



# Annual General Meeting

22 November 2022

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# MCP AGM - 2022



MCPHERSON'S  
Est. 1860

Health | Wellness | Beauty

# Meeting Outline

- 01** How to Vote
- 02** Chairman's Address
- 03** CEO & Managing Director's Address
- 04** Formal Resolutions Business
- 05** Shareholder Questions

## Our Speakers



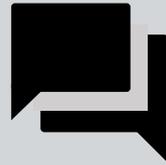
ARI MERVIS  
Chairman



GRANT PECK  
CEO & Managing  
Director

# ONLINE ATTENDEES – TEXT QUESTION PROCESS

Select the messaging tab and type your question in the **Ask a question** box.



Press the send arrow to submit your message for review.



✓ Received

Your submitted questions along with any written responses from the meeting team can be found by selecting **My Messages**.

The screenshot displays the mobile application interface with three main navigation tabs at the top: HOME, MESSAGING (which is currently selected and underlined), and VOTING. Below the navigation is a 'Messaging' section containing a text input field with the placeholder text 'Ask a question' and a send arrow icon on the right. A character count '0 / 1000' is visible below the input field. To the right of the input field are two buttons: 'ALL MESSAGES' and 'MY MESSAGES'. Below these is a dark grey message card from a 'Moderator' dated 'February 8, 2022 10:39 AM'. The message text reads: 'Welcome to the meeting. If you would like to submit a question, type your question in the box above and then press the send arrow. Please include the number of the resolution at the beginning of your question. Questions may be moderated or amalgamated if there are multiple questions on the same topic.'

# ONLINE ATTENDEES – TEXT QUESTION PROCESS

Select the messaging tab, **select the category** your question relates to and type your question in the **Ask a question** box.



Press the send arrow to submit your message for review.



✓ Received

Your submitted questions along with any written responses from the meeting team can be found by selecting **My Messages**.

