

AGM Chair and Executive Presentations

Annual General Meeting, 24 October 2018, 10:00am, Brisbane

CHAIR'S ADDRESS

Welcome

Good morning ladies and gentlemen and welcome to the Michael Hill International Limited 2018 Annual General Meeting.

My name is Emma Hill and I am the Chair of the Board of Directors of Michael Hill International Limited. It is my pleasure to chair today's meeting.

At the outset, we would appreciate your cooperation in making sure your mobile phones are silent for the duration of this meeting.

Our Company Secretary has confirmed that a quorum is present, so I formally declare the meeting properly constituted and open.

Directors

I would like to introduce you to our Board members and Michael Hill's executives that are here today.

Seated next to me are our directors, Sir Michael Hill, Gary Smith, Janine Allis and Rob Fyfe.

On my left is Phil Taylor, our Chief Executive Officer; Andrew Lowe, our Chief Financial Officer; Vanessa Brennan, our Chief Brand and Customer Officer; and Katherine Hammond, our Company Secretary.

In addition, we have seated in the audience some of Michael Hill's Executive and senior management, including:

- Matt Keays, Chief Information Officer;
- Galina Hirtzel, Group Executive Merchandising;
- Tishara Mina, one of our Australian Retail General Managers.

Alison de Groot, of Ernst & Young, the company's auditor, is also present.

Please be advised that recording devices, photographic equipment and mobile phones may not be used during the meeting.

2018 Chair's Address to Shareholders

Last year was one of profound change. We made some difficult but ultimately strategically vital decisions.

We exited our loss main divisions of Emma and Roe and Michael Hill USA.

We determined that the strategic opportunity offered by these business' no longer justified the destruction of shareholder value, distraction from our core business and depression of margin that they brought. The board did not make these decisions lightly.

Our core business franchise remains incredibly strong. We completed a strategic review and identified a number of opportunities to further strengthen our customer franchise and improve our performance metrics.

The exit of our US business and Emma and Roe had a material impact on our financial result with one off closure costs resulting in statutory NPAT of \$4.6m. Normalised earnings before interest and tax was \$40.1m and operating revenues from continuing operations increased by 4.4%. Details of our results can be found in the Directors' Report which has been made available to all shareholders. Phil and Andrew will talk to the annual result in more detail shortly along with a performance update over the last quarter.

I would like to acknowledge performance during our first quarter, was poor. Our move away from a high frequency of discount based in store events had larger impact on sales than anticipated. That said, we are fully committed to this shift. A single weak quarter does not invalidate the need for this change. This is the right strategy to improve customer and employee experience, enhance brand perception, and ultimately reward our shareholders. To ensure our key Christmas trading period, which delivers the vast majority of our profits, performs strongly, management have implemented a range of initiatives to better engage customers while we continue to step away these events that compromise our business.

I would now like talk to our strategy; while our footprint and breadth of our business has changed, our core business ambition remains the same.

We are energised by the compelling opportunity to be a global leader in the fine jewellery category.

Our plan, is clear,

If you have a world class salesforce,

And if you can differentiate your brand and product offer to meet customer needs and aspirations,

And if you use digital and data to tailor, personalise and deepen each interaction;

Then you can drive sustainable long term growth.

We have a best in class salesforce. We know the quality of our customer interactions is a key performance driver so we invest heavily in sales coaching, training and engagement. An engaged front line team is a key competitive advantage. We continually strive to strengthen our culture so our teams feel empowered, connected and celebrated. We are incredibly proud of our teams who are the custodians of our vital customer relationships.

Secondly we are differentiating our brand. Our brand strategy supports our mission of celebrating love in all its forms. To meet growing demand for personalisation, meaning, and self expression we are evolving into a design led jewellery retailer, where our product is unique and beautifully designed with our customers in mind. We believe this creates a compelling point of difference against the masses of commodity and generic offers in the fine jewellery sector. We have been on this journey for some time now. Last year our proprietary collections grew to 18% of sales. We are enhancing our in-house design capabilities to accelerate this growth.

