

RPM Global Holdings Ltd 2024 AGM Report

ASX code	RUL
Meeting date	Friday, 18 October 2024
Type of meeting	Virtual
Monitor	David Loosemore
Pre AGM-meeting	N/A

Meeting Statistics

Number of holdings represented by ASA	25
Number of shares represented by ASA	221,413
Value of shares represented by ASA	\$0.653m
Total number attending meeting	75 attendees
Market capitalisation	\$0.660 billion
ASA open proxies voted	ASA voted in favour of all the resolutions

Monitor Shareholding: The individual (or their associates) involved in the preparation of this report has a shareholding in this company.

The Chairman and Managing Director spoke in turn to the company's performance during FY24, which featured strong revenue growth in mining software sales and related advisory services and a significant profit increase.

During FY24, RPM Global's market capitalisation more than doubled, rising 105% to \$660 million. This resulted in its inclusion in the S&P/ASX 300 index.

The virtual format of the AGM allowed for maximum flexibility in attendance, and the Chairman encouraged questions from shareholders and answered those presented. However, there was no video of the speakers, and a succession of "Good morning" from unseen Directors led to some disconnection in the flow of the meeting. ASA asked whether RPM Global would consider a hybrid AGM meeting to allow for face-to-face accountability for shareholders. The response was that it had held physical meetings previously and would consider a hybrid format for next year.

ASA congratulated the company on the FY24 performance, and asked now that the share price has risen significantly and may appear expensive on PE and based on future cash flows, is a share buy-back program still the best use of the company's surplus capital over an unfranked dividend? The Chairman noted that the buy-back is under continuous assessment and had been temporarily paused in recent weeks. The Board will consider the best use of the company's surplus funds moving forward.

Last year, the Remuneration Report received a first strike. This was partly due to 40% of shareholder proxies missing the voting deadline. There might have been some concerns that the company was using Total Contract Value (TCV) as a performance measure in its Short Term Incentives but the Board considers it is a good measure to deliver shareholder value. Given the performance hurdles in the current framework appear in alignment with shareholders, ASA supported the Remuneration Report. However, it was noted that the ASA prefers that the Short Term Incentive is paid with 50% deferred and not all cash. The ASA also

encouraged the Board to implement a second performance measure to the Long Term Incentive (in addition to maintaining employment and Total Shareholder Return overperforming the ASX300 accumulated index). The Chairman shared this at the AGM and said they will consider improvements to the remuneration package as they move forward as a S&P/ASX 300 index company.

In response to operational questions from shareholders, the Chairman outlined how securing new Global Framework Agreements with major mining companies has led to an acceleration in procurement of new contracts with them and they were pleased with a “spectacular response” to their recently released open pit design software.

All resolutions were passed, avoiding a second strike on the remuneration report.

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