



Heidelberg District Community Enterprise Ltd
ABN 62 095 312 744

For Immediate Release

National Stock Exchange (NSX)

Announcements

SEVENTEENTH ANNUAL GENERAL MEETING

HELD ON Tuesday 13th November 2018 6.15pm

at Heidelberg Community Bank Branch, 164 Burgundy Street, Heidelberg, VIC, 3084

The Annual General Meeting of shareholders of Heidelberg District Community Enterprise Ltd (HDCE) was held on the evening of 13 November 2018.

Prior to the meeting 25 valid proxy forms were received by the company prior to 5.00pm 9 November 2018.

23 shareholders were in attendance.

19 people (other than shareholders) were in attendance – these were predominantly company staff and Bendigo & Adelaide Bank representatives.

There were 8 apologies.

Welcome

The Chairman, David Mayne, declared the meeting open at 6.15pm and welcomed shareholders, fellow directors, Craig Thomas (Bendigo & Adelaide Bank Regional Manager), Graeme Stewart (the company's Auditor) and community members to the seventeenth Annual General Meeting. He confirmed that a quorum was present. The voting procedure, by show of hands, was explained to shareholders.

The Chairman noted that the Notice of Meeting was issued to all shareholders in accordance with Corporate Law. The Chairman reported that the Annual Report (including the financial report, directors' report and Auditor's report) and Annual General Meeting agenda had been sent to shareholders for the financial year ending 30 June 2018. David invited questions on the financial report, directors' report, Auditor's report, the management of the company or questions for the Auditor.

Question from Graham Norman: What is the board doing to ensure that the Community Contributions made are not at the expense of the shareholders?

Reply from David Mayne and John Nota: The shareholders are being looked after with an increased dividend this year and a commitment for that to continue into the future. Also the Share Buyback proposal being presented to this meeting will give additional strength to the company and hence the shareholders. The dividend return for the shares held in HDCE has been very healthy and figures were given reflecting this.

Minutes of the previous Annual General Meeting

Minutes of the previous Annual General Meeting held on 14 November 2017 were tabled.

It was moved by Peter Drapac and seconded by Russell Hutchins that they be accepted.

By show of hands

For: 23

Against: 0

Abstain: 0

Motion carried.

The Chairman signed the minutes as a true and correct record.

Chairman's Report – David Mayne

Although the tough conditions continue, the company has managed to gain an increase in profit. Bendigo & Adelaide Bank continues to provide great banking products and services and gives excellent support to our enterprise as respected partners in our community bank business. The focus will remain on growing our business and improving the number of products per customer to increase the amount of business they have with us.

We have changed our management structure to better suit our operating environment. Greg Arnott joined Justin Bice as a Relationship Manager (increasing our focus on customer interaction), while Jo-Ann Downey has continued to manage Heidelberg branch. We thank Julie Bullen for acting in this role while Jo-Ann was on Long Service Leave. Pooja Nayyar manages the East Ivanhoe branch. Justin Bice left HDCE in October to move to Northern NSW to take up a position with BABL. I would like to recognise the huge contribution these managers and their staff have made to our company over the year. The board acknowledges and appreciates the dedication and enthusiasm of our highly experienced staff and their strong commitment to our company's vision and values. They are a critical part of our company's success and continue to present and uphold the vision of the company and provide excellent service to our customers and to the community.

The support of shareholders is essential to our success. Your commitment to our company has been extremely beneficial to the community in which we live. We encourage you to help us spread the word and to encourage others to Support the Bank that Supports your Community. After a strong year, the board has decided to announce a dividend of 7¢ per share, fully franked and was paid to all shareholders in late October 2018. This will be our sixteenth successive dividend allocation and hopefully reminds our shareholders of the solid investment they made in supporting their local community. As a result of our continued growth we believe the company is in a good position to continue with increased dividends over the coming years. This is in line with our adopted dividend policy to ensure growth for our shareholders.

As Chairman of HDCE, I have continued to be supported by diligent, conscientious and community minded fellow directors. Our Marketing Manager, Carly Kluge and Bookkeeper, Pam Tremlett have been an integral part of our board's operation and our company's success for many years. I stepped down from the position as Chairman from July this year, but will continue to serve as a board member. Nan Caple is now the Chair and she continues to give great support to our company and is a major driver of Youth Foundation, our major community initiative. Nan also serves on the Community Bank National Council. I would like to personally thank Nan for her continued commitment to the Community Bank model.

We have had a number of changes to the board this year, including the appointment of two Associate Directors, Tara O'Brien and Natasha Ritchie. These young women are students at near-by Latrobe University and have come on board as part of our young directors program to provide a better understanding of the needs of their generation and help them to understand the workings of a public company.

Lyndy Stagg has moved to country Victoria and decided to retire from the board. Lyndy has been a long serving member of our board and a great ambassador of our community. She has led our Grants and Sponsorship Sub-committee and served the board with distinction over many years. We wish Lyndy all the best in retirement and thank her for her commitment to our company.

I would also like to take this opportunity to thank all board members, past and present for their support. Our board members contribute generously of their time and of their expertise. Directors on the board of Heidelberg District Community Enterprise Ltd. embrace the philosophy of Community Banking and work cooperatively towards achieving our goals. You can be assured that shareholder interests and value are at the forefront of board deliberations and decisions on matters affecting the company.

David Mayne then invited Greg Arnott to present the Managers' Report.

Managers' Report – Greg Arnott

Greg spoke on behalf of the leadership team of managers from the East Ivanhoe and Heidelberg branches.

We have had another great year, highlighted by the following:

- \$ 226,867 given in community contributions to local community groups during this year
- Our combined book now exceeding \$386 million in banking business –a substantial growth of \$29 million in the last 12 months
- Over \$2.8 million in community contributions now given since opening the doors back in 2001.

