



Company	Japara Healthcare
Code	JHC
Meeting	AGM
Date	30 October 2020
Venue	Virtual
Proxy Collector	Peter Aird

Number attendees at meeting	3 voting, 67 visitors (from Link)
Number of holdings represented by ASA	14
Value of proxies	\$26.5k
Number of shares represented by ASA	122,258
Market capitalisation	\$105m
Were proxies voted?	Yes, on a poll
Pre AGM Meeting?	No

Very difficult trading and an uncertain outlook

Japara Healthcare reported a major loss of \$294.7m for the year much of which was the write off of most of the business's Goodwill, down from \$321m, to \$31.8m (-\$289.5m).

The Chair and CEO made presentations to the meeting with the announcement that Non-Executive Director (NED) Richard England was retiring from the Board and would not be replaced. Andrew Sudholz, who was Japara's founder and CEO and retired in March 2020, was thanked for his service and leadership. Japara's strategy of adding new facilities and upgrading existing homes is to be paused, although the projects underway would be completed.

ASA asked for the details of occupancy which was reported as averaging 92.2% in FY2020. Occupancy was 91.2% at the end of June, currently 87.6% with Victoria down to 85.8%. As was discussed in answer to a shareholder question about a return to profitability, high occupancy is critical to the business's performance. Details of their approach to achieving high occupancy were provided, with corporate policies on quality of care and quality of homes, business systems and local marketing of each home being the focus of the business.

ASA also asked if the company believed that a reduction in the queue for home care packages could affect occupancy. The Chair indicated that they believed that the care requirements of

residents differentiated them from those who used Home Care packages, with those in their homes only coming when home care became impossible.

A shareholder asked about the operation of the company's incentive plan being based on the current very low share price. It was noted that there were two financial hurdles (Earnings per share and total shareholder returns), that there had been no long term incentive paid over the last 4 years (as the share price came down from over \$3) and that shareholders also benefited as the share price increased.

All Resolutions were carried with substantial majorities (>97.9%), including the re-election of NED Ms J Stephenson.