

Moelis Australia AGM, Friday, May 28, 2021

Host: Jeffrey Browne, Chairman

Question reader: Michael Leonard, Director of Investor Relations

Transcript of 30 minute Q&A session which the company refused to provide to shareholders, either through a full archive of the webcast or a separate transcript, despite being asked to do so.

Chairman, Jeffrey Browne:

The first item of business is shown on the screen. Neither the Corporations Act nor the Company's Constitution requires a vote of shareholders on these reports, but this is an opportunity for shareholders to ask questions relating to the reports. Please note that any questions on the remuneration report will be dealt with when we reach the relevant agenda item later in the meeting. I will now ask Michael Leonard, our Director of Investor Relations to read out any questions received from shareholders.

Michael Leonard: Thanks, Chairman. Yes, we've got some general business questions to start with, the first is coming from shareholder, Stephen Mayne – "Why didn't you allow shareholders to physically attend today's AGM when there are no meaningful restrictions in Sydney and numerous ASX listed companies have allowed physical attendance at Australian AGMs during the current AGM mini-season?"

Chairman, Jeffrey Browne: Well, as I mentioned earlier in my address, the safety of our staff, our executives and certainly our shareholders is our primary concern and I'm sure that had we planned to hold this meeting physically in Melbourne at the moment, we'd find that what we've chosen to do today is the proven course.

Michael Leonard: Another question from shareholder Stephen Mayne – "Could Chairman Jeffrey Browne please clarify whether he's running for the Collingwood presidency? If he does successfully replace Mark Korda, will he have time to continue on as our Chairman?"

Chairman, Jeffrey Browne: Well, there is no process in place to replace the Collingwood Chairman and if there was and I became the Chairman of Collingwood Football Club, I could easily combine those duties with the duties I have to Moelis Australia.

Michael Leonard: Okay, another question from Stephen Mayne – "Which of the proxy advisor businesses cover Moelis Australia and what do you think of the Federal Government's plan to force proxy advisors to show public companies their reports five days before they are published for fact checking purposes?"

Chairman, Jeffrey Browne: I'm not sure – I haven't checked with all the proxy advisors in relation to the first part of that question. I know that ISS did issue some information in relation to the meeting and I do think it is a good idea that those reports be submitted to the company for fact checking before they're actually published before the meeting.

Michael Leonard: Okay, thank you. Next question from Stephen Mayne – "What was our approach to JobKeeper both at the listed company level and within the funds management business? Please explain how much Redcape Hotels took and which of our other businesses qualified?"

Chairman, Jeffrey Browne: Well, the second part of that question is a matter for Redcape. In relation to the first part of the question, we did qualify for JobKeeper one, we did not qualify for JobKeeper two. The reality is, the benefit of JobKeeper one made it possible for us to retain our business structure and our key people and avoid having to make deep cuts into our workforce which we otherwise would have made, which would have severely prejudiced our potential moving forward over the next many years. So, JobKeeper, in that sense, did exactly what it was intended to do and provided significant support for us in keeping the team together at a time when there is competing competition for executive staff amongst some of our competitors and new entries into the markets where we operate.

Michael Leonard: Thank you, Chairman. Another question from Stephen Mayne, this is in relation to the Beach Hotel in Byron Bay – “We arguably went over the top, paying \$100 million for the Beach Hotel just before COVID shutdowns in February last year. In which fund has this asset finished up in and are we going to return poker machines to this venue after the previous owner removed them to be more socially responsible?”

Chairman, Jeffrey Browne: Well, it’s in a separate fund, I don’t believe we paid over for that. In fact, the trading in the month of January, 2021, was an all-time record, with some restricted attendance at the venue. We’re very happy with the operation of the hotel, it’s a food and beverage venue and we’ve developed our skills in food and beverage and the result which I attested to for January is a testament to the success of that.

Michael Leonard: On that matter, there’s a question from shareholder, Julian Heath, he asks – “How is the Beach Hotel in Byron Bay performing?”

Chairman, Jeffrey Browne: Well, as I said, it’s performing very well, we’re very pleased with the asset. It’s very much a community business, we have significantly improved the food and beverage offering. Our performers and entertainment are all local and Byron Bay as a destination is top of the list for a lot of Australians, it’s a very popular area and increasingly so and I expect that to continue to grow particularly if we get to a point where international borders open again.

Michael Leonard: Thank you, Chairman. Next question is from Stephen Mayne – “As the second-biggest New South Wales member of the Australian Hotels Association, what is our view through Redcape Hotels on the AHA’s campaign against the New South Wales Government’s move to cashless pokies?”

Chairman, Jeffrey Browne: Well, the cashless issue is a concept at the moment, we need to know more detail about that. As a business we are constantly interested in harm minimisation and responsible gaming.

