



MARQUIS  
MACADAMIAS



2024

AGM MEETING  
& AGENDA



**2024**  
**ANNUAL**  
**GENERAL**  
**MEETING**

BALLINA RSL CLUB  
**FRIDAY 30<sup>th</sup> AUGUST 2024**

Registration Time: 9.45am – 10.30am  
Meeting Commences: 10.30am

30 July 2024

**Dear Shareholder,**

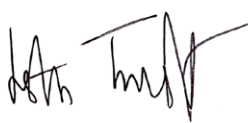
Please find attached the following:

- 1. Notice of Annual General Meeting (AGM).
- 2. Minutes of the 41<sup>st</sup> Annual General Meeting held on 25 August 2023.
- 3. Proxy Form – if applicable to be returned by 10.30am on 28 August 2024.
- 4. Annual Report including Financial Statements of the Company for the year ended 31 March 2024, together with the Directors’ Report and Declaration and Auditor’s Report.

The AGM will be held at the Ballina RSL Club for those shareholders able to attend the Meeting in person and will be hosted virtually at the same time. We encourage our members to join the virtual meeting or submit proxies if you do not intend or are unable to attend in person.

To attend the AGM, RSVP to Jodie Hearity at (02) 6624 3900. If you prefer to join in person, please confirm your attendance by 5:00 PM (AEST) on August 12, 2024, to aid in managing venue capacity.

Yours sincerely,



**Justin Truscott**  
Company Secretary

# NOTICE OF THE 42<sup>nd</sup> ANNUAL GENERAL MEETING MARQUIS MACADAMIAS LIMITED

**Date:** Friday 30 August 2024

**Time:** Registration from 9.45am  
The AGM will commence at 10.30am

**Venue:** Ballina RSL Club  
1 Grant Street, Ballina, NSW 2478

## **Virtual:**

The virtual AGM will be hosted using the Lumi Global platform. Please refer to the instructions on the next page or go to <http://marquis.com/agg-2024/>

A strong internet connection is required to attend the virtual meeting.

## **AGENDA**

1. Opening of AGM – 10:30am
2. Apologies
3. Minutes of the 41<sup>st</sup> Annual General Meeting held on 25 August 2023
4. Chair Address
5. Ordinary Business

**a. To receive and consider the following items for the year ended 31 March 2024**

- i. Directors' Report and Declaration
- ii. Auditor's Report
- iii. Income Statement for year ended 31 March 2024
- iv. Balance Sheet as at 31 March 2024

**b. Election of Directors**

In accordance with rule 18.1 of the Marquis Constitution, the following Directors retire:

- Mr. Don Ross
- Mr. Peter Costi

Mr. Don Ross and Mr. Peter Costi being eligible, offer themselves for election.

The following nomination has been received:

Mrs. Kristina Hermanson

Accordingly, three nominations have been received for two director positions.

**c. The Fixing of the Remuneration of Directors**

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

**Resolution 1:** The total aggregate of Directors' fees increases to \$240,000 (plus superannuation where applicable) to be divided amongst the Directors in such manner as they determine.

**6. General Business**

**7. Close of Meeting**

By order of the board

**Justin Truscott**  
Company Secretary

## **NOTES**

a. The Board has determined that persons who are registered holders of shares in the Company as at 10.30am (AEST) on Wednesday, 28 August 2024 will be entitled to attend and vote at the Annual General Meeting as a shareholder. Share transfers registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

b. A member who is entitled to attend and cast a vote at the AGM is entitled to appoint a proxy.

c. The proxy need not be a member of the Company. A member who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

d. If you wish to appoint a proxy and are entitled to do so, then complete and return the attached proxy form.

e. A corporation may elect to appoint a representative in accordance with the Corporations Act 2001 (Cth) in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company before the meeting.

f. If you have any queries on how to cast your votes, please call Justin Truscott on (07) 3025 4900 during business hours.