Our final pillar is digital. Jewellery is an omni channel business. As jewellery shopping is a very personal decision, our customers invest significant time understanding our offer online before visiting our stores. While we believe our stores will always have an important role to play, we know our customers take multiple trips through the digital world on each shopping journey. To be a successful jeweller retailer in today's rapidly changing environment, means enabling our customers to shift seamlessly between channels. Our digital roadmap is to improve customer experience through the use of data and analytics. We will tailor and personalise communications and better integrate our online and instore experience. The board has approved significant investment in digital infrastructure and capability to deliver this strategy.

We are confident these three key areas, a leading salesforce, a differentiated brand proposition, and a seamless digital experience, will drive sustainable long term growth and value creation. Delivering it will require focus, investment, and above all leadership.

The board would like to acknowledge the tremendous service Phil Taylor has given to Michael Hill for more than three decades, and as CEO since 2016. Phil has recently resigned due to health reasons. Over his tenure Phil has seen Michael Hill grow from 5 stores in New Zealand to over 300 across Australia, New Zealand and Canada. Phil leaves us with a strengthened leadership team, a clearly defined set of priorities to execute over the coming years and a strong balance sheet from which to deliver our ambition. We wish Phil all the best for this treatment and recovery.

In September the board confirmed the appointment of Daniel Bracken as our new CEO commencing November 15th. We are thrilled Daniel is joining us. Daniel brings more than 25 years of retail experience having worked with some of the worlds most iconic brands He has a deep understanding of the retail environment with valued experience in e-commerce, designing integrated digital and instore experiences and in leading merchandising, product design and customer engagement strategies. Daniel is energised and excited by the opportunity to work with the board and Michael Hill team to deliver our strategy and further enhance the Michael Hill franchise.

Thank you for the opportunity to share my perspectives with you.

I will now ask our CEO, Phil Taylor and CFO, Andrew Lowe to address the meeting on the 2018 annual and first quarter 2019 results.

EXECUTIVE ADDRESS

(Phil Taylor (CEO)):

Good morning.

I am joined here today by our Chief Financial Officer, Andrew Lowe, and our Chief Brand and Customer Officer, Vanessa Brennan, and over the course of this presentation we look forward to sharing more detail on the business and our future strategic direction.

As Emma mentioned, the past financial year has been unique and can be best described as a period of recalibration and repositioning for the Group – in particular, we made the decision to exit the underperforming Emma & Roe and US businesses to focus on the core Michael Hill brand.

While the costs associated with the exit of these businesses had a material one-off impact on our financial performance for the year, we believe are a stronger and more resilient business today.

There is now a robust platform from which to grow and to deliver greater value for our shareholders.

Also during the year, we made significant progress on our strategy for the business.

This will be covered in more detail during the call but we are excited about the opportunities we've identified to transform Michael Hill from a traditional retailer to a differentiated omni-channel brand.

We will now work our way through the presentation.

1. FY18 OVERVIEW AND STRATEGIC SNAPSHOT

FY18 Overview

We announced NPAT of \$4.6m for the twelve months ended 30 June 2018, which as we have previously communicated to the market, was impacted by one-off costs including the closure of Emma & Roe and the US businesses.

The impact from these two segments was material – not just in terms of the closure costs which were booked in the period at \$25.5 million, but also as a result of the deterioration in trading performance of these two businesses once the closure announcements were made.

Excluding the US and E&R, the continuing operations of the business performed relatively in-line with our expectations given the increased investment in overheads and infrastructure made during the year.

- The company posted NPAT for continuing operations of \$34.8m.
- Group operating revenue from continuing operations grew during the period by 4.4% to \$575.5m, with Canada continuing with solid growth and delivering a record EBIT result.
- EBIT on a normalised basis declined by 16.6% to \$40.1m, however for our continuing retail segments – being Australia, New Zealand and Canada the underlying EBIT was \$89.1m, which was in-line with our FY17 result.

In terms of our other key financial results:

- We are pleased to have made significant progress on strengthening our balance sheet, which will be important as we continue to make future investment in the business.