Michael Leonard: Another question from Stephen Mayne – “Moelis is the largest Australian operator in terms of bringing wealthy Chinese citizens to Australia through the significant investor visa scheme, which our unlisted managed funds are structured to qualify for. What impact does the Federal Government standoff with the Chinese Government have on this aspect of our operations?”

Chairman, Jeffrey Browne: Well, the significant investor visa program was only very recently reviewed by the Australian Government and endorsed and in fact, improved with the increase in the number of visas and the speed up in the time required to process the visas, so we expect that to be continuing very strong revenue source for our business. I should say that we source funds under that program from many countries other than China and we’re not totally dependent there, although we do see continuing growth opportunities and we are concentrating efforts in China through our offices there to improve that result.

Michael Leonard: Thank you, Chairman. Next question from Stephen Mayne – “Will a full recording of today’s AGM remain available on the Moelis website and will the board also undertake to publish a full transcript of proceedings?”

Chairman, Jeffrey Browne: Well, what we’ll do is, consistent with previous practises, publish the two extensive addresses, more general by myself, but Chris’s very detailed analysis of the business, we’ll publish those on the ASX website.

Michael Leonard: Now, we have some further questions in relation to Redcape from shareholder Mayne, those questions relate to some more technical elements of Redcape in relation to policies around the AGMs, the corporate activity and financial reporting of gaming revenue. Chairman, would like to answer those in aggregate or would you like me to read each out individually?

Chairman, Jeffrey Browne: Well, I think questions for Redcape are questions for Redcape, it is a separate public entity, it’s separately audited and the questions like you’ve indicated, what I expect may be contained in the further body of the questions that you have should be directed properly to Redcape.

Michael Leonard: Thank you, Mr Chairman. Question from Stephen Mayne, this question is actually for Co-Founder Andrew Pridham – “Is Macquarie Group the model for our growth and development, which sectors does Macquarie currently operate in that we don’t but potentially could move into as the business grows?”

Chairman, Jeffrey Browne: I’m happy to give Andrew an opportunity to answer that, but as it’s been made clear in the addresses, we’re very focused on very specific areas that I’ve called out in relation to our business. We run our own race, we’ve developed themes which we believe are very scalable and we’ve resourced to make the most of those opportunities and I think we should be and remain the masters of our own destiny.

Michael Leonard: Thank you, Mr Chairman. Another question from Stephen Mayne – “Could we please hear some brief commentary from the other joint CEO, Julian Biggins, on what is it like to be joint CEO with Chris Wyke? This is an unusual company management structure, could Julian explain how he and Chris resolve disputes when they differ on major strategic, personal and transactional issues?”

Chairman, Jeffrey Browne: Well, without wanting to accommodate the intent of the question, I did say in my opening remarks that the appointment of joint CEOs has worked remarkable well for the company. In relation to any issues of difference, there are no very significant issues of difference, there is active debate amongst the senior executive at Moelis and Company. I and others can get involved in that when we feel we need to broaden that discussion and whilst there might be a presumption that joint CEOs are generally not a good idea, the fact that it has worked so well for our company is indeed a great asset for shareholders and I’m very, very pleased that the transition from Andrew to Chris and Julian has worked as well as it has.

Michael Leonard: Okay, we have a question here from Eagle Eye Equities – “Chairman, is Stephen Mayne adding any value with his questions?” And this is separate to the question just asked, but – “Have we had enough opportunity for Mr Stephen Mayne in this around the business?”

Chairman, Jeffrey Browne: I’ve taken questions before from Stephen in other contexts and I welcome his questions, he’s an enquiring shareholder representative and I hope I’ve addressed his questions appropriately in giving the answers I’ve already given.

Michael Leonard: Thank you, Chairman. There are no further questions in relation to this item of business.

Chairman, Jeffrey Browne: Okay, thank you and thank you for those questions. I now turn to Item 2A on today's agenda which is the election of Alexandra Goodfellow as a director of the company. The text of the resolution is shown on the screen. In accordance with the listing rules, Alexandra is offering herself for election at this meeting. Alexandra, an independent non-executive director, was appointed to the board and as Chair of the Nomination and Remuneration Committee on 19th August, 2020. Further information about Alexandra is contained in the notice of meeting. The board, with Alexandra abstaining, recommends that shareholders vote in favour of Item 2A. Michael, has the company received any questions on this item of business?

Michael Leonard: There are currently no questions on this item of business.

