



<b>Company</b>	Nufarm Limited
<b>Code</b>	NUF
<b>Meeting</b>	AGM
<b>Date</b>	5 December 2019
<b>Venue</b>	RACV Club, 551 Bourke St, Melbourne
<b>Monitor</b>	Duncan Seddon

<b>Number attendees at meeting</b>	16 shareholders plus 53 visitors
<b>Number of holdings represented by ASA</b>	49
<b>Value of proxies</b>	\$1.2m
<b>Number of shares represented by ASA</b>	233, 581
<b>Market capitalisation</b>	\$1,853 million
<b>Were proxies voted?</b>	Yes, on a poll
<b>Pre AGM Meeting?</b>	Yes, with chair Donald McGauchie, CEO Greg Hunt, and CFO Paul Binfield

### Japan to the Rescue

This has been a momentous (poor) year for Nufarm. The company has suffered from adverse weather conditions in Australia and USA. The fall in profit has forced the cancellation of the dividend payment. The major shareholder (Sumitomo Chemical) has proposed the purchase of the Latin American Operations for over \$1.1 billion. Although these operations have shown increasing revenue, they carry a large operational cost which results in low margins. This should allow the company to use the capital to increase investments in higher margin operations in the USA and Europe. We supported the motion at the AGM to approve this purchase.

The long standing chair announced he intended to leave the company once the sale has been completed. Since there are several directors who have served the company longer than 9 years, we asked what the chairman's plans were for board renewal.

We also asked for a more detailed explanation of the high apparent high level of tax the company was paying. This was answered by Frank Ford (chairman of the audit and risk committee) and the CFO. They explained the conservative nature of the company's policy of booking intangible tax assets and liabilities resulting in this outcome.

We voted to for all of the resolutions. The remuneration report received over 98% support. Donald McGauchie was re-elected with a vote of 71% (apparently one of the proxy advisors recommended an against vote due to the chairman's longevity, another recommended a vote for the resolution as he had announced his departure). All other resolution, including the sale of the Latin American operation, were carried with a vote over 99%.