## NOTICE OF THE 42nd ANNUAL GENERAL MEETING continued

### **HYBRID AGM**

Marquis Macadamias 2024 Annual General Meeting is a hybrid event, held virtually and in person.

Your participation in the AGM is important to us. The AGM will be webcast live via the Lumi online platform. You will be able to listen to the proceedings, view the presentations, ask questions and vote.

Further information on how to participate in the AGM is provided in this Notice of Annual General Meeting, and in the Virtual AGM Online Guide, which you can access at <https://marquis.com/agm-2024/>

If you are unable to attend the AGM online at the scheduled time, you can participate in the Meeting by appointing a proxy to attend and vote on your behalf. Details on how to appoint a proxy are contained in this Notice of Annual General Meeting.

Copies of both the Chairman's and CEO's addresses will be available on the website at <https://marquis.com/agm-2024/>

### **PARTICIPATION AT THE AGM**

Shareholders are invited to participate in Marquis Macadamias 2024 Annual General Meeting by watching and participating in the AGM virtually via the online platform by using computer or mobile device. The weblink will be available on the Marquis website at <http://marquis.com/agm-2024/>

To participate in the AGM online, you will be required to RSVP to Jodie Hearity in Lismore (02) 6624 3900 by August 23. She will send through your meeting ID and unique password. We encourage participants to log in at least 15 minutes before the AGM starts. Tech support information will be available from 30 minutes prior to the commencement of the AGM.

Participating in the Meeting online enables Shareholders to view the Meeting live, ask questions and cast votes at the appropriate times during the Meeting. All Shareholders will have an equal opportunity to participate in the online meeting regardless of their physical location.

Verified Shareholders will be taken to be present at the AGM for all purposes, until either the meeting ends or the Shareholder exits the online platform.

It is important that you have a strong internet connection and are connected to the internet at all times during the AGM in order to vote when balloting commences.

### **VOTING OPTIONS**

Voting on all resolutions at the AGM will be conducted by a poll. Shareholders have four options to cast votes:

- Voting in person at the Venue;
- Appointing a proxy to vote on your behalf;
- Voting online during the AGM or
- Voting via the proxy form prior to the meeting.



### **QUESTIONS**

At the AGM, verified Shareholders may ask questions in person or online. All questions must be specific to the Annual Report, constitutional matters or questions to the nominating directors. Shareholders can also raise official 'Other Business'.

Following the AGM, Shareholders will have the opportunity to make comments or ask management-related questions to the board members and Marquis' executives. It may not be possible to respond to all questions, however, any unanswered questions will be followed up at a later stage.

Shareholders are encouraged to lodge questions prior to the AGM at: [companysecretary@marquis.com](mailto:companysecretary@marquis.com)

# EXPLANATORY MATERIAL FOR AGM AGENDA ITEMS

## NOMINATED DIRECTOR MOTIVATIONS

### Mr. Don Ross

Don is seeking re-election as a director of Marquis Macadamias Ltd.



Over the past four years he has been a director of both Marquis Macadamias Ltd and Marquis Marketing Pty Ltd, and a member of the Company's Treasury Management Committee & Remuneration Committee. Don has also served as Managing Director of MPC Ltd and interim Managing Director of Marquis Marketing Pty Ltd during times of need in the Company's history. He has also served as a director of Australian Macadamia Society.

Don has held challenging senior executive positions and directorship roles in large public and private companies mainly within the Building and Construction Industry. He has been involved, for over 30 years, in the Macadamia Industry, developing farms in the Northern Rivers of NSW and Bundaberg in Queensland. Don, and his wife Julie, live in Nashua in the original home farm that he established in 1988.

Don is seeking re-election as he strives to ensure Marquis is a strong and financially viable company. He is passionate about ensuring a high standard of Corporate Governance and compliance. Don believes that efficient marketing, revenue generation, cost reduction, and continuous improvement will provide shareholders with better than normal industry returns through controlled growth.