This year we have welcomed two new staff members to our team, Pooja Nayyar and Liam Trinh. They have both settled in well and have contributed to the growth of our business. The strength of our Community Bank branches is built on the back of our community and in partnership with the people of East Ivanhoe, Heidelberg and surrounding suburbs.

Our results would not have been achieved without the following, who we would like to thank:

- Our directors who have provided support to our team and continue to commit their time and efforts into impacting our community
- Our staff at both branches who continue to provide the highest level of service to our customers and community groups
- Our shareholders who backed the Community Bank concept
- Our partner Bendigo and Adelaide Bank who continues to support us as we seek to grow our business.

The continued success of our business is dependent on the support of our community and we encourage:

- Our shareholders to make the East Ivanhoe and Heidelberg Community Bank your bank of first choice
- Our community groups and their members to make the East Ivanhoe and Heidelberg Community Bank your bank of first choice
- Our existing customers and shareholders to spread the word about our 2 branches.

The more support we receive the greater the support we are able to return to our local community.

The Chairman asked Russell Hutchins as Company Secretary to report the number of proxies received and the number for/against/abstain for each resolution. Russell responded that 25 were received and advised that where a proxy is directed to the Chair or a board member the vote will be cast as 'for' on all motions.

Proxy votes were as follows:

Re-election of directors

Russell Hutchins	For: 25	Against: Nil	Abstain: Nil
David Mayne	For: 25	Against: Nil	Abstain: Nil
John Nelson	For: 25	Against: Nil	Abstain: Nil

Election of directors

John Nota	For: 24	Against: 1	Abstain: Nil
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Adoption of Remuneration Report

For: 25	Against: Nil	Abstain: Nil
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Alteration of Share Capital

For: 22	Against: 2	Abstain: 1
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Re-election of Directors

The Chairman announced that three directors were offering themselves for re-election by shareholders.

Russell Hutchins, David Mayne and John Nelson retire by rotation and all offer themselves for re-election as directors of the company.

- (a) It was moved by Nan Caple and seconded by David Mayne that Russell Hutchins be re-elected as a director of Heidelberg District Community Enterprise Ltd
By show of hands For: 23 Against: 0 Abstain: 0
Motion carried.
- (b) It was moved by Peter Drapac and seconded by John Nota that David Mayne be re-elected as a director of Heidelberg District Community Enterprise Ltd
By show of hands For: 23 Against: 0 Abstain: 0
Motion carried.
- (c) It was moved by Russell Hutchins and seconded by Nan Caple that John Nelson be re-elected as a director of Heidelberg District Community Enterprise Ltd
By show of hands For: 23 Against: Nil Abstain: Nil
Motion carried.

Election of Directors

The Chairman announced that John Nota was offering himself for election by shareholders.

It was moved by Peter Drapac and seconded by Nan Caple that John Nota be elected as a director of Heidelberg District Community Enterprise Ltd
By show of hands For: 23 Against: Nil Abstain: Nil
Motion carried

Remuneration Report

It was moved by David Mayne and seconded by Russell Hutchins that the Remuneration Report be adopted
By show of hands For: 23 Against: Nil Abstain: Nil
Motion carried.

Alteration of Share Capital

It was moved by David Mayne and seconded by John Nota that the Alteration of Share Capital be adopted.
By show of hands For: 23 Against: Nil Abstain: Nil
Motion carried.

Comment from Graham Norman: Graham congratulated the board on introducing the Alteration of Share Capital initiative. It should help the return to shareholders and reduce the costs of the Share Registry.

Reply from John Nota: The book value at 30 June 2018 was \$1.14. It is even higher now. The initiative makes good business sense.

David Mayne then invited Bendigo and Adelaide Bank Regional Manager, Craig Thomas, to address the meeting.

Bendigo and Adelaide Bank Report – Craig Thomas

Craig Thomas, representing the Melbourne North Region, spoke of how proud they were of the HDCE board and their commitment to the welfare of all stakeholders. HDCE is very well regarded nationally and the leadership provided by the board is valued. He spoke about Banking is our Business but Community is our Focus. There is a new ad campaign being rolled out by BABL based on us being the 5th biggest bank. This will hopefully be able to capitalise on the Royal Commission hearings with regard to the Big Four. We need to concentrate on one great customer experience at a time. Congratulations to the staff for their dedication and efforts to make HDCE such a sustainable business which provides consistently high returns to shareholders and the community. Well done everyone.

David then invited Deputy Chair, Nancy Caple to give some highlights from the past year.

Deputy Chair report – Nancy Caple

Nan spoke with the assistance of a Powerpoint slide show.

Bendigo and Adelaide Bank has a customer satisfaction rating of 88.8% nationally. It is also seen as the third most trusted brand in Australia. We are the Better Big Bank.

Nan presented the Community Balance Sheet for 2017-18 for HDCE. In summary we have funded 65 projects worth \$190,000 with grants, sponsorships and donations with 46% of those funds going to the sport and recreation area.

Nan noted that the true value of the Community Bank network is in the collaboration opportunities that are presented to us.

We have had a terrific year with a true highlight being our celebration of our vibrant community as leaders of the Banyule Festival when so many of our community funding recipients lead the parade down Burgundy Street.

Our support goes well beyond the sport and recreation area and includes kinders and schools, arts programs and community programs. We are very proud of our YF3081 initiative which has just celebrated its tenth year since inception and has received \$400,000 in funding during that time. It has had a great impact and will continue to do so.

Meeting Closed: 7.15pm

To be signed as a true and correct record of meeting by the Chairman at next AGM



Russell Hutchins, Company Secretary
Heidelberg District Community Enterprise Limited
3 December 2018