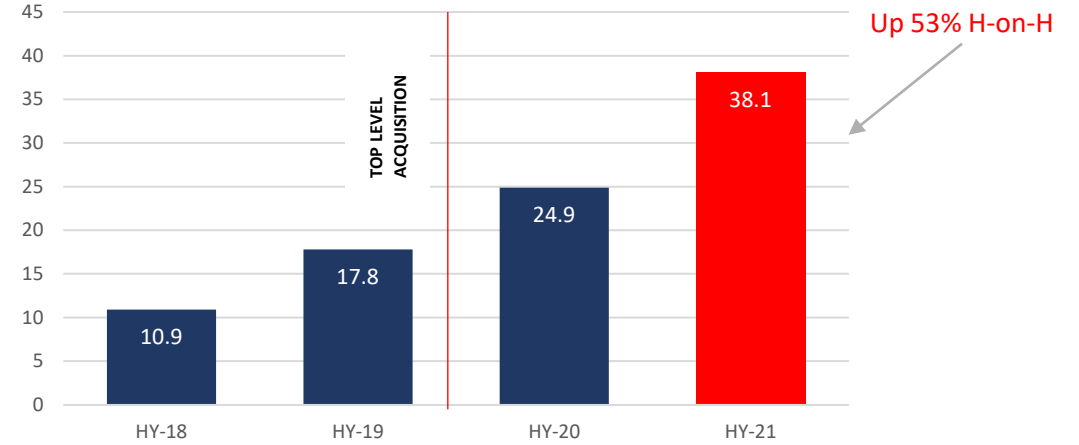
**>\$25M**  
**Rent Roll &**  
**Mortgage Book<sup>2</sup>**

# Strong Growth in Key Operating Metrics for HY21

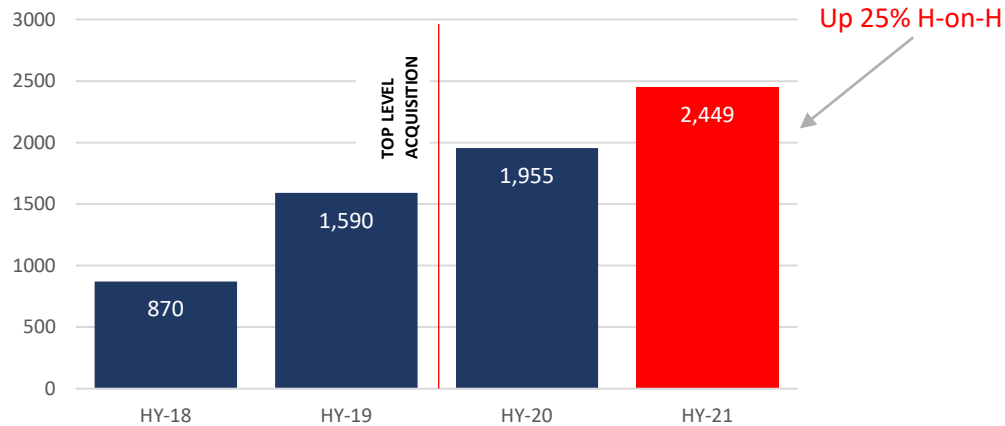
REVENUES FROM ORDINARY ACTIVITIES (\$M)



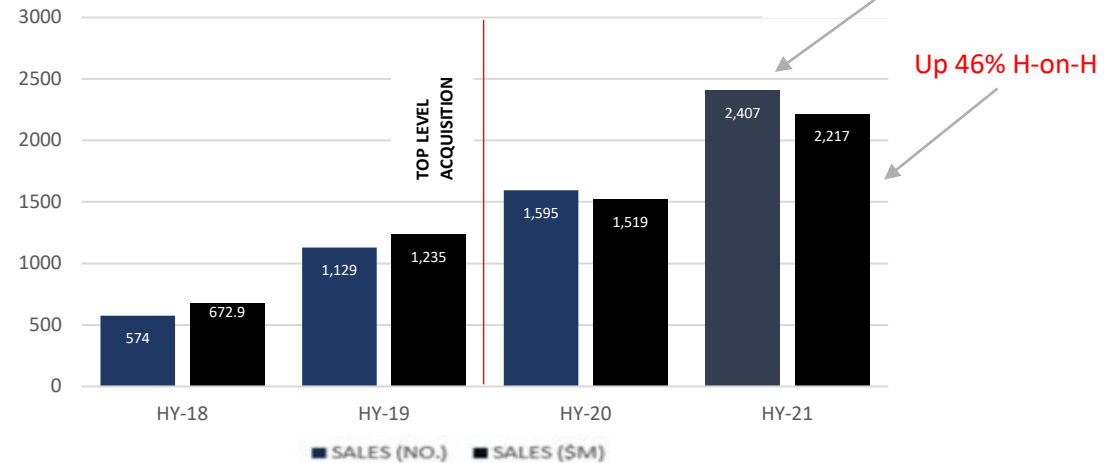
GCI (\$M)



