

6 November 2024

## **Marlin Global Limited Annual Meeting**

### **Chair's Address from Andy Coupe**

[Slide: Marlin Global Limited Annual Meeting of Shareholders]

Welcome to the 17th Marlin annual meeting of shareholders, I'm Andy Coupe, the Chair of Marlin.

We have put in place the virtual meeting option for those who are unable to attend in-person, and we welcome those who have joined the meeting via the Computershare virtual meeting platform.

We are duly convened as a Notice of Meeting has been circulated to shareholders and I can confirm that a quorum is present, so I declare the meeting open.

Please note that the exits are at the back and front of the room.

Please ensure you turn your cell phones off or put them on mute.

For those here in-person there will be a light lunch at the conclusion of the meeting. We look forward to meeting many of you after the meeting.

[Slide: Introductions]

Let me introduce the front table. Firstly the directors. To my right is Carol Campbell (Chair of the Audit & Risk Committee), next to her is David McClatchy (Chair of the Investment Committee) and next to him is Fiona Oliver.

Next to Fiona is Sam Dickie, the Marlin Senior Portfolio Manager.

Next to Sam is Wayne Burns the Corporate Manager.

Also here today in the audience we have Senior Investment Analyst Chris Waters, and Investment Analysts Daniel Moser and Charles Barty.

We are also pleased to have in the audience today representatives from our share registrar, Computershare, auditor, PricewaterhouseCoopers, our tax advisors, Deloitte and our legal advisors, Bell Gully.

[Slide: Agenda]

The Agenda for today.

Firstly preliminary matters.

- The minutes of the 2023 annual shareholders' meeting are available at the registration desk and are also available on the Marlin website.

- The 2024 annual report has been circulated to shareholders – additional copies are available at the registration desk and can also be found on the Marlin website.

Today I'll give a brief summary of the 2024 financial year and an update of the year to date, and then Sam Dickie will review the Marlin portfolio.

After the Manager's Review, we will have a Q&A session, and we'll then move to the formal business of the meeting.

There are three resolutions for you to consider and vote on today, which are as set out in the Notice of Meeting.

If you're attending the meeting online there's a Q&A icon at the top right of your screen. To send in a question, please select the Q&A tab on the right half of your screen at anytime. Type your question into the field and press send. Your question will be immediately submitted.

We've set aside a time at the end of Sam's presentation for general questions relating to the operations and management of the business.

Questions relating to the three resolutions will be dealt with in conjunction with each of the resolutions. Should you require any assistance, you can type your query and one of the Computershare team will assist with the chat function and reply to your query.

[Slide: Chair's Overview]

It is now my pleasure to present the Chair's Overview at this meeting.

[Slide: Marlin Investment Objectives]

We typically start our annual meetings with a quick reminder of Marlin's investment objectives, being

- to achieve a high real rate of return, comprising both income and capital growth, within risk parameters acceptable to the directors; and
- to provide access to a diversified portfolio of international quality, growth stocks through a single tax-efficient investment vehicle.

Sam will speak to the growth characteristics of the stocks that form the portfolio in his manager review.

[Slide: Corporate Governance]

Turning now to corporate governance.

As we've previously advised shareholders, Marlin does not have a formal environmental, social, and governance (ESG) framework. However, the Manager does have a formal ESG framework which governs stock selection, to which the Marlin board is fully supportive and committed.

The Financial Sector (Climate-related Disclosure and Other Matters) Amendment Act 2021 introduced the new financial reporting requirement for Climate Reporting Entities or CREs, and Marlin is designated as a CRE and is therefore required to produce an annual CRD report.

The purpose of the CRD is to provide transparency regarding, a company's contribution to climate change, the impact of climate change on its operations and how it is managing these risks. In the case of an investment company like Marlin, this means that we're talking about the underlying portfolio companies that Marlin invests in.

