



Company	Cedar Woods Properties
Code	CWP
Meeting	AGM
Date	4 November 2020
Venue	Virtual
Monitor	Kevin Bowman/John Ferguson

Number attendees at meeting	Virtual meeting
Number of holdings represented by ASA	32
Value of proxies	\$1.315m
Number of shares represented by ASA	321,611
Market capitalisation	\$462m
Were proxies voted?	Yes, on a poll
Pre AGM Meeting?	Yes, with William Hames (Chairman), Jane Muirsmith (NED, Chair of Audit and Risk Management committee), Nathan Blackburne (Managing Director) and Paul Freedman (Company Secretary).

Setting sights for growth

The address of Chair William Hames referred to a 57% drop in NPAT over the year as a result of a COVID-19 hit to revenues. Total shareholder return for the year was a negative 2.4%. This return, when compared to that of the ASX 300 and a comparable peer group of companies, constituted out-performance. The success is attributed to a strategy of building a resilient property portfolio diversified by geography, products for sale and pitched at different price points.

There is a strong company focus on Environment, Social and Governance (ESG) issues and these are reported on for the first time in the Annual Report and climate change is very much considered when development projects are being designed.

Lead independent director Mr Ronald Packer retired at the AGM and the company is in the process of recruiting a new independent NED. The ASA has expressed

concerns about the independence of the Board (both the Chair and the Deputy Chair are not independent). A question was asked at the 2019 AGM about progress in addressing this issue, and an assurance was given that a recruitment process was in hand. This year the ASA question was about a specific timeline for the appointment of this NED. Assurances were given that this would occur during FY2021, but it has been difficult to interview prospective candidates because of the virus. In the pre AGM meeting, the issue of significant franking credits on the balance sheet had been raised again.

Managing Director Nathan Blackburne provided a review of the company performance in FY20 and an update on the company's four strategic priorities. The operational excellence priority is being endorsed by customer surveys and the \$1m selling price being achieved on townhouses in the Glenside development in Adelaide. The company is being recognised as an important niche player in developing in-fill projects which are characterised by thoughtful good design.

The company has the financial strength and bank support to bring to market the 8,600 undeveloped lots/units the company owns at the most propitious time and to exploit counter-cyclical buying opportunities to acquire sites for future development.

The outlook for FY21 is for strong growth over the FY20 figures as long as there is effective government management of COVID-19. The outlook is underpinned by a healthy \$454m of pre-sales which are expected to settle over FYs21-23.

Apart from the ASA question, two other questions were asked about a hybrid AGM in 2021 and emerging trends in the supply of suburban office space.

All AGM resolutions were passed with a strong affirmative vote and the range was 91.43% - 99.38%.