### Mrs. Kristina Hermanson



Kristina Hermanson is the Head of APAC and Africa at Nuveen Natural Capital. She targets growth in the region in farmland, timber, and nature-based investments, working with the expertise across Nuveen.

With proud roots on a dairy farm in Wisconsin, Kristina has more than 25 years of international experience, most recently as Director of ANZ & ASEAN at FMC Corporation. Kristina started her career as a mechanical engineer based in Europe and worked in commercial, strategy, and M&A roles in EMEA and APAC over a decade with global agribusiness firm, Archer Daniels Midland. She also served as Director of Growth & Collaboration, at Coca Cola Amatil in Australia before joining FMC. Kristina is a Non-Executive Board member at the Australian Farm Institute and has recently served as a Director of AgSafe, CropLife Australia, and non-profit, Business for Development.



## NOMINATED DIRECTOR MOTIVATIONS continued

Kristina holds an MSME from the University of Wisconsin and an MBA from the University of California-Los Angeles. Kristina is a passionate thought leader for Inclusion in Agriculture and a strong believer that a truly inclusive industry drives innovation and profitability

“ As macadamia plantings have increased dramatically across Africa and Asia in recent years, it will be crucial to align on a long-term strategy to secure strong pricing and quality premiums for Australian growers. It’s an opportune time to accelerate demand generation while most efficiently accessing new and existing markets. Marquis is uniquely positioned with access to export markets, collective scale to reduce production costs, superior quality, and the backdrop of unmatched “brand Australia” for innovation and marketing.

With an international background in manufacturing, supply chain, and product innovation, I’m pursuing a Board role to contribute to the long-term, equitable profitability in the value-chain. I have demonstrated a strong level of collaboration and engagement as a Board member, with a track-record of leadership as an agriculture industry player. I would commit to contributing a differentiated international perspective and energy to accelerate growth, grounded in the practical thinking of an engineer.”