- Net operating cash inflow was \$54.9m, up on \$39.8m in the prior year.
- Net debt of \$28.0m was significantly down from \$39.4m – reducing our debt by \$11.4m.
- Finally, the Group paid a dividend for the year of AU 5.0 cents per share, which is in-line with the previous year.

Strategic Snapshot

As I explained earlier, the decisions made during the period were designed to provide a stronger platform for the Group to deliver sustainable and long-term growth through a focus on the core Michael Hill brand.

As part of a broader strategic review process, the Board and management have identified five strategic shifts that will reposition Michael Hill from a traditional retailer to a differentiated Omni-channel brand.

We believe these shifts will help to differentiate the Michael Hill brand within a rapidly changing retail environment where there is a material change in the way customers shop.

The coming period will be a foundational year, with the benefits of the strategy expected to be progressively realised over time, but once completed, the shifts are planned to increase profitability and market share.

A dedicated project management office has been established to execute and manage initiatives to support of the five strategic shifts identified in our strategic review process. Significant investment is being made in additional roles in data and digital, together with capital investment in key systems and infrastructure.

This will require the investment of additional unallocated corporate costs of approximately \$3m in the coming financial year.

Total planned capex of approximately \$25m will be required across a number of investments including, new and refurbished stores, and IT systems and infrastructure, which will be in-line with FY18 capex.

We will go into more detail of these five strategic shifts later in the presentation, but to summarise we are focused on:

1. **Omni channel:** *Building capability to deliver a seamless customer experience*
2. **Customer loyalty:** *Improving our data capability to better service our customers*
3. **Branded collections:** *an escalation in our growth of our unique branded collections*
4. **Brand position:** *to strengthen and grow brand loyalty through a highly differentiated offer*
5. **Operational excellence:** *Improving execution capability and efficiency in everything we do*

I will now hand over to Andrew to take you through our financial and operational highlights.

(Andrew Lowe (CFO)):

2. FINANCIALS

Highlights

Despite the impact from the closures of Emma & Roe and the US businesses, we are pleased to have delivered strong progress on a number of key financial deliverables.

Phil touched on a few earlier, including increased revenues of continuing operations, an increase in operating cash flow and reduction of debt.

Same store sales growth of 0.4% was realised for the period while gross margin was flat at 63.7%.

We remain committed to continually optimising our store portfolio and opened another 17 new stores during the period.

Continuing through other key financial performance indicators:

- The Canadian segment continues to gain market share with same store sales increase of 3.8% and a record EBIT for the year of \$14.6m. Canada remains a core segment for growth.
- Australia saw a 0.9% decline in same store sales in what is a tough retail environment, while New Zealand same store sales grew 2.3%.
- E-commerce also continues to be a core growth platform and online sales grew by 57.4% to \$10.3 million. This now accounts for 1.8% of total Group revenues.
- Branded collection sales increased to 18.0% of total product sales, up from 14.2% in the prior year.
- And the sale of Professional Care Plans ('PCP') from continuing operations amounted to \$35.7m, increasing deferred revenue on the balance sheet from PCP sales to \$80.0m.

Financial result

Moving on to our Group results...

As mentioned earlier, the financial performance was materially impacted by one-off costs, including the \$25.5m exit costs associated with the closure of Emma & Roe and the US, as well as the deterioration in performance of these two segments once the announcements were made.

With these closures now finalised, we'll be focused on delivering against our five strategic priorities to strengthen the operating and financial performance of the Michael Hill business moving forward.

To recap on some of the figures:

- Revenues from continuing operations grew by 4.4% to \$575.5m
- Gross margin for the Group remained flat at 63.7%
- Normalised EBIT before one-off items of \$40.1m
- EBIT from continued operations of \$50.1m
- And a dividend of AU 5.0 cents per share for the year, in-line with the prior period, unfranked and fully imputed. A final dividend of AU 2.5 cents will be paid on September 28.

3. OPERATIONAL REVIEW

Michael Hill – Australia

The Australian retail segment revenue increased by 1.2% to \$325.7m, however EBIT was down 5.9% primarily due to the challenging retail trading environment in this market and also due to an increase in marketing spend for the 12 months.