The evaluation of climate risks and opportunities has always been part of the Manager's STEEPP analysis, ESG framework and responsible investing policy. However, the Manager has developed a new and more detailed lens on climate risks and opportunities, evaluating all of the investments in the portfolio in terms of their disclosed exposure to climate change and the potential impact of that change on portfolio company performance.

Marlin lodged its first Climate Statement on 16 October. It's available on the Marlin website and is an important document. Unless current initiatives to extend the timeline by a further year are successful, next year we will be required to include Scope 3 emissions in addition to the Scope 1 and 2 requirements this year. This will make an already complex Climate Statement even more complex.

[Slide: 2024 Overview]

Those of you who have had a chance to review the annual report will be aware of many of the following performance numbers.

- Marlin recorded a NPAT of \$37.2m, a 58% increase over the previous year.
- The total shareholder return or TSR, being the performance of the share price and warrant price plus dividends paid to shareholders, was 13.8%, the return being negatively impacted by share price weakness. The share price to NAV discount increased from 1.4% at the end of the previous year to 6.7% as at 30 June 2024.
- Marlin's regular dividends continued to contribute to the Total Shareholder Return with 7.59 cents per share paid in dividends during the year, which is equivalent to a dividend yield of +7.9%, as paid out of net profit after tax. These returns are calculated based on the average share price for the year.
- The net asset value (NAV) per share rose from \$0.93 to \$1.03 (as at 30 June 2024).
- The adjusted NAV return was 19.5% for the year, which represents the net return to an investor after capital allocation decisions and after expenses, fees and tax.

[Slide: 2024 Overview - Continued]

This chart compares the Adjusted NAV return and the gross performance return (the return before expenses, fees and tax), to the benchmark index return over the periods of 1, 3 and 5 years.

The Marlin portfolio has out-performed the benchmark index over the 1 and 5 year periods. So, while returns have been softer over the 3 year period, we are pleased that the portfolio has achieved its objectives over the longer term, and we believe it represents a very reasonable outcome for most shareholders.

Sam will discuss the international share market dynamics and a more detailed description of how the portfolio performed and how it is positioned shortly in the Manager's Review.

[Slide: Earnings Per Share]

This chart shows the earnings per share.

The movements between FY21 to FY23 in particular represent a potent reminder of the degrees of volatility that equity markets can experience from time to time and the impact on shareholders returns.

[Slide: Use of Shareholder Funds]

Turning now to Shareholders' Funds

This chart shows the Marlin NAV of \$193m (as at 30 June 2023) increased by a net \$30m to \$223m (as at 30 June 2024).

The movements during the year as represented by the grey, purple and green columns were:

- the \$37m net profit,
- less \$16m dividends paid and \$1m of share buybacks,

but adding back \$6m for dividends reinvested by shareholders via the DRP and \$4m of new shares issued for warrants exercised.

[Slide: Quarter 1, 2025]

Having mentioned the volatility of equity markets a couple of slides back, the first quarter of Marlin's 2025 financial year has unfortunately seen ongoing global sharemarket volatility, with losses in July and August & a flat September.

- The unaudited net loss for the three months was (\$4.5m).
- NAV per share was \$0.99, (which is after Marlin's September dividend of 2.07 cents per share).
- Marlin's adjusted NAV return for those first three months was negative (2.0%).
- The benchmark index for the three months was up +5.5%, and
- Total shareholder return for the quarter was negative (2.3%), due to the decrease in the share price over the quarter, offset by the September dividend.

[Slide: Warrants]

As part of Marlin's overall capital management programme Marlin made a pro rata issue of warrants in May this year.

The Exercise Price is \$1.04, but that will be adjusted down for dividends declared, where the dividend record date occurs between the allotment date and the announcement of the final exercise price.

The Exercise Date is 16 May 2025.

### **Closing remarks**

In closing my annual meeting address, and on behalf of the Board, I'd like to thank you for your continued support of Marlin.

I will now hand over to Sam Dickie, Senior Portfolio Manager of Marlin.

ENDS