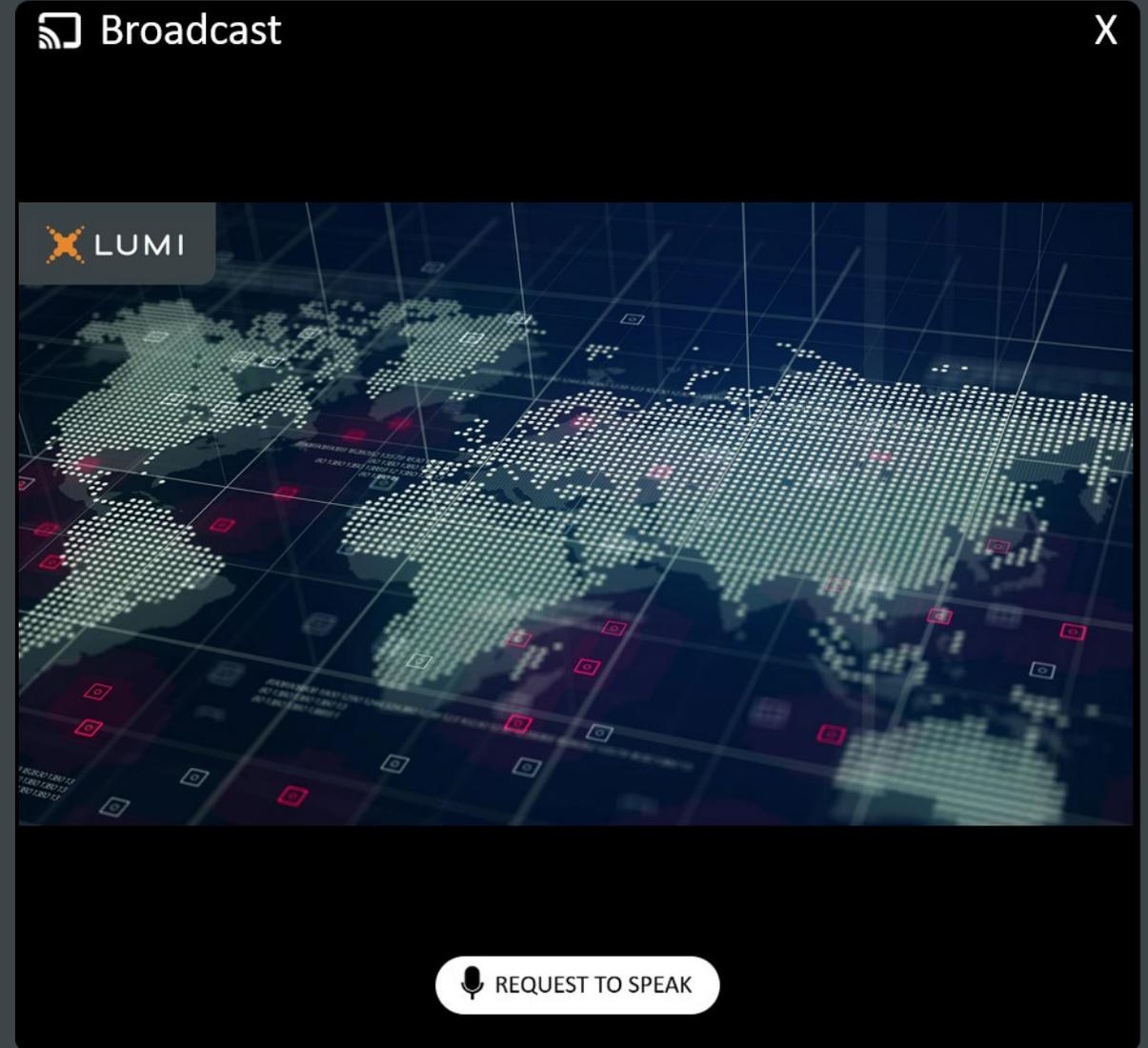
The screenshot displays the 'MESSAGING' tab in a meeting application. At the top, there are navigation options for 'HOME', 'MESSAGING', and 'VOTING'. Below the navigation, the 'Messaging' section is active. It features a dropdown menu labeled 'Select a category' and a text input field labeled 'Ask a question' with a send arrow button on the right. A character count '0 / 1000' is visible below the input field. Below the input field, there are two tabs: 'ALL MESSAGES' and 'MY MESSAGES'. A message from the 'Moderator' is displayed, dated 'September 20, 2022 10:17 AM'. The message text reads: 'Welcome to the meeting. If you would like to submit a question, type your question in the box above and then press the send button. Questions may be moderated or amalgamated if there are multiple questions on the same topic.'

# ONLINE ATTENDEES – AUDIO QUESTION PROCESS

Click on the  button at the bottom of the broadcast window. The meeting broadcast will be replaced with the audio questions interface.

Confirm your name, enter the topic of your question and click **Submit Request**.

Follow the instructions to grant access to your microphone and join the queue.



# ONLINE ATTENDEES – AUDIO QUESTION PROCESS

Click on the  button at the bottom of the broadcast window. The meeting broadcast will be replaced with the audio questions interface.

Confirm your name, enter the topic of your question and click **Submit Request**.

Follow the instructions to grant access to your microphone and join the queue.

 Broadcast X

## AUDIO QUESTIONS

To join the live audio questions queue, fill out the form below and click "Submit Request"

**Your Name:**

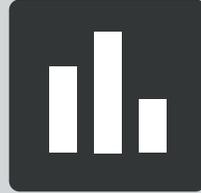
**Your Topic or Question:**

**Submit Request**

 RETURN TO BROADCAST

# ONLINE ATTENDEES – VOTING

When open, the vote will be accessible by selecting the voting tab at the top of the screen.



To vote simply select the direction in which you would like to cast your vote. The selected option will change colour.