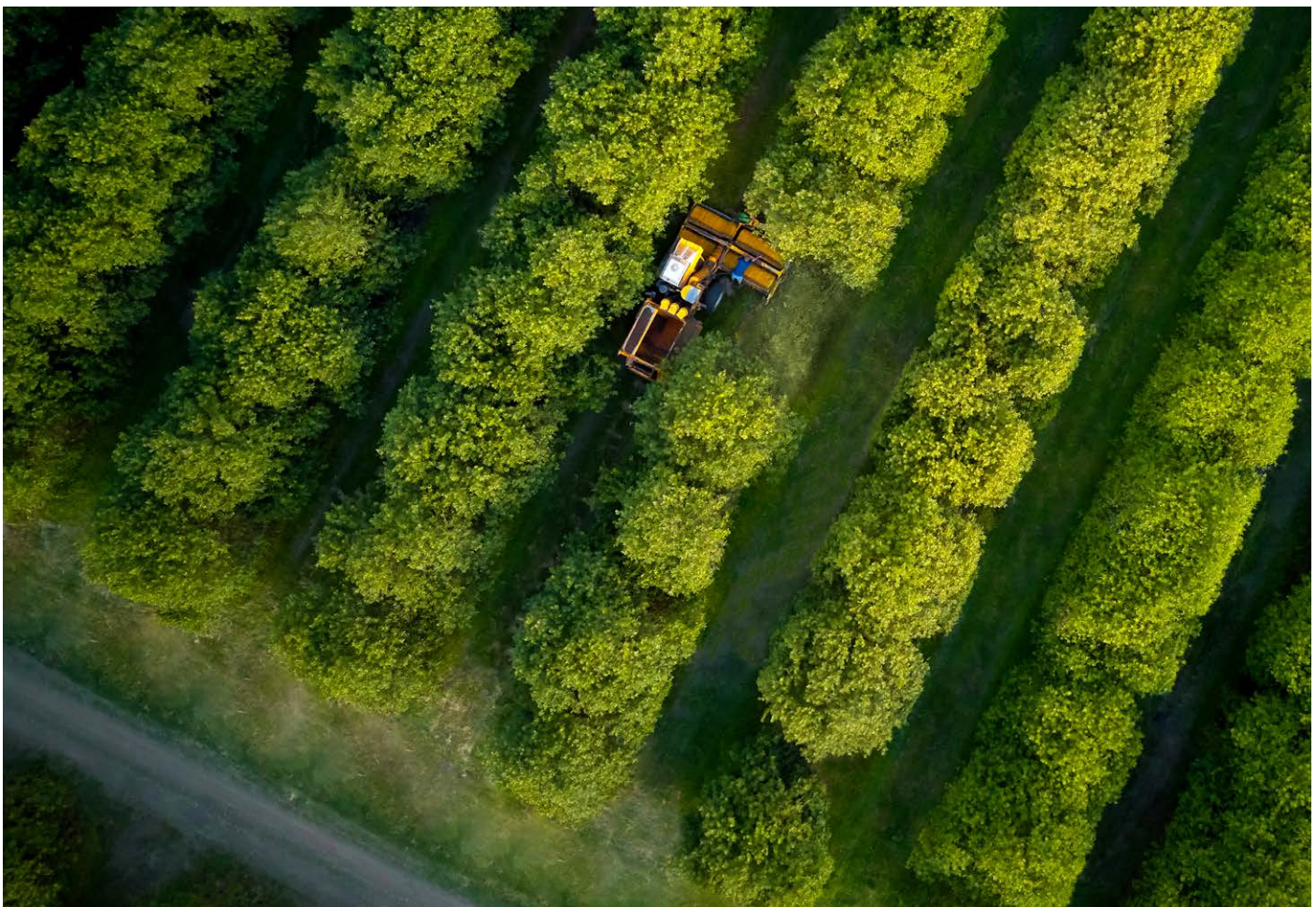
### Mr. Peter Costi



Peter has been a passionate contributor and driver of the macadamia industry for over 24 years. From his home farm in Bundaberg, he has developed processes and innovations that have been used across the industry. Using this knowledge, Peter has also acquired, developed and subsequently sold additional large-scale farms in the Bauple and Beerwah regions in Queensland.

Peter has been a shareholder of Marquis Macadamias (formerly MPC Ltd and Pacific Gold) since 1998. He has also been the Chairman of Marquis Marketing and a Director of Marquis Macadamias for over 10 years, where he oversaw the integration and rebranding of MPC, Pacific Gold and MMI into the Marquis Group, which became the largest grower-owned processor and marketer in Australia.

Peter seeks re-election to utilise his extensive experience as a grower and long-time shareholder, and his in-depth knowledge as a current director of Marquis to contribute to the growth, innovation and success of Marquis for all shareholders.



# MINUTES FROM THE 41<sup>st</sup> ANNUAL GENERAL MEETING 2023

## MARQUIS MACADAMIAS LIMITED MINUTES OF 41<sup>st</sup> ANNUAL GENERAL MEETING HELD ON 25<sup>th</sup> AUGUST 2023 AT BALLINA RSL, 1 GRANT STREET BALLINA, NSW 2478 VIRTUAL MEETING BY LUMI GLOBAL PLATFORM

### 1. Welcome by the Chair, Clayton Mattiazzi, Marquis Macadamias Ltd

Good morning, Ladies and Gentlemen,  
I declare the meeting open at 10.40am

#### Voting open

**Directors Present in Lismore:** Clayton Mattiazzi (CM) (Chair), Andrew Leslie (AL), Donald Ross (DR), Peter Zadro (PZ)  
**Via Lumi Virtual Platform:** David Byrant (DB), Justin Fontana (JF)  
**Apologies:** Peter Costi (PC)

**Executives Presenting:** Ben Adams (BA) (CEO), Justin Truscott (JT) (CFO)

I also now declare voting open on all items of business. The polling icon will soon appear, please submit your votes at any time. I will give you a warning before I move to close voting.