Chairman, Jeffrey Browne: Thank you. As there are no questions, we have now finalised discussions of this item, details of the proxies received in relation to this are displayed on the screen. Item 2B on today's agenda is the election of Kate Pilcher Ciafone as a director of the company. The text of the resolution is shown on the screen. In accordance with the listing rules, Kate is submitting herself for election at this meeting. Kate is a non-executive director and was appointed to the board on 19th August 2020. Further information about Kate is contained in the notice of meeting. The board, with Kate abstaining, recommends that shareholders vote in favour of Item 2B. Michael, has the company received any questions on this item of business.

Michael Leonard: There are currently no questions on this item of business, Chairman.

Chairman, Jeffrey Browne: Thank you, as there are no question we have now finalised discussion on this item. Details on the proxies received in relation to this are displayed on the screen. I will now ask Andrew Pridham to introduce Item 2C on today's agenda.

Andrew Pridham: Thank you, Chairman. Item 2C on today's agenda is the re-election of Jeffrey Browne as a director of the company. The text of the resolution is shown on the screen. In accordance with listing rules, Jeffrey Browne has submitted himself for re-election at this meeting. He has served on the board as independent chairman and a non-executive director since 27 February, 2017. Further information regarding his experience is contained in the notice of meeting. The board, with Jeffrey Browne abstaining, recommends that shareholders vote in favour of Item 2C. Michael Leonard, has the company received any questions on this item of business?

Michael Leonard: We've received no questions on this item.

Andrew Pridham: Thank you. As there are no questions, we have now finalised discussion on this item. The details of the proxies received in relation to this item are displayed on the screen. I will now hand back to our re-elected Chairman, I hope.

Chairman, Jeffrey Browne: Thank you, Andrew. Item 2D on today's agenda is the election of Simon Kelly as a director of the company. The texts of the resolution is shown on the screen. In accordance with the listing rules, Simon is submitting himself for election of this meeting. Simon, an independent non-executive director, was appointed to the board and as Chair of the Audit and Risk Committee on 21st April of 2021. Further information about Simon is contained in the notice of meeting. The board, with Simon Abstaining, recommends that shareholders vote in favour of Item 2D. Michael, has the company received any questions on this item of business?

Michael Leonard: Yes, we have one question on this item, Chairman. The question comes from Stephen Mayne – “Simon Kelly is a good hire given his background at Aristocrat. Could Simon please comment on how involved he is with our Redcape business?”

Chairman, Jeffrey Browne: Well, I’m happy to ask Simon to comment in relation to that, other than to note that he is recently appointed. His remit is as Chair of the Audit and Risk Committee and as I’ve said previously in relation to earlier questions of a similar theme, matters in relation to Redcape are principally best addressed to the Redcape board.

As there are no further questions, we’ve now finalised discussion on this item. Details of the proxies received in relation to this item are displayed on the screen. Item 3 on today’s agenda relates to the adoption of the company’s remuneration report for the year ended 31st December, 2020. The text of the resolution is shown on the screen. The remuneration report sets out the remuneration policies of the company and reports on the remuneration arrangements in place of the company’s key management personnel during the year. As prescribed by the Corporations Act, the vote on the adoption of the remuneration report is advisory only and does not bind the directors or the company.

However, the board will take the outcome of the vote and discussion at this meeting into account in setting remuneration policy in future years. Has the company received any questions on this item of business?

Michael Leonard: We have one question on this item of business, it’s from Stephen Mayne – “I disagree with the dropping of the Moelis name. Could Ken Moelis please comment on why he agreed to this change when it gives the ASX listed company Wall Street credibility, a big contrast to what I consider the MA Financial Group name office?”

Chairman, Jeffrey Browne: I should comment, as Chairman, this was a board decision, it’s not Mr Moelis’s decision. We work very closely with our colleagues at Moelis & Company. As the Moelis Australia business expands overseas, we need to ensure that there’s no confusion between the ongoing activities of Moelis and company and what is now known as the MA Financial Group or shortly to be known as the MA Financial Group. Nothing has changed in relation to the strategic personal business relationship between Ken and our great company here in Australia and we believe that this fresh new rebranding gives us a very positive identity in the markets in which we operate.

Michael Leonard Thank you, Mr Chairman, there are no more questions in relation to this item.

Chairman, Jeffrey Browne: Thank you. As there are no further questions, we have now finalised discussion on this item. The details of the proxies received in relation to this are displayed on the screen. I now turn to Item 4 on today’s agenda which relates to the approval to change the company name from Moelis Australia Limited to MA Financial Group Limited. In accordance with Section 157 of The Corporations Act, a special resolution of shareholders must be passed to adopt a new company name. Shareholder approval is sought to change the company’s name to MA Financial Group Limited. The text of the resolution is shown on the screen. The board recommends that shareholders vote in favour of Item 4. Are there any questions in relation to this item of business, noting that I’ve dealt with this in part in my answer to the previous question?

