

ASX ANNOUNCEMENT

General Meeting - Chairman's Speech

Dear Shareholder

I would like to extend a sincere welcome and thank you to all shareholders in attendance today. At this meeting shareholders will vote on the selective buy-back and cancellation of 8,000,000 Moelis Australia shares from Moelis & Company. Our partnership with Moelis & Company is in its 10th year and remains strong. Should the selective buy-back be approved Moelis & Company remains our largest individual shareholder which demonstrates its ongoing commitment and alignment of interests.

As stated in the notice of meeting, independent expert Grant Thornton has deemed the selective buy-back as fair and reasonable for all Moelis Australia shareholders not associated with Moelis & Company.

The Moelis Australia Board recommends that shareholders vote in favour of the selective buy-back for both financial management and operational flexibility reasons, and in particular:

- The selective buy-back is expected to deliver earnings per share accretion of approximately 5.1% on an annualised basis;
- The selective buy-back facilitates a reduction of Moelis & Company's shareholding in Moelis Australia to below 20%. This provides operational and financial benefits as a result of Moelis Australia no longer being regarded as a foreign corporation under Australian law;
- Moelis Australia proposes to buy-back shares from Moelis & Company at \$3.40 per share, the same price at which Moelis & Company sold 12.5 million shares on 2 September 2019. A price of \$3.40 represented a 6.6% discount to the 30 day VWAP of Moelis Australia shares up to and including 2 September 2019 and a 20.2% discount to yesterday's closing price; and
- Moelis Australia seeks to actively manage its capital position based on its financial circumstances and market conditions at any particular time. The selective buy-back is an efficient and disciplined use of capital which should benefit all Moelis Australia shareholders.

Management and the board spend a significant amount of time evaluating capital allocation decisions. As we have stated many times, whilst our large cash holdings provide us with optionality it also dilutes our short-term earning potential. We have held significant cash balances with the intention of deploying this capital into areas delivering a combination of immediate attractive returns and/or longer-term strategic opportunities.

I assure you that we are regularly evaluating strategic opportunities which could deliver long-term benefit to the Group. Our strategy is clear and we will remain patient and disciplined when deploying balance sheet and client capital.

Our financial performance thus far in the second half of our 2019 financial year has been strong. The Corporate Advisory team has, or currently is advising on a variety of client matters across M&A, ECM and general corporate advice. The Corporate Advisory pipeline for the remainder of the year is encouraging.

Our Asset Management division also has a strong pipeline and we recently welcomed a new SME and mid-corporate credit team to further broaden our credit origination and management capabilities. We have maintained our focus on credit and real estate initiatives. We have great expertise in these areas, and they remain highly desirable for investors seeking yield in today's low interest rate environment.

Management's guidance of FY19 Underlying EBITDA of not less than \$60m from Underlying revenue of approximately \$155m remains unchanged.

As chairman, I am pleased that Moelis Australia is performing strongly and our business model, complimented by our strong balance sheet and great people, make me optimistic about the future.

Sincerely,



Jeffrey Browne

Chairman