

Monadelphous Group Limited 2023 AGM report

ASX code	MND
Meeting date	Thursday, 21 November 2023
Type of meeting	Hybrid
Monitor	Geoff Corrick
Pre AGM-meeting	With Executive Chair Rob Velletri and Joint Company Secretary Kristy Glasgow

Meeting Statistics

Number of holdings represented by ASA	85
Number of shares represented by ASA	313,497
Value of shares represented by ASA	\$4.5m
Total number attending meeting	14 shareholders in person, 11 online
Market capitalisation	\$1.39 billion
ASA open proxies voted	ASA voted in favour of all the resolutions

There was an upbeat tone to the meeting with lots of work already contracted for FY24 and beyond, and opportunities to bid for more. The company has several long running maintenance projects (3 years with renewal options) often on items of plant, which they constructed. They are able to be selective about the projects for which they tender ('a strategic and targeted approach' - to quote from the MDs address). Their biggest continuing problem is finding employees to do the work.

Towards the end of his remarks, the Managing Director gave guidance for an increase in Group revenue of 5% for the first half of FY24 (compared to the PCP) and similar revenue in the second half depending on the ramp up of new construction projects. Work is predominantly in the iron ore and lithium sectors in WA, although the company has won a \$900m contract for surface infrastructure at the Oyu Tolgoi underground mine in Mongolia (copper and gold).

The board structure continues with an Executive Chairman model following the death of John Rubino (much revered and long serving founder) shortly after his retirement at the 2022 AGM. His replacement, in line with the company's succession plan, is Rob Velletri, the Managing Director for almost 20 years and holds slightly more than 2% of the issued capital. The new MD is also on the board, plus four independent non-executive directors.

The meeting was chaired by the CFO and Joint Company Secretary Phil Trueman. There was only one speaker from the floor, the ASA monitor. We raised the issue of publishing a skills matrix for the Board with names included. The response was that they would consider the suggestion.

Three online participants asked questions. The first asked about the turnover rate among staff. The MD replied that while turnover was high, they had benchmarked MND against other firms in their industry and found they were on the low side. Also, the turnover rate had declined during the year. The second question concerned the recent government announcement of a cutback in infrastructure spending. Since MND works in the resource sector they are not expecting any impact and indeed the MD thought that the decision may well favour MND by freeing up workers to move into the resource sector.

A well-known shareholder activist asked the last two questions. Firstly, why was there a resolution to re-elect the MD when the constitution did not require regular three yearly re-election? Since the Executive Chairman began his term at the last AGM by Board appointment, the resolution was required to give shareholder approval. He would not require re-election as long as he remained MD. The second question was: now that the Executive Chairman was no longer the MD would he require re-election every three years?

Again, the resolution was allowing shareholders to approve the Board appointment made at the previous AGM, and 'yes' he would require re-election every three years.

A [webcast](#) of the meeting is available, also via the Investor section of the MND [website](#). Questions start at 46m 20s.

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