**Apologies:** There have been some apologies direct to the Lismore office and via email. If anyone else would like to advise of any apologies, please do so either online via the speech bubble icon or raise your hand.

The next order of business is a consideration of the minutes of the 40th Annual General Meeting held on Friday, 26th August 2022.

### 2. Minutes of the 40th Annual General Meeting held on 26th August 2022

Moved by:	Second by:
Andrew Leslie	Don Ross

The minutes of the previous meeting were accepted and passed

**Matters arising from previous minutes:** Nil

### 3. Chairs address by CM

I would like to start my address with thanking Andrea Lemmon, our previous Chair for her contribution to both Marquis Marketing and Marquis Macadamias. I would also like to recognise Larry McHugh for his 30 years of service to the Marquis Group and the Macadamia Industry as a whole.

The 2022 Season saw approximately 24,000 tonnes delivered to Marquis, with an average price of \$2.69/kg paid to Growers. The company recorded a post-tax profit of \$869,000 contrasting with the post-tax loss of \$5.29M in the previous year. The company's financial performance was impacted by falling kernel prices, cost pressures, CPI increases, inventory



impairment and rising interest rates.

Revenue for the year was \$128.5m with no dividend declared for the 2022/23 financial year due to minimal profit. The consolidated net asset position of the Group slightly increased to \$50.334m from \$50.166m the previous year, leaving the company in a strong financial position to continue to operate into the future.

The company is working on strategies to improve the NIS price paid to shareholders, including exploring new markets & products for Kernel and NIS, and investing in technology and processes for efficiency and cost reduction. The company is actively planning the expansion in the Bundaberg facility in line with the forecasted increase in NIS production within the region, at a time that is financially responsible to all shareholders.

The investment in and oversight of Marquis Marketing remain fundamental to the business, providing the best path forward for the sales and marketing of the products.

I would like to express my gratitude to the Board Members, Executive Management, Staff and Shareholders for their significant contributions and support for what has been an extremely challenging year. I would like to welcome our new CEO, Ben Adams, and I look forward to his contribution to the company's management and strategic plan moving forward.

I would like to extend a special thanks to Phil Zadro, who retired from the business this year. Marquis Macadamias and the industry at large will be forever in Phil's debt. Phil was a pioneer across all facets of the macadamia industry from growing, and processing right through to marketing of macadamia products. Phil has dedicated over 40 years to the industry, and without his drive, vision and leadership, the industry as we know it may never have existed.

#### **4. Ordinary Business**

a) To receive and consider the following items for the year ended 31 March 2023

- i. Director's Report and Declaration
- ii. The Auditors Report
- iii. Income statement for the year ended 31 March 2023
- iv. Balance sheet as at 31 March 2023

These financial statements have been adopted and signed on behalf of the Board.

EY are in attendance online today if there are any questions.

b) Election of Directors

In accordance with rule 18.1 of the Marquis Constitution, the following Director retires:

Mr. Andrew Leslie

Mr. Andrew Leslie, being eligible, offers himself for re-election.

The following nominations for directorship were received:

- Mr. Rowan Leibmann
- Mr. Paul Goldman

**CM invited each of the nominees individually to present their case for Directorship, which they did.**

CM thanked them for their time.

Before we move on to the second resolution, I would like it known that the financial statements have been adopted and signed on behalf of the Board. Ernst and Young are also in today, online. If there are any questions that anyone would like to raise in relation to the financial statements, either to the board or the auditors, please submit them through the Lumi portal or if in person, ask in question time.

a) Directors Remuneration

I would now like to move on to the 2nd Resolution - The total aggregate of Directors' fees remains at \$160,000 (plus superannuation where applicable) to be divided amongst the Directors in such a manner as they determine.

Moved by:	Second by:
Greg Shaw	Peter Sheppard

Ladies and gentlemen that concludes our items of business.