For



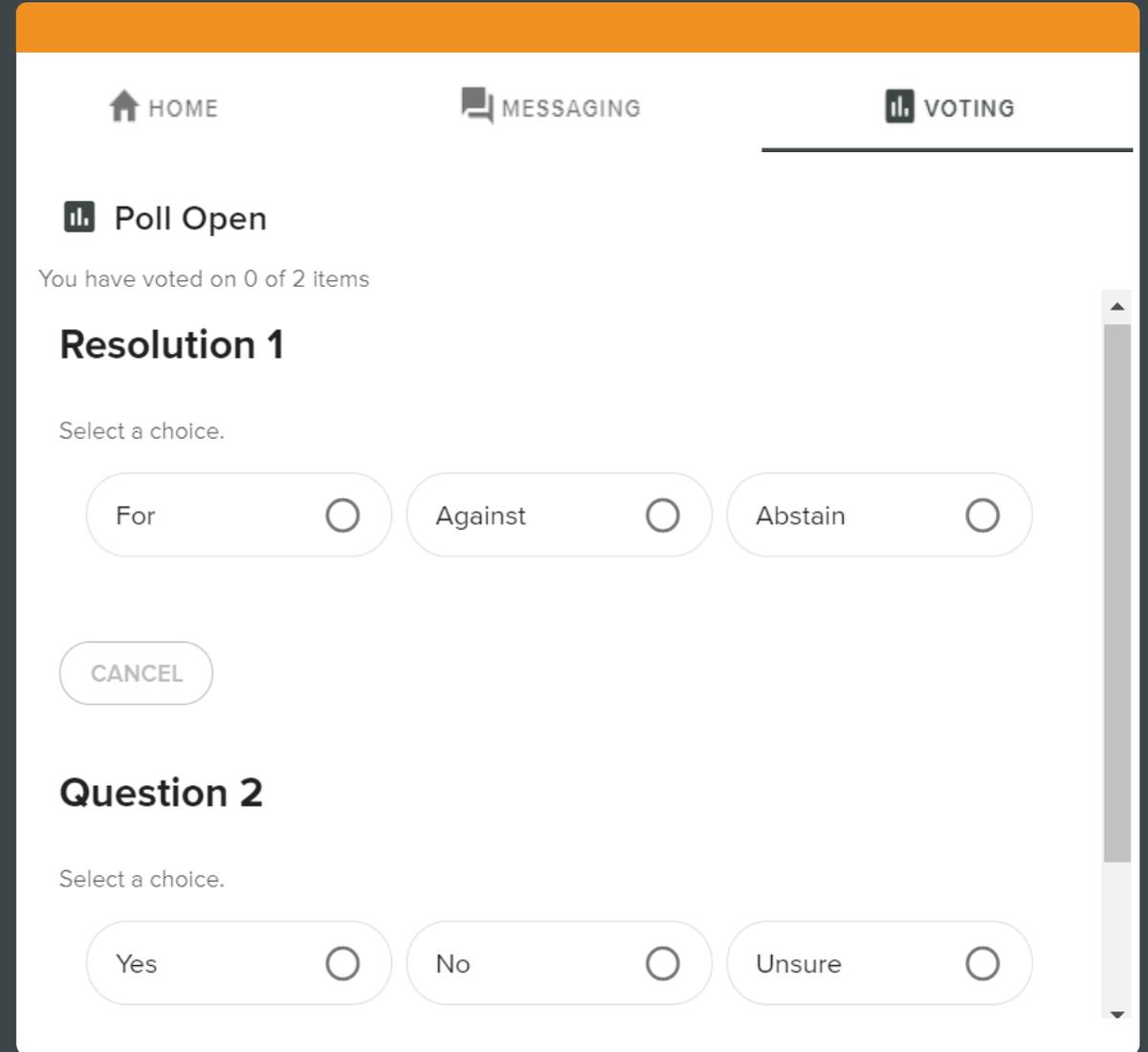
Against



Abstain



There is no submit or send button, your selection is automatically recorded. You can change your mind or cancel your vote any time before the poll is closed.



The screenshot shows a mobile application interface for online voting. At the top, there are three navigation tabs: HOME, MESSAGING, and VOTING. The VOTING tab is selected. Below the navigation, there is a section titled "Poll Open" with a sub-header "You have voted on 0 of 2 items". The first poll item is "Resolution 1", with the instruction "Select a choice." Below this, there are three radio button options: "For" (selected, highlighted in orange), "Against", and "Abstain". A "CANCEL" button is located below these options. The second poll item is "Question 2", also with the instruction "Select a choice." Below this, there are three radio button options: "Yes" (selected, highlighted in orange), "No", and "Unsure".

