



Company	Tabcorp
Code	TAH
Meeting	AGM
Date	20 October 2020
Venue	Online
Monitor	Mike Muntisov

Number attendees at meeting	34 shareholders plus 345 guests (last year 159 and 31 respectively)
Number of holdings represented by ASA	407 (down from 419)
Value of proxies	\$13m (down from \$16m)
Number of shares represented by ASA	3.8m (up from 3.3m) equivalent to 18 th largest shareholder
Market capitalisation	\$7.5b (down from \$9.8b)
Were proxies voted?	Yes, on a poll
Pre AGM Meeting?	Yes, with chair Paula Dwyer, Director Steven Gregg and Company Secretary, Chris Murphy and Investor Relations, Chris Richardson

Retail closures hurt Tabcorp

The virtual AGM featured video of chair Paula Dwyer and CEO David Attenborough. It will be their last Tabcorp AGM. As flagged last year, Ms Dwyer will retire at the end of calendar 2020, with long-term director Steven Gregg assuming the mantle. The CEO will be retiring in a handover to a new CEO, once appointed, in 2021.

They summarised the impact of COVID-19 on their operations, particularly the closure of retail outlets which impacted their businesses and resulted in a statutory loss in FY20 of \$870million.

Early action and support of their lenders, including not paying a final dividend for FY20, meant that they remained financially strong through the worst of the COVID-19 shutdowns. In August, Tabcorp raised \$600million in a PAITREO capital raising which was fair for all shareholders including retail shareholders, although some feedback indicated postal delays had affected some shareholders participation.

The chair advised that Tabcorp “*envisage resuming distributions during FY21, subject to satisfactory commercial performance.*”

In the CEO’s trading update for the first quarter FY21, he reported group revenue was down 5.7% on the previous corresponding period with varying contributions from Lotteries and Keno (-6.9%), Wagering and Media (+2.9%) and Gaming Services (-55.2%), the latter particularly impacted by COVID-19 closures.

Three new directors were presented to the meeting. Anne Brennan, David Gallop and Janette Kendall, who for now is just an observer until regulatory approval is received. The ASA questioned Ms Brennan’s significant director workload. She advised that she will be stepping down from Nufarm at its AGM and will also step down from one other company within the next 6 to 9 months. On this basis ASA voted in favour of Ms Brennan’s election.

All resolutions passed with over 90% support except for the resolution on rights issues to the CEO. The ASA asked the chair to explain why the board considered it appropriate to issue long term equity rights to a CEO who was shortly to depart. She said that he would only qualify for that proportion of rights related to his remaining service, and that the performance measures incentivised him to leave a growth platform for his successor. The resolution passed with 83% support.