

REAL ESTATE
FINANCE
SETTLEMENT
INSURANCE

17 September 2019

THE AGENCY ACHIEVES STRONG YTD20 RESULTS

POSITIVE EBITDA, HEALTHY REVENUE & COST SAVINGS BEING REALISED

HIGHLIGHTS – COMBINED GROUP¹

- **Positive EBITDA (unaudited) of \$126,398 for August, ahead of Budget YTD20**
- **Gross Commission Income (GCI) for August of \$3.9m, 2nd highest month on record, and \$7.2m for YTD20**
- **Total value of sales nationally of \$213m**
- **Cost savings being realised in FY20 with August expenses down ~10% on June month**
- **Record 250 Exchanges for August**
- **Record 4,359 Properties Under Management at 31st August 2019**
- **Wins REIWA's top office for value of listings sold for July and August 2019**
- **Entitlement Offer reminder – Closing Date of issue is Friday 20th September 2019**

The Agency Group Australia (ASX:AU1) (“The Agency” or “the Company”) is pleased to announce strong results for the month of August and YTD20 across the combined group.

The Group achieved positive Earnings Before Interest Depreciation, Taxation and Amortisation (EBITDA) of \$126,398 for the month.

The positive EBITDA for August was built on Combined Total Group Revenue of \$4.1 million (\$7.8 million for YTD 2020).

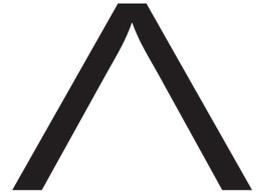
Gross Commission Income (GCI) was the second highest monthly record with \$3.9 million for August (YTD20: \$7.2 million) and the Company is on track to achieve over \$10 million GCI for the September Quarter.

As previously announced, The Agency has begun implementing a cost savings program across the combined group during FY20 as part of its integration of The Agency's East Coast and West Coast operations (refer to ASX announcement dated 30 August 2019). It is expected \$2.8 million in cost reductions will be delivered in FY20.

The company is pleased to report that this program has already begun taking effect with Total Operating Expenses for July and August down over 10% on June's Total Operating Expenses.

¹ All figures provided in this announcement are unaudited.

HEAD OFFICE 68 Milligan Street PERTH WA 6000
08 9204 7955 theagencygroup.com.au ABN 52 118 913 232



REAL ESTATE
FINANCE
SETTLEMENT
INSURANCE

Commenting on the YTD results, The Agency Group Managing Director Paul Niardone said:

"It has been a great start to the FY20 year for the combined group.

"Achieving positive EBITDA of \$126,398 for August is a major result when considering the continuing instability in the housing market. This result was on the back of the second highest monthly GCI on record and the implementation of cost savings across the group.

"It is also testament to the hard work and dedication of our team of highly experienced agents and staff that we were able to achieve this result. This was further demonstrated by The Agency winning REIWA's top office for number of listings sold for July and August 2019.

"We have also seen a number of our agents deliver their personal best months ever on both the East and West Coasts. Our disruptive model attracts the best talent that can negotiate the best results for our clients and continues to disrupt the traditional franchise-based real estate model.

"With the onset of Spring, regarded as the best time of year to sell a house, and with further signs of improvements in the property market with house prices increasing by 0.8% in August, we are well placed to deliver another record year and I look forward to updating you on our progress."

Entitlement Offer – Reminder

The Agency Group is undertaking a 4:7 non-renounceable entitlement issue to raise ~\$4.5 million. The Company will also issue one free attaching listed option for every two Shares subscribed for and issued under the Offer.

By now, eligible shareholders should have received a hard copy of the Entitlement Issue Prospectus (lodged with ASIC and ASX on 2nd September 2019) in the mail. Your entitlement will be set out on the personalised Entitlement and Acceptance Form accompanying the Prospectus.

Please note, the Closing Date for the Entitlement Offer is **this Friday, 20th September 2019**. All eligible shareholders who wish to participate either:

- By accepting all of your rights to subscribe for New Shares pursuant to the Prospectus;
- By accepting part of your Entitlement; or
- By accepting your Entitlement and apply for New Shares under the shortfall offer

need to make sure your completed Entitlement and Acceptance Form and payment reach Advance Share Registry Services (the Company's share registry) **by no later than 5:00PM AWST on the Closing Date**.

The Company intends on using the funds raised under the Offer towards potential acquisitions and growth opportunities, repayment of existing debts, expenses of the offer and working capital.

HEAD OFFICE 68 Milligan Street PERTH WA 6000
08 9204 7955 theagencygroup.com.au ABN 52 118 913 232



REAL ESTATE
FINANCE
SETTLEMENT
INSURANCE

Patersons Securities Limited and Aura Capital Pty Ltd are acting as joint lead managers to the Offer.

Key dates for the Offer

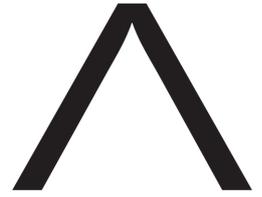
Event	Proposed Date
Prospectus and Appendix 3B lodged with ASX Notification sent to option holders	Monday, 2 September 2019
Notice of Rights Issue sent to shareholders	Wednesday, 4 September 2019
Existing shares quoted on an 'ex' basis	Thursday, 5 September 2019
Record date	Friday, 6 September 2019
Despatch of Rights Issue Prospectus to Eligible Shareholders	Monday, 9 September 2019
Offer Period Opens	
Last date to extend Offer Period	Tuesday, 17 September 2019
Offer Period Closes	Friday, 20 September 2019
Securities quoted on a deferred settlement basis.	Monday, 23 September 2019
Notification of under-subscriptions to ASX (if any)	Wednesday, 25 September 2019
Shortfall Settlement date	Friday, 27 September 2019
Shares Issued Holding statements despatched	Friday, 27 September 2019

If you require further information relating to the Offer, please contact Stuart Usher (Company Secretary) on + 61 8 6380 2555 or via email at Stuartu@theagencygroup.com.au

A copy of the Prospectus is available on ASX's and AU1's website.

ENDS

HEAD OFFICE 68 Milligan Street PERTH WA 6000
08 9204 7955 theagencygroup.com.au ABN 52 118 913 232



REAL ESTATE
FINANCE
SETTLEMENT
INSURANCE

If you require further information, please contact:

Investors

The Agency Australia Ltd

Paul Niardone, Managing Director

T: +61 08 9204 7955

Media

Chapter One Advisors

David Tasker / Colin Jacoby

T: +61 433 112 936 / +61 439 980 359

E: dtasker@chapteroneadvisors.com.au

HEAD OFFICE 68 Milligan Street PERTH WA 6000
08 9204 7955 theagencygroup.com.au ABN 52 118 913 232