



<b>Company</b>	ALS Limited
<b>Code</b>	ALQ
<b>Meeting</b>	AGM
<b>Date</b>	31 July 2019
<b>Venue</b>	Pullman Hotel Brisbane
<b>Monitor</b>	Sally Mellick assisted by Marion Loughnan

<b>Number attendees at meeting</b>	Approx 100
<b>Number of holdings represented by ASA</b>	<b>61</b>
<b>Value of proxies</b>	\$6.5m
<b>Number of shares represented by ASA</b>	893,192
<b>Market capitalisation</b>	\$3,589m
<b>Were proxies voted?</b>	Yes, on a poll
<b>Pre AGM Meeting?</b>	Yes with Co Secretary Michael Pearson

### **Positive guidance not reflected in the market on the day**

Attendance at the ALS Limited AGM seems to be declining. Perhaps it is the lack of soap offerings that were plentiful in its previous incarnation as Campbell Brothers. The AGM was polite and followed the standard course.

All agenda items were passed with a greater than 95% shareholder vote.

There was nothing contentious in the reports by Chair and CEO, with CEO Raj Naran providing more detail on significant aspects of company goals and processes. The company has produced a Sustainability 2019 report which gives more insight into the company and its way of dealing with customers than does the Annual Report. Raj Naran indicated a continued focus on expanding the Life Sciences business with opportune acquisitions as well as increased application of technology including artificial intelligence. The significant comment was provided by the Chair, with a first-half guidance of modest improvement to \$90-\$95m underlying net profit after tax. This result was produced in a period of sound contribution by the non-cyclical segments and a softer contribution from the cyclical commodities testing. The announcement saw a decline in share price on a day when the market in general did not perform well.

Most questions, including ASA's question, were directed at capital management issues. There was good participation with responses from several directors. Continued bolt-on acquisitions that will be made when the conditions are right for the company. Various members of the board advised

that using company cash to buy back shares offered better results for shareholders than either paying dividends with less franking credits available or paying down debt in a low interest rate environment.

Members of the board and staff circulated with shareholders after the meeting. The AGM was reported in the Financial Review and not covered by other local daily print media.