

ASX Announcement

14 November 2019

Annual General Meeting – Chair’s Address

Slater & Gordon Limited (“Slater and Gordon” or “the Company”)(ASX: SGH) provides below the Chair’s Address to the 2019 Annual General Meeting to be held today at 11.30am at RACV Club, 501 Bourke Street, Melbourne.

James MacKenzie, Chair:

The FY19 financial results show a significant shift for Slater & Gordon which continues to improve its position.

The Company reported a net profit after tax for the full year ended 30 June 2019 of \$31.3m, which was positively impacted by the requirement to recognise a deferred tax asset of \$37.6m.

Although, the Company also reported a small net loss from continuing operations before tax of \$141k, this compares favourably to a larger net loss of \$29m in FY18. This is clearly a significant improvement.

In August and September this year, with the cooperation of our senior lender group led by Anchorage Capital Group, we successfully restructured our Balance Sheet by converting approximately half our senior debt to equity. This was achieved by a \$75m entitlement offer which was sub-underwritten by the senior lender group. Importantly, all shareholders were invited to participate in the offer on the same terms.

The end result was a significant de-levering of the Balance Sheet, which is in the best interests of all shareholders and sets the Company up well for the future.

The composition of the Board has changed since we last met. Nils Stoesser resigned as a Director in May and Mark Dewar was appointed to replace him. You will have the opportunity to vote on Mark’s re-election later in the meeting.

It is a privilege to Chair a Board with such a wealth of skills and experience and depth of understanding of the Company. Your Directors share a deep commitment to our clients, the labour movement and the success of Slater & Gordon. And we are united in our purpose to provide access to justice for all Australians.

I want to thank the Board for their unwavering dedication to this purpose and the strong support they have for our people, whose passion for the work they do to achieve the best outcomes for our clients is fundamental to our success.

Slater & Gordon would not be making the progress it has without the commitment of our people and I want to thank our staff. It is their passion, their fierce advocacy and the care they demonstrate that sets us apart.

We are often described in the media as a class actions firm and of course we are very proud of the great results our class actions team have been able to achieve. These results attract lots of attention because of the size and complexity of the cases.

However, it’s the thousands of individual wins that we have on behalf of our clients in thousands of smaller ‘every day’ cases that makes us strong and gives us the capacity to take on the big matters.

We estimate that in FY19 we helped more than 8,000 clients achieve more than a billion dollars in compensation. They are figures of which we are immensely proud.

I want to thank our union partners, regulators, industry bodies, sponsorship partners and business partners for their ongoing support. Slater & Gordon was founded in the labour movement and our commitment to it runs deep. It is a commitment that is shared by our staff, board and shareholders.

I also want to thank our CEO, John Somerville, and the executive leadership team for their efforts, leadership and commitment to stabilising, transforming and growing our business.

We are proud of the progress that we have made in the past 12 months but we are very conscious that we have a lot more work to do.

Pleasingly our focus is sharp, our strategy is clear and we are united – the Board, the executive leadership team, the staff and our shareholders – in our determination to be successful so that we can unlock access to justice for the many thousands of Australians who need our help.

ENDS

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