



Company	The Star Entertainment Group
Code	SGR
Meeting	AGM
Date	24 October 2019
Venue	The Westin, 111 Mary Street, Brisbane QLD
Monitor	Carol Limmer (with Silvana Eccles attending the AGM)

Number attendees at meeting	186 including visitors
Number of holdings represented by ASA	221
Value of proxies	\$4.039m
Number of shares represented by ASA	907,805
Market capitalisation	\$4.08bn
Were proxies voted?	Yes, on a poll
Pre AGM Meeting?	Yes with Chair, John O'Neill, and Chair of Remuneration Committee, Sally Pitkin

Further progress towards vision of becoming Australia's leading integrated resort

As this was the first time The Star Entertainment Group (SGR) held its AGM in Brisbane it was appropriate to commence proceedings with an update on the Queens Wharf Project. Destination Brisbane Consortium (50% The Star; 25% Chow Tai Fook and 25% Far East Consortium), responsible for developing the \$3.6 billion project, are on track to open in 2022. Not only is Queens Wharf the largest single private sector project in Queensland, Chair John O'Neill also reported upon completion, it will be Australia's most unique integrated resort with a blend of contemporary and heritage buildings.

However, both the NSW and Queensland State Governments continue to present hurdles. After seven years of constant speculation as to whether the Queensland Government will grant a second casino licence on the Gold Coast, an ongoing distraction and a considerable cost to the company as well as its effect on the share price, the company has prepared a contractual arrangement to present to the State Government.

The Star's position has always been to support investment in tourism assets on the Gold Coast, but the Gold Coast market is considered by SGR to be too small for two casinos. The proposal to the Queensland Government includes three elements and the condition would be exclusivity that SGR retains the Gold Coast's single casino licence. The three elements would be:

1. \$2bn to be spent to build five towers on Broadbeach Island. Construction of the first tower, the Dorsett Hotel, is underway and sales of the second tower has commenced. Tower 5 would feature a five-star hotel and potentially a Sky Park tourism playground. In its entirety the Masterplan would deliver significant new food and beverage offerings.
2. SGR would contribute up to \$100m for the expansion and upgrade of the Gold Coast Convention and Exhibition Centre. As this is a government owned asset it would be the government's responsibility to determine how best to refresh the venue. A quality venue would attract quality acts which in turn would help attract the high-flyers. The Chair suggested that a percentage of gaming tax revenues received by the State Government could indeed be spent on attracting quality entertainers.
3. Refresh the Sheraton Grand Mirage and develop a beach club. A quality low-rise property is also under consideration.

Funds are available to deliver on all elements and SGR are keen to resolve this ongoing uncertainty as soon as is feasible.

The planning and approval process for Sydney's Ritz Carlton development has been ongoing for four years. Sydney is lacking luxury hotel rooms and development of the Ritz Carlton would help alleviate this. The Chair advised that they expect a decision from the independent Planning Commission in a few weeks' time.

ASA questioned whether there was a fall-back position if this approval was not forthcoming. The Chair responded that they had both a plan B and a plan C. Not ideal as they would lose 8 floors from the planned development but the building height could be reduced from 237m to 213m if required.

SGR's sustainability strategy is integrated across all operations and indeed they have received numerous awards.

Discussion of the company and resolutions took longer than anticipated with a couple of shareholders detailing specific grievances in regard to the points system, loyalty programs, lack of shareholder benefits and payout processes.

All resolutions passed comfortably with a 97% or greater FOR vote.