NUMBER OF NEW LISTINGS (#)



SALES (\$M)



# Achieves Maiden NPAT, Record EBITDA

\$M	STATUTORY			UNDERLYING <sup>1</sup>		
	1H FY21	1H FY20	% Change	1H FY21 (Pre AASB16 and Govt Incentives)	1H FY20 (Pre AASB16)	% Change
Revenue	29.4	22.1	33%	29.4	22.1	33%
<b>EBITDA</b>	<b>4.0</b>	<b>1.5</b>	<b>167%</b>	<b>1.9</b>	<b>0.5</b>	<b>280%</b>
Depreciation & Amortisation	(2.8)	(3.0)	-7%	(2.0)	(2.2)	-9%
<b>EBIT</b>	<b>1.2</b>	<b>(1.6)</b>	<b>175%</b>	<b>(0.1)</b>	<b>(1.7)</b>	<b>94%</b>
Net finance costs	(1.5)	(1.0)	50%	(1.3)	(0.9)	55%
<b>Net Profit/(loss) before tax</b>	<b>(0.2)</b>	<b>(2.6)</b>	<b>92%</b>	<b>(1.4)</b>	<b>(2.5)</b>	<b>44%</b>
Income tax expense	1.0	0.9	11%	1.0	0.9	11%
<b>Net Profit/(Loss) after tax</b>	<b>0.8</b>	<b>(1.7)</b>	<b>147%</b>	<b>(0.4)</b>	<b>(1.6)</b>	<b>75%</b>

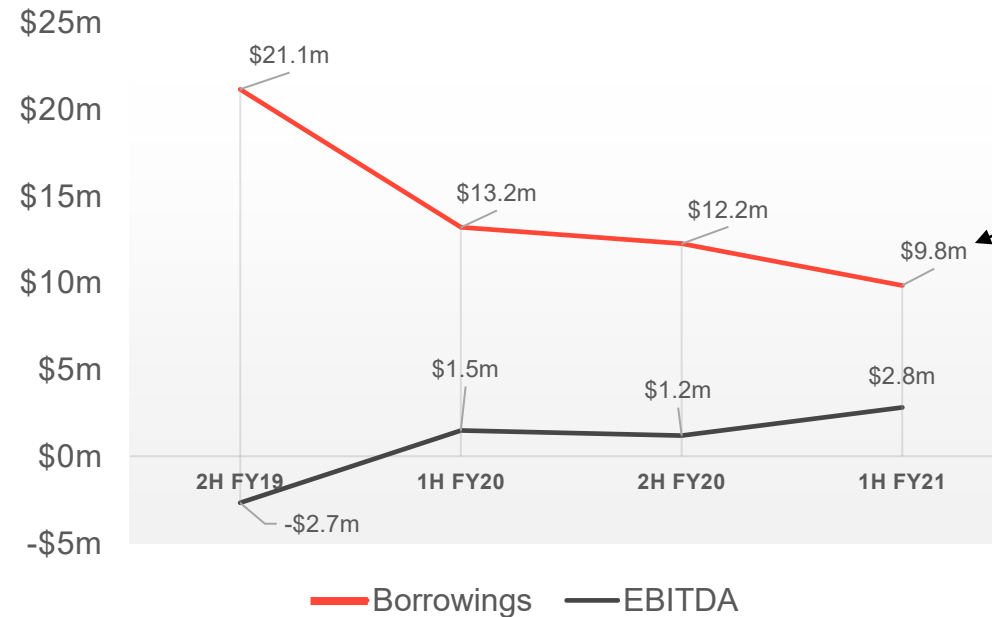
1. Underlying results adjusted to exclude the impact of AASB16 and government incentives