Michael Leonard: We have one question in relation to this item, it’s from shareholder Stephen Mayne – “Has the New York listed Moelis and Company voted on the remuneration report or any of today’s remuneration items and what has happened with the staff share scheme, did it vote in favour of the remuneration report or abstain?”

Chairman, Jeffrey Browne: Well, the directors of Moelis Australia have voted in relation to the remuneration report and it is in the form that we've previously adopted, it is subject to ongoing review by the board of our company here in Australia and with the considerable assistance that we've already started to see from Alex Goodfellow, who's joined as Head of our Remuneration Nomination Committee. So, Ken, as a director is cognisant of policy and supportive of the board's resolution to adopt the policy and to place that before shareholders at today's meeting. I'm sorry – the question was, did Moelis & Company vote?

Michael Leonard: Yes.

Chairman, Jeffrey Browne: Sorry about that. No, they didn't.

Michael Leonard: Thank you, Mr Chairman. There are no more questions on this item of business.

Chairman, Jeffrey Browne: Okay, we've now finalised discussion on this item. Details of the proxies received in relation to this item are displayed on the screen. Can I remind shareholders to vote on all items as voting will be closing in ten minutes. I now turn to Item 5 on today's agenda, which relates to the ratification of the prior issue of shares. Item 5 seeks ratification under listing rule 7.4 of the issue of 3,650,000 shares that were made on 11th March, 2021. The effect of the ratification under this Item 5, is to restore the company's maximum discretionary power to issue further shares up to 15 per cent of the issued capital of the company without requiring shareholder approval during the next 12 months. The text of the resolution is shown on the screen. The board recommends that shareholders vote in favour of Item 5. Are there any questions in relation to this item of business?

Michael Leonard Mr Chairman, there's one question from Stephen Mayne – "Is the company planning to do another placement? Why bother to refresh the replacement capacity if not planning another placement?"

Chairman, Jeffrey Browne: Well, what we've done is replace the capacity to the 15 per cent that we've generally held. There are no specific plans, but that's a prudent provision to make.

Michael Leonard: Thank you, Mr Chairman, there's no more question on this item.

Chairman, Jeffrey Browne: Okay, we have now finalised discussion on this item, details of the proxies received are displayed on the screen. I now turn to Item 6 on today's agenda which seeks approval in respect to the issue of shares to directors as described in the notice of meeting. The text of the resolution is shown on the screen. The board recommends that shareholders vote in favour of Item 6A, 6B and 6C. Are there any questions in relation to these?

Michael Leonard: We have some questions from Stephen Mayne on, first of all, Item 6C in relation to Andrew Pridham – "Could Andrew Pridham comment on how he's adjusting to life as Deputy Chairman and not the CEO? What sort of hours is he putting into the Moelis business and what steps has he taken to ensure the new joint CEOs have enough scope to develop their own profile?"

Chairman, Jeffrey Browne: Well, I'm happy to answer those but I think I might invite Mr Pridham to respond.

Andrew Pridham: I'm adjusting quite well, thank you, Stephen, and days like this remind me why I'm adjusting so well. Chris and Julian are doing a magnificent job and I think that it's reflected in the performance of the company, I think we're very lucky to have their

leadership and I am full-time executive, working very hard on behalf of all shareholders, even you, Stephen. Thank you.

Chairman, Jeffrey Browne: Thank you, Andrew. Are there any further questions, Michael?

Michael Leonard: One further question in relation to 6C – “Why does Andrew Pridham need more incentive stock in this issue?” From Stephen Mayne.

Chairman, Jeffrey Browne: Well, stock placements are there to incentivise people and to reward them for the very hard work that they do in bringing business to the company and Andrew notwithstanding that he has moved from the role of full-time CEO, I suspect his wife would tell us he’s working no less and entitled to be incentivised to keep that effort up for the benefit of the company.

Michael Leonard: In relation to 6B, there’s a question from Stephen Mayne – “There was a vote against the remuneration report, was there a problem identified by proxy advisor, ISS, and was it the structure of these incentives grants?”

Chairman, Jeffrey Browne: There was no vote against the remuneration report by ISS. Our remuneration report, by the look of the proxies, passes with approximately 77 per cent majority, which is down on the 93 per cent that we achieved last year. The reason for that, I can only suspect, some misunderstanding in relation to how we’ve applied that policy.

Michael Leonard: Thank you, Mr Chairman. There are no further questions for this item of business.

Chairman, Jeffrey Browne: Thank you. We’ve now finalised discussion on this item, details of the proxies received are displayed on the screen. Shareholders, that now concludes the business of this meeting. The results of the poll will be announced later today on the ASX and will be published on our website. Thank you very much for your attention and your continued support of our company. I now declare the meeting closed, subject to the finalisation of the subject of the poll. Thank you, everyone.

END OF TRANSCRIPT