While we're disappointed with the result, we are taking a number of steps seeking to strengthen the business and improve EBIT performance in Australia:

- We have split the management of the large Australian segment into two businesses, each led by a Retail General Manager with their own regional management teams.
- We are implementing strategies to improve productivity from the retail teams, as well as property portfolio improvements, new product collections and an enhanced customer experience in-line with the new strategic priorities.
- We will also continue to focus on margin management lifting gross profit from 62.6% to 63.3% in FY18, but we believe additional gains can be made in this area.

Michael Hill – New Zealand

New Zealand revenues increased 2.7% to NZ\$125.2m, and achieved an EBIT result of NZ\$27.8m, in line with the prior year.

Despite being a mature market, same store sales growth of 2.3% was achieved.

We expect NZ to continue to perform well and to benefit from increased online revenue, an extended product offering, improved margins, and a continued refinement of the property portfolio, together with exploring opportunities to tap the growing Asian consumer market.

There was no change in the number of New Zealand stores, remaining at 52.

Michael Hill – Canada

Canadian revenue increased by 16.0% to CA\$130.8m, with same store sales increasing 3.8% and gross margin lifting to 62.4%.

The segment continues to show good growth as we achieve scale and increase market share with EBIT increasing to a record CA\$14.6m.

We aim to continue to build profitability in Canada through new store openings, online revenue growth, optimisation of our in-house credit program, and increased productivity of the retail teams.

Eight new stores opened during the year, giving a total of 83 stores operating.

I will now hand over to Vanessa to talk about our strategic priorities.

(Vanessa Brennan (CB&CO)):

4. STRATEGIC PRIORITIES

We'll now take a deeper dive into our five strategic shifts and the ways these will reposition Michael Hill from a traditional retailer to a differentiated Omni-channel brand.

We're excited about the opportunities that will eventuate from these shifts and we expect to see the benefits progressively realised over coming years.

Omni-channel

Our first strategic shift is a focus on Omni-channel, building capability to deliver a seamless customer experience.

To achieve this, we'll be focused on evolving online experiences, including integration of digital and social channels with our store network, and to enable a seamless experience for customers, where and when they choose to engage with our brand.

It is critical that consumers can engage with us across platforms without being reliant on a singular channel for service. We want our customers to be able to seamlessly experience our brand regardless if they are instore or online.

E-Commerce is already a growing part of our business, and it will continue to play an increasingly important role as we again target increased on-line sales during the coming period.

We are also investing in our online capabilities so that we can increase market share. This improved digital offering will help to improve engagement with our customers and increase the frequency in which they shop with Michael Hill.

Our continued investment in this space reflects the growing importance of the on-line channel as we take full advantage of changes in consumer behaviour.

Customer loyalty

The second strategic shift is about driving greater brand loyalty and advocacy through knowing our customer - specifically who they are, what they want and how we can connect to ultimately deliver exceptional customer experiences.

To achieve this, we will be leveraging data-driven customer insights to improve the effectiveness and frequency of our engagements with customers.

This requires additional investment and a more sophisticated Omni-channel approach, allowing us to secure more market share by delivering a holistic customer experience.

In particular, additional resources will be employed to leverage data and engage with consumers in a better way.

Unique branded collections

The next shift is a stronger focus on branded collections through enhanced design capability.

Phil spoke earlier about the current growth of branded collections with collection sales increasing to 18% of total product sales during FY18. With growing consumer demand for differentiated and unique products, we expect this trend to continue.

Branded collections provide a unique product offering to our customers and in doing so, helps build stronger brand equity.

Brand position

The fourth strategic shift is to strengthen and grow brand loyalty with a specific lens on repositioning our brand in the market to meet the changing consumer landscape.

It is important that we create and reinforce a true point of difference in the market, which we will aim to do through various initiatives, including a better in-store customer experience.

We believe this differentiation and enhanced brand position will enable the Group to continue improving top line sales as well as grow margin.

Operational excellence

The final shift is to enhance operational efficiencies, so that we can maintain our leading market position as the retail landscape evolves.

