



Beacon Lighting 2021 AGM Report

ASX Code	BLX
Meeting Time/Date	10am, Tuesday 5 October 2021
Type of Meeting	Virtual using Zoom for presentations/questions and Lumi Lite for voting
Monitor	John Whittington (proxy collector)
Pre AGM Meeting?	No

The Lights are Burning Brightly at Beacon

What the Company Does

Beacon Lighting is designer, distributor, and retailer of mainly consumer lighting through the largest network (116) of branded lighting stores in the country. It also has a small export business and recently has been buying the property associated with its stores in a JV with a related party.

Developments in the Financial Year

The company achieved record sales (up 14.7% from last year) with net profit after tax (NPAT) up 70% year on year. The main focus for the year was trade customers and online sales.

Summary of Historical ASA Issues with the Company

The ASA has attended BLX AGMs since 2019 but does not formally monitor the company. Whilst remuneration structure may be OK, the remuneration report usually does not disclose enough.

The Robinson family, of which the Executive Chair and CEO are members, own ~55% of the company. So, any other shareholder is basically coming along for the ride that the Robinson family directs. That's not necessarily a bad thing – most Beacon Lighting shareholders have probably done very well over the past 25 years – but shareholders need to be aware of this issue.

Debate and Voting at the AGM

As usual for Beacon Lighting AGMs, the AGM was a very quick and efficient one (it lasted only 27 minutes). The Chair didn't make a presentation but moved through all the formal resolutions quickly before handing over to the CEO (his son) to give a confident presentation on the key focus areas for the group and the outlook.

Your ASA representative was the only one to ask any questions. We asked about current situation regarding supply given reports of lack of transport and/or workers being quarantined. The CEO indicated that the situation has been quite dynamic however they have a team in Asia. They are also looking to diversify manufacturing supply across different countries (possibly including Australia).

We asked the director up for re-election, Eric Barr, to speak to his election and he did so highlighting his long association with the company and how the company has introduced no new capital during this time. The Chair also highlighted Mr Barr's tax expertise.

We also asked if the company could include a table of actual take home remuneration in their remuneration report (“will certainly look into it”) and, if things return to normal next year, what type of AGM they would envisage holding (“certainly prefer the physical meeting”).

The re-election of Eric Barr received only 87% support but both other items were passed easily with 99+% in favour. We voted against the remuneration report and CEO rights issue due to disclosure which could be better.

The virtual meeting was held using Zoom for the presentation and questions (via chat) and “Lumi Lite” for voting. Although there was some confusion about questions (those entered into Lumi Lite weren’t read), in general it worked very well and felt much closer to a “real” meeting normal Lumi/Link hosted meetings.

Outlook Statements from the Company

Key points:

- Comparative sale for like trading conditions were down 4.7% for Q1 FY22 over Q1 FY21 (however note Q1 FY21 sales were exceptional being up 27% on FY20)
- Improving the trade customer experience is their number one objective
- The company sees the overall environment to be supportive of the company and, whilst lockdowns affect retail sales, consumers are learning to adapt.

Meeting Statistics

Number of Holdings Represented by ASA	5
Number of Shares represented by ASA	22,918
Value of Shares represented by ASA	\$53,000
Market capitalisation	\$514m
Were proxies voted?	Yes, on a poll

Monitor Shareholding

The individual (or their associates) involved in the preparation of this voting intention has no shareholding in this company.