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| Company | Hills Limited |
| Code | HIL |
| Meeting | AGM |
| Date | 8 November 2019 |
| Venue | Adelaide Convention Centre |
| Monitor | Bob Ritchie, assisted by Malcolm Keynes |

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| Number attendees at meeting | 48 voting cards were issued; 65 people attended |
| Number of holdings represented by ASA | 59 |
| Value of proxies | \$160,000 |
| Number of shares represented by ASA | 800,000) |
| Market capitalisation | \$46 million (book value \$52 million) |
| Were proxies voted? | Yes, on a poll for resolutions 3 & 4; not for 1 & 2 |
| Pre-AGM Meeting? | No; ASA was unavailable |

Down-hill results with improvement foreshadowed

Chair, Jennifer Hill-Ling announced that voting by poll would occur for adoption of the remuneration report and the constitutional amendment on proportional takeover. These were special resolutions requiring a 75% majority to pass. The first two resolutions were for re-election of directors who both spoke to their election at the appropriate time.

The Chair outlined results for the year. The MD, David Lenz, provided more detailed information. There were no questions or comments at this stage of the meeting.

On the motion to re-elect Ms Fiona Bennett, ASA commented that she had been a director since the company was named 'Hills Industries' through the time it was re-named as 'Hills Consolidated' (emphasising its variety of business interests, most of which were later referred to as 'legacy') and a couple of years later when its name was changed to 'Hills' with a strategy to dispense with legacy business elements and pursue a totally new business path. When cash was raised by disposal of assets, over \$200 million was spent on acquisition of new businesses which soon after were impaired to about \$50 million. ASA intention to vote against was declared but first wanted the candidate to have opportunity to respond. Instead, the Chair responded, drawing attention to cash used to pay down debt but not commenting on the impairment of assets purchased. There

was no other comment or question from the floor. Two votes only were cast against the motion. As proxies were about 9% against, the motion passed comfortably.

On the motion to re-elect Mr Ken Dwyer, ASA asked the only question, which was directed to the chair, seeking comment on whether the candidate's background not shared by other directors had been of use in 'opening doors' or enhancing vital conversations on behalf of the company. The chair's answer, with examples, was affirmative. No other question was asked. Voting by show of cards was without dissent.

The chair of remuneration committee, Philip Bullock spoke to the motion to adopt the remuneration report. He mentioned how directors' fees had been reduced to half that of a previous level because of reduction in company size and poor results. ASA spoke of the many ways the remuneration structure did not conform to ASA guidelines but was at this time appropriately designed for the company's circumstance; a condition which should not continue much longer. ASA also affirmed Mr Bullock's assertion of reasonableness of amounts paid. Two people asked questions; one asking whether staff not identified in the report also received bonuses. The chair gave an affirmative answer.

The motion to amend the constitution by re-inserting a passage on proportional takeover, with a three-year sunset provision, was put without comment.

Upon conclusion of formal business, the meeting remained open for further comment or questions.

- Commentary on how the company could save money by printing the annual report in monochrome and transporting directors with the cheapest airline was addressed by the chair who said directors travelled on economy fares or on points.
- A proposal for employees whom had received shares as bonuses to be compensated by the company (for the huge fall in market price of shares over the past decade) was addressed by the chair in terms of all shareholders having to be treated equally.