This starts with having a robust IT infrastructure. Recently we made a \$6.5m investment in our infrastructure to support our strategic priorities.

Following the successful introduction of our new Point of Sale system in Australia, we have now completed roll-out in New Zealand and Canada.

We are committed to expanding the Michael Hill brand in Australia, Canada and New Zealand with plans to open a minimum of 10 new stores this year across the three markets, subject to site availability.

Our gross margin return on investment in inventory remains a key indicator for us, and we are targeting further improvement for FY19 after seeing a lift to \$1.48 during the previous period. Continued strong operational cash flows would enable further debt reduction and allow capital investment levels to be maintained, while also leaving the Group well placed to explore opportunities aligned with the five strategic shifts

5. STRATEGIC PRIORITIES – FY19

So to recap our immediate priorities. During the 18-19 year the Group will aim to integrate its strategic shifts into the business and achieve the following:

1. Open at least 10 new Michael Hill stores across all markets.
2. Reposition Michael Hill brand from a traditional retailer to a differentiated Omni-channel brand
3. Branded collection sales to grow as a percentage of total revenue.
4. Continued improvement in inventory management to deliver further improvement in GMROI
5. Continue to invest and develop the e-commerce business.

I'll now hand back to Phil and Andrew to speak about our first quarter trading results for 2019.

(Phil Taylor (CEO)):

6. Q1 2019 RESULTS

First Quarter Trading Update

- i. Same store sales fell by 11% during the quarter
- ii. Gross profit margin lifted by 1.5% to 64.6%
- iii. 3 new MH stores opened during the quarter and 3 were closed
- iv. 4 E&R stores closed during the quarter and we now have just 2 remaining open
- v. Ecommerce sales increased 85% for the quarter to \$3.4m

Consistent with our decision to pursue 5 key strategic shifts for the business over the next 2 years, we also made the decision to reduce the amount and level of heavy discounting and frequency of price based event days in the business. We have become increasingly dependent on these price based event days and they were undermining our brand and distorting customer purchase behaviour and in-store sales behaviour as people deferred purchases to take advantage of these events.

We know from our customer research that our customers value the Michael Hill brand and our differentiated collections, and to continue to be the stand-out performer in the mid-market fine jewellery sector we need to further differentiate our product assortments and better target and service our chosen customer segments.

This journey commenced on 1 July, and while we expected to experience some loss of top line sales as a result of not 'comping' these heavily discounted event days, we have not been as successful as planned in attracting customers into store with alternate marketing promotions. We remain convinced that this is the right strategy for Michael Hill, to move away from aggressive price based events, and revert to sound selling practices that give our customers a great customer experience and enhance our reputation and brand. We have now moved to adjust our promotional

activity for the balance of the financial year. It must be remembered that we are in the mid-market and are up against strong discounting in all markets and as such we will continue to have great offers and competitive pricing so our stores can continue to compete on a day to day basis. However, we do need to back away from overly aggressive discounting and pricing. This is a difficult balance to achieve and we will continue to assess the impact as each month goes by and adjust our activity and pricing accordingly.

This year will be very much a year of recalibration of in-store behaviours and progressive launching of initiatives to help differentiate our brand. The program of works planned to achieve our 5 strategic shifts will take 2 years to complete and this is year one of that journey. As each quarter goes by we can expect improved performance due to the settling in of in-store behaviours and also due to new initiatives being progressively launched over the coming 24 months.

While naturally disappointed at our first quarter result, I would ask for your patience as we make these significant shifts in our brand as they will position the company for future success and market share gains, at a time of rapid change in consumer behaviour and retail environment. The board and leadership team are very committed to this strategy and we are confident we have mapped the right path forward for the company and we will come out the other end much stronger and can look forward to the continued success that we have enjoyed over the past 4 decades.

(Phil to introduce MHJ advertisement.)

7. WRAP UP

That brings our presentation to an end today.

Are there any questions before we move onto the formal business of the meeting?

We will now move to the business of the meeting.

