

Still adding big stores overseas

ASX code	Harvey Norman Holdings (HVN)
Meeting date	Wednesday, 27 November 2024
Type of meeting	Physical with listen only by telephone
Monitor	Allan Goldin
Pre AGM-meeting	Ken Gunderson-Briggs Chair Audit & Risk, Remuneration and Nomination Committees and Christopher Brown non-independent director

Meeting Statistics

Number of holdings represented by ASA	37
Number of shares represented by ASA	267,040
Value of shares represented by ASA	\$1.31m
Total number attending meeting	50 attended, including 23 Share/proxy holders
Market capitalisation	\$5.97B
ASA open proxies voted	ASA voted against all the resolutions except re-election of Chris Brown.

Monitor Shareholding: The individual or their associates involved in the preparation of this voting intention has a shareholding in this company.

The difference of attitude in a meeting where 81.8% vote against a remuneration report to one where 1.07% are against is palpable. Why the massive change in voting? Who knows. The only improvement in the remuneration structure was small. The company remains the same, always follows the law but is not open and transparent, but increasingly friendly.

The ASA questions:

- Why was the change to Exec Chair and CEO LTI being paid in cash, and thus not being voted on at the AGM, not highlighted in the Annual Report? *We did not have to.*
- Why, after a worse financial performance, did 3 executive Directors' STI bonus increase by 12.5% each? *Because we changed the criteria to include more non-financial factors.*
- Are you replacing Mr. David Ackery with an independent Director? *Not replacing him.*
- Why not a hybrid meeting? *Will look at it next year.*
- Why don't non-Director KMPs receive incentives? *We do not have to.* However, ASA was told after the meeting that they are paid higher than comparatively so there is an inbuilt performance bonus.

The only non-ASA question was when the share buy-back is going to start? *When/if the share price is low enough.*

The meeting opened with a video highlighting HVN global [Flagship store strategy](#). Listening to Katie Page talk with so much enthusiasm and pride about the individual stores, including the fact that in Ireland Harvey Norman has gone from unknown to be number one in their categories, is impressive. Then to hear Gerry Harvey move from the fabulous financial potential of their Irish development to the amazing opportunity in England with, in Australian terms, unbelievable real and potential store traffic. Combined with the belief that the UK has no store quite like Harvey Norman and a vision of a bright future appears.

The company continues to demonstrate a lack of corporate governance markers, but the attendees at the meeting are left with the clear impression that they certainly understand retail with all its permutations.

First quarter revenue overseas was up 1.7% on the comparative period, Australian franchise stores were up 3.19%. Black Friday is coming this week. Maybe this year will see an improvement on 2024.

As can be seen, outside of ASA bucking the trend by voting for the re-election of Chris Brown, that the other results were very much, with the exception of last year, like they have been for many years past. [AGM Results](#)

ASA Disclaimer

This document has been prepared by the Australian Shareholders Association Limited ABN 40 000 625 669 ("ASA"). It is not a disclosure document, it does not constitute investment or legal advice and it does not take into account any person's particular investment objectives. The statements and information contained in this document are not intended to represent recommendations of a particular course of action to any particular person. Readers should obtain their own independent investment and legal advice in relation to the matters contemplated by this document. To the fullest extent permitted by law, neither ASA nor any of its officers, directors, employees, contractors, agents or related bodies corporate:

- makes any representations, warranties or guarantees (express or implied) as to the accuracy, reliability, completeness or fitness for purpose of any statements or information contained in this document; or*
- shall have any liability (whether in contract, by reason of negligence or negligent misstatement or otherwise) for any statements or information contained in, or omissions from this document; nor for any person's acts or omissions undertaken or made in reliance of any such statements, information or omissions.*

This document may contain forward looking statements. Such statements are predictions only and are subject to uncertainties. Given these uncertainties, readers are cautioned not to place reliance on any such statements. Any such statements speak only to the date of issue of this document and ASA disclaims any obligation to disseminate any updates or revisions to any such statements to reflect changed expectations or circumstances.