# Balance Sheet as at 31 December 2020

\$M	DEC 2020	JUN 2020	% Change	Impact of Secured Funding Package		
				DEC 2020 Pro Forma <sup>1</sup>	% Change On DEC 2020	% Change On JUN 2020
Cash at Bank	3.3	2.7	22%	4.8	45%	78%
Financial Assets	6.6	1.6	313%	0.0	-100%	-100%
Other current assets	7.9	5.2	52%	7.9	0%	52%
Total non-current assets	31.4	37.5	-16%	31.4	0%	-16%
<b>Total assets</b>	<b>49.2</b>	<b>47.0</b>	<b>5%</b>	<b>44.1</b>	<b>-10%</b>	<b>-6%</b>
Total current liabilities	31.3	27.9	12%	14.8	-53%	-47%
Total non-current liabilities	5.5	7.5	-27%	13.8	151%	84%
<b>Total liabilities</b>	<b>36.8</b>	<b>35.4</b>	<b>4%</b>	<b>28.6</b>	<b>-22%</b>	<b>-19%</b>
<b>Net assets<sup>2</sup></b>	<b>12.4</b>	<b>11.6</b>	<b>7%</b>	<b>15.5</b>	<b>25%</b>	<b>34%</b>

# AU1 borrowings have reduced as EBITDA continues to grow



Note: Borrowings have been further reduced to \$8.2 million by the conversion of \$3 million of debt to equity on 28<sup>th</sup> January 2021.

\$M	2H FY19	1H FY20	2H FY20	1H FY21
Borrowings <sup>1</sup>	21.1	13.2	12.2	9.8
Revenue	17.9	22.1	19.8	29.4
EBITDA <sup>2</sup>	(2.7)	1.5	1.2	2.8

# Long-Term Funding Package

- Long-term \$11 million funding package secured providing opportunity to strengthen financial position and balance sheet to continue its national growth plans.<sup>1</sup>
- Consisted of:
  - \$6 million in Convertible Notes issued to private investment company Peters Investments Pty Ltd<sup>2</sup>
  - An extended \$5 million Macquarie Bank primary secured debt facility (down from \$12.1 million)
- The Agency's shareholders have overwhelmingly supported the long-term funding package with Peters Investments and continuing support from Macquarie Bank via the reduced debt position.<sup>3</sup>
- In a show of support to The Agency and its operations Peters Investments converted \$3 million of its Convertible Notes to AU1 shares.<sup>4</sup>
- Post conversion debt reduced to \$8.2M

1. Refer to ASX announcement dated 29<sup>th</sup> October 2020  
2. Excludes capitalised \$150k establishment fee & monthly interest which is capitalised  
3. Refer to ASX announcement dated 4<sup>th</sup> January 2021  
4. Refer to ASX announcement dated 28<sup>th</sup> January 2021





# Outlook

- ✓ Strong pipeline into H2 FY21 on back of rebounding property market on track to surpass pre-COVID levels in early CY21
- ✓ Continued agent recruitment growth in existing and new market sectors
- ✓ Expansion of mortgage brokerage offering to deliver continued growth
- ✓ Due to unknown impact of macro factors in H2 FY21, AU1 has decided not to provide earnings guidance for H2 FY21 at this stage



# Key Management

## Senior Management



**Paul Niardone**  
Managing Director

Previously Executive Director and founder of Professional Public Relations (WA), the largest PR and communications firm in the State until he sold the business to WPP. Experience in marketing and strategic planning for clients in both Government and the private sector and over 15 years experience with public companies.



**Andrew Jensen**  
Chief Operating Officer

Andrew, formerly CFO of Ray White, has extensive knowledge in the management of all aspects of finance with strong commercial, strategic, M&A, and change management experience. He has financially led companies engaged in various fields including real estate and ancillary services sectors globally. Fellow of IPA and member of the AICD.



**Matt Lahood**  
Chief Executive Officer – Real Estate

More than 30 years in real estate sales; 2,000+ property sales worth over \$2bn. Previously Director of Sales for McGrath Real Estate, responsible for market entry strategies and management of 22 company owned offices and more than 250 people.



**Maria Carlino**  
Director of Property Management

Over 27 years of real estate experience in key markets incl. Sydney, Brisbane and the Gold Coast. Previous senior roles at RUN Property, Ray White and McGrath Real Estate where she was responsible for the management and growth strategies of the rental portfolio and team across all company owned offices.



**Arjan van Ameyde**  
Chief Financial Officer

Arjan has over 25 years' experience in senior finance roles in listed companies and SME. He has previously founded short-term lending and insurance businesses and established the treasury for a listed multinational group. Most recently he was Chief Operating Officer/Chief Financial Officer (Australia and UK) of ASX listed Ensurance Limited (ASX: ENA).

## Board of Directors



**Paul Niardone**  
Managing Director



**Matt Lahood**  
Chief Executive Officer – Real Estate



**Andrew Jensen**  
Interim Executive Chairman



**Adam Davey**  
Non-Executive Director

Adam is Director, Private Clients and Institutional at Patersons Securities. His expertise spans over 25 years and includes capital raising (both private and public), mergers and acquisitions, ASX listings, asset sales and purchases, transaction due diligence and director duties.

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