Voting

When you registered at the attendance desk this morning, you should have received a registration card from Computershare:

- those holding a blue card can vote and speak at the meeting;
- those holding a red card are not eligible to vote but can speak at the meeting; and
- Visitors holding a yellow card are not eligible to vote or speak at the meeting.

If there is anyone present who is eligible to vote, but has not received a blue card, please see a representative of Computershare who can assist.

The blue voting card will be used for the holding of a poll.

To enhance good corporate governance and transparency all resolutions will be voted on by way of a poll which will be conducted at the end of the meeting and results released to the ASX and NZX immediately following the counting of those votes.

Notice of Meeting

The notice of meeting including the explanatory memorandum was sent to all shareholders.

If there is no objection, I propose that the notice of meeting be taken as read. Extra copies of the notice are available at the registration table, if required.

Procedure for the meeting

We will go through the formal business of the AGM as set out in the notice of meeting. Shareholders and proxies will have the opportunity to ask questions or make comments on each resolution.

Item 1: Financial Reports

The first item of business is the tabling of the 2018 audited financial statements, directors' report and auditor's report.

Under the *Corporations Act 2001*, the company is obliged to lay before this meeting the last audited financial statements, Directors' Report and auditor's report. The financial statements and reports are dated 24 August 2018 and are included in the company's 2018 Annual Report which has been released and distributed to shareholders prior to this meeting. Additional copies are available at the registration desk. .

No resolution is required, but I now invite shareholders and their proxies to comment or ask questions on the reports or the business of the company.

I would ask that questions on any of the other items of business be deferred until we come to that particular item.

Questions may also be asked of the auditors in relation to the conduct of the audit, content of the audit report, accounting policies adopted by the Company and the independence of the auditor in carrying out the audit.

Could you please address all questions to the chair and, if you wish to speak, could you please raise your hand.

When I direct, please state your name before speaking and hold your blue voting card so that I can see that you are a shareholder or a proxy.

Are there any comments or questions?

As there are no further questions we will now move to the second item of business.

Item 2: Remuneration Report

Under the Australian *Corporations Act*, listed companies are required to include as part of their directors' report a remuneration report, which includes specified information.

The directors have prepared a remuneration report to 30 June 2018 and it is included in the Directors' Report in the Annual Report.

The Corporations Act also requires companies to put to shareholders an advisory resolution to adopt the remuneration report.

As such, for this item, I move the advisory resolution that the remuneration report for the year ended 30 June 2018 (as set out in the Directors' Report) be adopted by shareholders as set out in the notice of meeting.

There are consequences for the company if there is a vote of greater than 25 per cent AGAINST the adoption of the remuneration report.

With this in mind, the Board believes it appropriate that the voting on this item be conducted by poll rather than by a show of hands. I now call for a poll to be held on this resolution which will be held at the end of this meeting.

I will advise you of the proxy votes received, which are as follows:

For	237,895,253	99.7%
Against	115,041	0.05%
Abstain	3,543,098	
Open proxies	591,295 or 0.25 % of which 265,284 proxies appointing the Chair, shall be voted For the resolution.	

Are there any comments or questions on this item?

Election of directors

We will now move to the next items on the agenda which are the director re-elections. As I have an interest in the next resolution, I will hand the Chair to Gary Smith.

[Gary to assume Chair]

Listing Rule 14.5 and Article 38 of the Company's Constitution require that the Company hold an election of Directors at each annual general meeting. In addition, Listing Rule 14.4 and Article 38.6 provide that a Director must not hold office (without re-election) past the third annual general meeting following the Director's appointment or three years, whichever is longer. A retiring Director is eligible for re-election at the AGM.

Accordingly, Emma Hill, Sir Michael Hill and Janine Allis, each of whom would have held office for a continuous period of three years before the Company's next AGM in 2019, retire and being eligible, offer themselves for re-election as non-executive directors.

Item 3: Re-election of Emma Hill

Item 3 on the agenda is the proposed re-election of director, Emma Hill.

Emma's experience and details are set out in the explanatory memorandum which accompanied the Notice of Meeting.

Each of the directors (with Emma abstaining) recommends that shareholders vote in favour of the re-election of Emma.