# IN ROOM ATTENDEES – VOTING PROCESS

When voting opens, use the scroll wheel to highlight the resolution you wish to vote on then press 

Once you have read the resolution, press  to see the voting options.

Press  to vote FOR,  to vote AGAINST or  to ABSTAIN.

Press  to move on to the next resolution or  to return to the full list of resolutions.



*Ari Mervis*

# Chairman's Address

# Grant Peck

## CEO & Managing Director's Address

# Our People & Purpose



"To provide **care** solutions to nurture **confident, healthy,** and **sustainable** lifestyles"

# Our Values

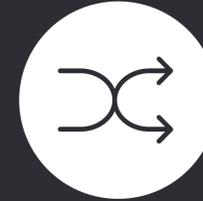
*We will*



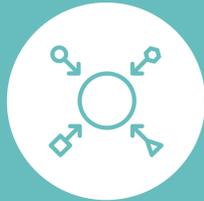
Care for each other, the environment  
and the community



Innovate and create  
for a better tomorrow



Be resilient and agile in  
the face of change



Be open and  
inclusive



Act with integrity  
and respect



Strive to grow personally  
and professionally



# FY22 Overview



**\$214m**

TOTAL SALES  
REVENUE

▲ **7%**  
on FY21:  
\$200.5m

**\$11.8m**

UNDERLYING EBIT

▲ **9%**  
on FY21: \$10.8m

**1%**

GEARING

**FY21: 6.8%**

▲ **11%**

SALES GROWTH  
OF CORE  
OWNED BRANDS

**\$10.7m**

UNDERLYING PBT

▲ **11%**  
on FY21: \$9.6m

**2.0 CPS**

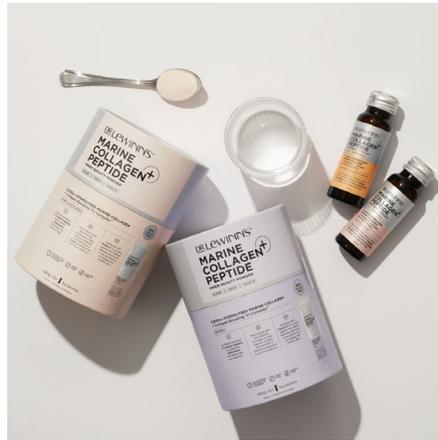
DIVIDEND

**FY21: 1.5 cps**

## FY22 Summary

- **Sales up 7%**, in line with stated guidance, driven by strong growth in six core owned brands and full year contribution from health business
- **Strong underlying PBT** despite cost pressures
- Underlying PBT impacted by commodity and sea freight cost increases
- **Strong balance sheet** with net debt of \$1.7m and gearing of 1%
- Cashflow conversion of **131%**
- Declared final **dividend of 2.0 cps** (FY21: 1.5 cps)

# Innovation and New Products



# FY22 Overview



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DIVIDEND

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## FY22 Summary

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# Key Achievements and Strategy Refinement

Reset year created a platform for growth

**New leadership, structure, business processes and focus**



**Continued innovation and focus on NPD**



**Ranging increments driving brand performance**



**Growing with winning customers in partnership**



**Price increases implemented in inflationary environment**



**Strategic Alliance with Chemist Warehouse**



**Supply stability provides strong growth opportunity in Health**



**Cross business alignment and resource leverage between Health and Beauty**



# Sustainability



Achieve Net Zero by 2035 across our scope 1,2 and 3 emissions.

Sustainable Development Goals



Implement a Sustainable Supply Chain Policy

Sustainable Development Goals



Achieve the APCO Sustainable Packaging Goals by 2025 across our core brands.