In a couple of minutes, I will close the voting system. Please ensure that you have cast your vote on all resolutions. I will now pause to allow you time to finalise those votes.

Voting is now closed.

BA will give us his CEO report for 2022. The results of the polls will be presented shortly thereafter.

#### **BA – CEO**

Firstly, I would like to thank all the growers, staff and the board for their warm welcome during my first six months in the role. To say 2022 was a challenging season would be an understatement for many reasons, including devastating floods and kernel market price crash.

The notional price for the 2022 crop was a reduction from 2021 due to prevailing market conditions, and the decision was made to accept only shareholder-grown NIS and long-term non-shareholder supply to reduce business exposure to the market. The growing conditions for the crop in were general good, leading to a successful harvest in the Bundaberg Region.

The Northern Rivers region was heavily affected by rain and floods, resulting in crop loss, orchard damage, and widespread devastation amongst the community. When the ground dried enough, harvest commenced at full pace, with Marquis receiving and processing 24,000t, with both Bundaberg and Lismore receiving their second-largest volume on record. Processing was challenging with whole kernel recovery low at 35%, and elevated commercial kernel levels. Macadamia product prices continued to fall throughout 2022 and into 2023, leading to the confirmation of the reduced notional price finishing at \$2.42/kg.

The decision to reduce the notional price was difficult as the team is acutely aware of the devastating impact this has on our suppliers. However, it was necessary to ensure the business’s financial stability and ability to access funds for subsequent season crops, and to maintain an equity position which allows for future growth and investment.

Despite the challenging market conditions, the focus remains on driving efficiency and cost savings through our completed projects like the new cold room and undercover awning at Lismore and the installation of new Colour Sorters at both Lismore and Bundaberg.

Once again thanks to all our supplying shareholders and Marquis staff for their efforts during the difficult year. I look forward to working together throughout 2023 and beyond in rebuilding process.

#### **CM has opened the floor for questions regarding the 2022 report.**

We have received two online questions, both pertaining to finance. To address these queries, we now invite our CFO, Justin Truscott (JT), to present his answers.

JT: We received several questions relating to the FX loss prior to the meeting. JT discussed the FX strategy, policy in place and the relevant accounting impacts of FX for the 2023/23 FY. The majority FX rate loss realised is one side of the resulting hedge, with a corresponding gain accounted for in the revenue. This is due to the AUD falling in value compared to the hedged USD during the period.

JT requested any further questions around the FX and 2023 result.

Greg Darwell a grower/shareholder, noted he submitted one of the FX questions, was not satisfied with the FX impact on the results and noted that a review of the strategy and advisors should occur. JT reconfirmed that the policy and strategy is renewed on an annual basis.

Member mentioned that the farms have exposure to some USD in their inputs as we do. Do we consider that. CFO noted we take it into consideration.

PZ commented that the idea of taking an amount of FX at the beginning of the year, is because you have to publish a notional price, and if you don't have any protection at all, that's a very risky thing to do. But when the contracts are signed, then the rest of that is taken.

JT then discussed the Impairment in results, which was the second question received.

- Per IFRS, we are required to value stock at the lower of cost production or Net Realisable Value;
- Both the 2021/22 and 2022/23 financials include an impairment that has been driven by the volumes of stock held at year-end and the falling market prices able to be achieved across both seasons in the following year.

Member asked a question on a non-financial report item. Noted that would be covered later in the business update.

End of questions from shareholders.

Results from voting read out by CM.

**Resolution 1: Director's Remuneration is passed.**

**Resolution 2: Andrew Leslie was elected as Director**

Congratulation to Andrew Leslie.

No one has raised any other matters. Thank you for your attendance.

The Meeting closed at 11:40am




## Acknowledgement

*Marquis Macadamias acknowledges the Traditional Custodians of the land on which we operate. We pay our respects to the Elders past, present and emerging and their continuing connection to land, water and community.*




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 [www.marquis.com](http://www.marquis.com)

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