I have pleasure in moving the resolution that "*Emma Jane Hill, who retires by rotation in accordance with Listing Rule 14.4 and Article 38.6 of the Company's Constitution, and being eligible, offers herself for re-election, be re-elected as a Director*".

The Board calls for a poll to be held on this resolution, which will be held at the end of this meeting.

I advise that the proxy votes received are as follows:

For	259,402,888	99.76%
Against	152,834	0.06%
Abstain	3,283,850	
Open proxies	462,041 or 0.18% of which 136,030 proxies appointing the Chair, shall be voted For the resolution.	

Are there any comments or questions?

Item 4: Re-election of Sir Michael Hill

Item 4 on the agenda is the proposed re-election of director, Sir Michael Hill.

Sir Michael's experience and details are set out in the explanatory memorandum which accompanied the Notice of Meeting.

Each of the directors (with Sir Michael abstaining) recommends that shareholders vote in favour of the re-election of Sir Michael.

I have pleasure in moving the resolution that "*Sir Richard Michael Hill, who retires by rotation in accordance with Listing Rule 14.4 and Article 38.6 of the Company's Constitution, and being eligible, offers himself for re-election, be re-elected as a Director*".

The Board calls for a poll to be held on this resolution, which will be held at the end of this meeting.

I advise that the proxy votes received are as follows:

For	259,410,355	99.77%
Against	156,589	0.06%
Abstain	3,280,628	
Open proxies	454,041 or 0.17% of which 136,030 proxies appointing the Chair, shall be voted For the resolution.	

Are there any comments or questions?

Item 5: Re-election of Janine Allis

Item 5 on the agenda is the proposed re-election of director, Janine Allis.

Janine's experience and details are set out in the explanatory memorandum which accompanied the Notice of Meeting.

Each of the directors (with Janine abstaining) recommends that shareholders vote in favour of the re-election of Janine.

I have pleasure in moving the resolution that "*Janine Allis, who retires by rotation in accordance with Listing Rule 14.4 and Article 38.6 of the Company's Constitution, and being eligible, offers herself for re-election, be re-elected as a Director*".

The Board calls for a poll to be held on this resolution, which will be held at the end of this meeting.

I advise that the proxy votes received are as follows:

For	259,492,502	99.79% (of eligible votes)
Against	77,989	0.03%
Abstain	3,269,081	
Open proxies	462,041 or 0.18% of which 136,030 proxies appointing the Chair, shall be voted For the resolution.	

Are there any comments or questions?

I will now hand the Chair back to Emma.

[Emma to assume Chair]

Poll

As determined earlier in the meeting, a poll will be held on all Resolutions all at the conclusion of all other business of the AGM.

We will now hold the poll on those resolutions.

I appoint Chris Buttery, a manager of Computershare Investor Services, assisted by members of his staff, as Returning Officer for this meeting. Chris is appointed to conduct the Poll and will now run through the Poll procedures.

Poll Procedures

[Chris Buttery]

The persons entitled to vote on the poll are all shareholders, representatives and attorneys of shareholders, and proxyholders who hold BLUE admission cards.

On the reverse of your BLUE admission card is your voting paper and instructions.

Proxyholders have attached to their admission card a Summary of Proxy Votes which details the voting instructions. By completing the voting paper, you are deemed to have voted in accordance with those instructions.

In respect of any open votes a proxyholder may be entitled to cast, you need to mark a box beside the motion to indicate how you wish to cast your open votes.

Shareholders also need to mark a box beside the motion to indicate how you wish to cast your votes.

Please ensure you print your name where indicated and sign the voting paper. When you have finished filling in your voting paper, please lodge it in a ballot box to ensure your votes are counted.

If you require any assistance, please raise your hand.

[Emma to resume Chair]

I now declare the poll closed

The results of the Poll will be announced on the ASX and NZX later today and will be displayed on the Company's website.

Closure

That concludes the formal part of the annual general meeting. I now invite shareholders who may have questions or comments not related to the specific business of the meeting to speak.

Thank you all for your attendance and interest and we look forward to your continued support in the coming year.