Sustainable Development Goals



Implement guidelines by the end of 2022

# FY23 so far

- Continued strength in pharmacy in Q1'23 with strong brands and strategic alliances
- Investment against growth brands (Manicare and Lady Jayne) and expansion brand (Fusion)
- Grocery channel impacted by weaker consumer confidence and margins impacted by increased costs
- Observing moderation in costs but will take time to work through supply chain
- Continue to take pricing actions to protect margins
- Remain confident in resilience of pharmacy channel growth through brand, customer and category expansion

# Summary

- **Stabilised the business** in FY22 and returned to profitable underlying growth
- **Chemist Warehouse Strategic Alliance** to deliver future growth
- Revised our **Purpose and Values**
- **Simplified and improved processes**, refined strategy revealing more opportunities
- Brands and innovation to drive **growth in Pharmacy sector**
- Continued focus on **sustainability**



# Formal Matters

- 1 Financial Statements and Reports
- 2 Remuneration Report
- 3 Election of a Director – Helen Thornton
- 4 Approval of Performance Rights – Managing Director

# AGENDA ITEM 1: FINANCIAL STATEMENTS AND REPORTS



To consider the Financial Statements, the Directors' Report and the Auditor's Report for the Company for the year ended 30 June 2022

# AGENDA ITEM 2: REMUNERATION REPORT



To adopt the Remuneration Report for the Company for the financial year ended 30 June 2022.

In accordance with the Corporations Act 2001 (Cth) (Corporations Act), this resolution is advisory only and does not bind the Company or the directors of the Company (Directors). The Directors will consider the outcome of the vote and comments made by securityholders on the remuneration report at the meeting when reviewing the Company's remuneration policies

# AGENDA ITEM 2: PROXY VOTES



| ITEM 2              | PROXY VOTES RECEIVED (MILLIONS) |          |                |              |             |           |  |
|---------------------|---------------------------------|----------|----------------|--------------|-------------|-----------|--|
|                     | FOR<br>NO.                      | FOR<br>% | AGAINST<br>NO. | AGAINST<br>% | OPEN<br>NO. | OPEN<br>% |  |
| REMUNERATION REPORT | 70.0                            | 86.7     | 9.8            | 12.1         | 1.0         | 1.2       |  |

# AGENDA ITEM 3: ELECTION OF A DIRECTOR MS. HELEN THORNTON



To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“To elect as a director of the Company, Ms. Helen Thornton, who having been appointed a director of MCP on 20 December 2021 in accordance with the Company's Constitution, offers herself for election as a director of MCP.”

Relevant information about Ms. Thornton is set out in the Explanatory Notes to the Notice of Annual General Meeting.

# AGENDA ITEM 3: PROXY VOTES



| ITEM 2               | PROXY VOTES RECEIVED (MILLIONS) |          |                |              |             |           |  |
|----------------------|---------------------------------|----------|----------------|--------------|-------------|-----------|--|
|                      | FOR<br>NO.                      | FOR<br>% | AGAINST<br>NO. | AGAINST<br>% | OPEN<br>NO. | OPEN<br>% |  |
| ELECT HELEN THORNTON | 79.3                            | 97.6     | 0.8            | 1.0          | 1.1         | 1.4       |  |

## AGENDA ITEM 4: APPROVAL OF THE ISSUE OF PERFORMANCE RIGHTS TO THE MANAGING DIRECTOR, UNDER THE PERFORMANCE RIGHTS PLAN

To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

“That for the purposes of Part 2E.1 of the Corporations Act and ASX Listing Rule 10.14, and for all other purposes, the grant of performance rights and shares on exercise of such performance rights to Mr. Grant Peck, the Managing Director of the Company, under the McPherson's Limited Performance Rights Plan and his employment agreement with the Company, is approved on the terms set out in the Explanatory Notes to the Notice of Annual General Meeting.”

# AGENDA ITEM 4: PROXY VOTES



| ITEM 2  | PROXY VOTES RECEIVED (MILLIONS) |          |                |              |             |           |  |
|---|---------------------------------|----------|----------------|--------------|-------------|-----------|--|
|   | FOR<br>NO.                      | FOR<br>% | AGAINST<br>NO. | AGAINST<br>% | OPEN<br>NO. | OPEN<br>% |  |
| APPROVAL OF ISSUE OF<br>PERFORMANCE RIGHTS – MD | 75.7                            | 93.5     | 4.3            | 5.3          | 1.0         | 1.2       |  |

# Q+A



Thank  
You



McPHERSON'S  
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Health | Wellness | Beauty