

The Star Entertainment Group AGM report

ASX code	SGR
Meeting date	22 November 2022
Type of meeting	Hybrid with Phone Facility
Monitor	Carol Limmer assisted by Gary Barton
Pre AGM-meeting	Yes, with Board Chair, Ben Heap, Chair of Remuneration, People & Social Responsibility Committee, Katie Lahey, and General Manager, Business Development & Investor Relations, Mark Wilson

Meeting Statistics

Number of holdings represented by ASA	118
Number of shares represented by ASA	Between 605,408 and 620, 408 (depending on number of open votes on various resolutions)
Value of shares represented by ASA	At least \$1.67m
Total number attending meeting	419
Market capitalisation	\$2.79bn
ASA open proxies voted	On a poll. ASA in favour of all the resolutions

All participants could ask questions during the meeting. Chair mentioned that with hybrid meeting a greater proportion of shareholders were able to 'attend'.

Meeting was well handled by Chair, Ben Heap. Information available prior to the meeting clearly and simply set out AGM procedures and this was further covered at commencement and well reinforced during the meeting.

There were quite comprehensive addresses by the Chair and the CEO and these are available on SGR website.

Mr Heap acknowledged the significant attention SGR has received and the understandable concern of their shareholders, team members and other stakeholders and the broader community. He gave an unreserved apology to all.

SGR were well aware from the NSW and Qld Regulator Reports that their culture had to fundamentally change, needed to embrace criticism and act swiftly when issues arise. There is a long list and a long way to go with appreciation that SGR will be judged by actions not words.

They have exited junkets, are closing international offices and international bank accounts, rebuilding the Board and senior leadership team, separating their Legal and Risk functions, increasing Responsible Gambling and Financial Crime staff and enhancing internal controls.

Their Remediation Plan will likely be finalised in early 2023.

There are two Class Actions filed against SGR and SGR intends to defend.

About 20 executives, including the CEO, have left since March. Details were provided on holders of new Senior Executive roles. Also covered the Board renewal program. With the Board changes, Mr Heap committed to provide stability through the changes SGR faces.

MD & CEO, Mr Robbie Cooke, who has been in role for only 5 weeks spoke about a lot of the financial and operational aspects. In the 1 July to 15 November period Gold Coast revenue was up 32% on pre-Covid levels, Brisbane was up 9% BUT Sydney was down 11%. Remediation costs in FY 23 will be in range of \$35m to \$45m. Despite Covid impacts etc SGR has continued to progress development pipeline in all precincts. Much has been achieved on the Sustainability front. Mentioned Community Partnerships and recognition received for Diversity and Inclusion.

All questions raised by ASA at the AGM were acknowledged and addressed. Among questions/comments were lack of Dividends and low Share Price, confirmation of no direct political donations and no political payments to NSW nor Qld governments, acknowledged possibility of future takeover but would be working towards success and in best interests of shareholders, likelihood of Special Administrator in Qld (similarly to NSW), explanation of special remuneration arrangements for Robbie Cooke, clarification of role of Board Observer and that SGR will have an option to suggest how the significant fine will be paid. Chair was commended for not taking any increase when doing both the Chair and CEO roles on interim basis.

There was one attendee who commenced by expressing his high level of disappointment with SGR with words 'Share, shame, shame'. A few others present expressed their concerns with one welcoming the new Board and senior management team.

Very few other questions came through the various facilities available.

ASA's Voting Intentions on ASA website has full details in relation to each resolution put to the AGM.

Item 4 was withdrawn as regulatory approvals were still outstanding for David Foster. Election of Michael Issenberg and Anne Ward were passed with 99.62% and 99% votes in Favour. Items 6,7 and 8 also had positive votes with the One-Off Grant for Mr Cooke having 94.69%. Approval of his 'normal' Grant and Potential Retirement Benefits received over 99% in favour.

Remuneration Report suffered a 1st Strike with 29.75 of votes AGAINST. This is thought to be way shareholders could vent their anger of SGR's performance in relation to aspects such as financials, risk, compliance, reputation and low share price. Board Chair indicated their particular concern and Board would be seeking further feedback.

On 11 November SGR announced appointment of Mrs Deborah Page and Ms Toni Thornton as NEDs, subject to regulatory approvals.

The day before AGM it was announced that 2019 Performance Tights had lapsed.

Day after the AGM there was some media coverage under headings of 'Shame: Shareholders blast Star leadership and Board', 'Star revenues down as remediation hit looms' 'Star revenues down 11pc' and 'Star investors deliver first strike on pay as revenue falls 11pc'.

On 24 November SGR put out a clarification in relation to the roles of Allen & Overy (who were engaged by the Board) and the Special Manager appointed by the Regulator.

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