



Company	Lifestyle Communities
Code	LIC
Meeting	AGM
Date	Wednesday 18 November 2020
Venue	Online using OpenBriefing audio and Lumi voting
Monitor	John Whittington (proxy collector)

Number attendees at meeting	Unknown
Number of holdings represented by ASA	10
Value of proxies	\$230k
Number of shares represented by ASA	21,660
Market capitalisation	\$1.11bn
Were proxies voted?	Yes, on a poll
Pre AGM Meeting?	No

Challenging Year and Disappointing AGM

Lifestyle Communities is a provider of affordable residential communities for the over 50s in and around Melbourne. Residents at Lifestyle Communities own their own home and have a 90-year lease on the land for which they are charged a weekly site rental of approximately 20% of the Age Pension (after receipt of the Commonwealth Rental Assistance). On sale of a home, the company also receives a deferred management fee (DMF) of up to 20% (increases by 4% for each of the first five years) of the resale value.

Lifestyle's year was significantly affected by COVID-19 with home settlement revenue down 19% and a 30% reduction in fair value adjustments, an item which makes up more than half of reported profits. Profit was down 22% which is probably not bad for such a year.

The AGM was a brief audio only (with slides) affair and was finished in just 35 minutes with the only three questions being from the ASA. It did not feel nearly as upbeat as last year's physical AGM although this was possibly more to do with the disconnected nature of the virtual meeting format rather than the results.

The ASA asked about property valuations (they are underpinned by annuity cash flows plus settlements, they use three independent valuers and their new auditors, PWC were also asked to review), asked for a table of actual take home remuneration (we were referred to the table of

statutory remuneration which is quite a different thing!), and if the company would commit to only hold virtual only AGMs in future if physical meeting are impossible for health reasons (wishy washy answer which this monitor would take as a “no”). This highlights the problem of text-based questions in virtual meetings where the chair can avoid the question and you have no chance of follow up to get them back to the issue.

All items were passed with strong (98%+) support for all but the Constitutional change which had an 8% vote against.