

## Nine Entertainment Co. Holdings Ltd

<b>ASX code</b>	NEC
<b>Meeting date</b>	Thursday, 7 November 2024
<b>Type of meeting</b>	Hybrid
<b>Monitor</b>	Don Adams
<b>Pre AGM-meeting</b>	With Catherine West, Chair and Nola Hodgson, Investor Relations

### Meeting Statistics

<b>Number of holdings represented by ASA</b>	50
<b>Number of shares represented by ASA</b>	281,581
<b>Value of shares represented by ASA</b>	\$311,000
<b>Total number attending meeting</b>	14 shareholders at meeting, 48 online
<b>Market capitalisation</b>	\$1.75bn
<b>ASA open proxies voted</b>	ASA voted in favour of all the resolutions

*Monitor Shareholding: The individual involved in the preparation of this AGM Report has no shareholding in the company.*

The meeting took place in uncongenial surroundings in a studio at NEC's building in North Sydney. Once again, the presentation slides were not shown in clear view of the audience who had to turn around to see them.

The Chair Catherine West and the Acting CEO Matt Stanton gave the usual addresses reviewing NEC's financial results but there were three important themes that they both covered:

1. On the report on toxic culture at Nine they stated that they have made it clear that such behaviour has no place at Nine, that there will be consequences and that they "will do what needs to be done."
2. That AI would be important for Nine in generating and modifying content, particularly in their strategic objective of integrating their distribution platforms.
3. Nine's variety of distribution channels – free-to-air TV (FTA), broadcast video on demand (BVOD), print, online news, radio and streaming – offered opportunities for growth and operating efficiencies. On the other hand, NEC is also aiming to cut a further \$50m in costs in response to the declining FTA advertising market.

The Olympics and Paralympics coverage in Q1, FY25 had been a great success with strong increases in revenue, viewership and Stan subscriptions. Unfortunately, early indications for Q2 show a return to the pattern of a tough market for FTA advertising but strong growth where

advertising can be targeted as in BVOD. In response to one of our questions they revealed that advertising is being added to Stan Sport without interrupting game play.

There were a group of questioners, led by Tim Costello, pushing the case for a total rejection of gambling advertisements. The response was that Nine would comply with government rules in this area. They also said that gambling advertising revenue was not significant, it was useful to meet the increasing costs of sporting content.

Catherine West was queried about why, with over eight years on the Board, she was unaware of the bullying and harassment culture. She replied that there had been little evidence coming up through internal surveys and that the independent and confidential survey was needed before she was aware of the problem. This probably accounts for the 17% vote against her re-election.

Some questions asked whether more value could be added for shareholders if good performing assets like Domain and Stan were to be spun off. The response was that synergies in terms of content creation and distribution channel variety would be lost in that case.

The Remuneration Report received a first strike with a 37.4% vote against. Since there were no specific objections to remuneration policy (apart from the ASA concerns listed in [our Voting Intentions Report](#)) this was clearly a rebuke to the company for the shocking findings of the inquiry into bullying and harassment.

Andrew Lancaster, CEO of Birketu (NECs largest shareholder) was elected as a non-independent, non-executive director with a vote of 92%. Two proxy adviser firms had advised clients to vote against the remuneration report and one, ISS, had also advised voting against the re-election of directors.

The addresses by the Chair and Acting CEO, the presentation slides and the voting results can be found at <https://www.nineforbrands.com.au/investors/asx-announcements/>.

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