

ASX Announcement

20 April 2020

Market Update

Slater & Gordon Limited ("Slater & Gordon" or "the Company") (ASX: SGH) today provided an update to the market on the following initiatives.

1. Extension to Super Senior Facility Completed

The Company refers to its announcement dated 27 February 2020, wherein it was announced that the Company had reached agreement in principle with its senior lenders to extend the maturity date of its Super Senior Facility from December 2020 to July 2023.

The Company announced today that the long form documentation for the extension has now been executed and the maturity date for the Super Senior Facility is now 31 July 2023.

Some other minor amendments were made to the facility, including a requirement for a small principal repayment and some changes to the manner in which interest is paid and/or capitalised over the balance of the term of the facility.

2. Directors and Senior Executives to Reduce Base Pay

The Company announced today that its Directors, CEO and Executive Leadership team have volunteered to temporarily reduce their base pay to assist the Company's flexibility to respond to the impacts of the COVID-19 pandemic on the Company's business.

The Directors, including Non-executive Directors, James MacKenzie, Mark Dewar, Elana Rubin and Jacqui Walters, CEO and Managing Director, John Somerville, and Executive Director, Michael Neilson, have all agreed to a 15% reduction in their base pay¹.

In addition, the Company's Executive Leadership Team have agreed to a reduction in base pay of 10%.

These temporary reductions will take effect on 20 April 2020 and continue until 29 June 2020 which may be further extended, depending on the COVID-19 situation.

Chair, James MacKenzie, said, "While not specifically related, these actions show we continue to take sensible steps to strengthen the Company's balance sheet for the long-term, while building in flexibility to continue to respond to the emerging COVID-19 environment in the short-term."

ENDS

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¹ Merrick Howes does not receive any salary or Director's fees from the Company.