

## Highly Confidential

### SEYCHELLES BREWERIES LIMITED

Minutes of the Annual General Meeting of Seychelles Breweries Limited held on the 10<sup>th</sup> December 2016 at Ephelia Resort, Port Launay, Mahé, Seychelles

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**Present:**

Mr. Simon Harvey	-	Chairperson
Mrs Lekha Nair	-	Director
Mr. Nicholas Cook	-	Managing Director
Mr. Steve White	-	Director
Mr. Jean Weeling-Lee	-	Director
Mr. Mohammed Iqbal	-	Financial Director
Ms. Gemma Roberts	-	Representing Auditors (Pool & Patel)
Miss Nazrah Ramdin	}	Company Secretary
Miss Christina Morel		

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The Chairman welcomed all Shareholders present and introduced them to the panel made up by the Board of Directors, Auditor and Company Secretary of the Company.

The Chairman apologised on behalf of one of the Directors who was absent, namely Capt. Morgan as he was travelling.

The Chairman then requested a moment of silence in memory of all shareholders who passed away during the year.

#### **1. Approval of previous minutes**

The minutes of the previous Annual General Meeting held in 2015 was approved by all Shareholders. The motion was seconded by Mr. Rod Thorrington with no shareholders voting against.

#### **2. Approval of Directors' and Auditors' reports and the Financial Statements**

The Chairman presented the Directors' reports as well as the audited Financial Statements for the year ended June 30, 2016 and shared with the shareholders some highlights of the report.

He explained that the Company had had a tough financial year and the breakdowns of some of their equipments affected the supply of their products. He also explained that these failures impacted their ability to run to their full capacity and added that they have had sales declined by 11% and a profit decline before tax of 23%.

The Chairman said that however they had been making significant investments on new equipments which have seen and led to positive impact on production.

He then took the opportunity to introduce the new smaller pack of 30cl Seypearl bottles together with the festive packs of seybrew beer and informed the shareholders that samples of each will be gifted to them at the end of the meeting.

The Chairman then informed the Shareholders regarding the various changes in the management team of the Company and he said that these changes are signs of the efforts being made to gear back the Company towards a better future and he thanked all the Shareholders of the Company for all their continued support and opinions.

Ms. Gemma Roberts, engagement partner, representing the Company's Auditor, Pool & Patel, was then asked to read the Auditors' Report to the Shareholders.

Thereafter, the Chairman welcomed for questions from the Shareholders.

Mr. Felix, a shareholder, expressed his disappointment with the performance of the Company as reported in the Financial Statements. He said that sales, gross profit and profit before tax were all down whilst the administrative expenses had gone up. He added that he understood tax implications but he asked explanations on the fact that with a reduced profit, why was business tax figure up by SR. 6 million more as compared to last year and why also was the differed tax figure a liability in 2016 and up significantly whereas there this was an asset in the previous year.

Mr. Iqbal, the Finance Director, explained that the Company had had tax assessment from SRC for the years 2011 to 2013 and resulting in additional tax charge, and there were also some adjustments due to changes in the tax laws.

Mr. Iqbal added that with regards to the deferred tax figure, he explained that in 2014 and 2015 they had some assets under construction which were considered for tax purposes but missed out in the accounts and now corrected in the 2016 accounts.

Mr. Antao, a shareholder, gave a list of questions to the Chairman which he had previously written down for the Board to answer. The Chairman read out loud the list of the 7 questions and answered as follows:

- Q: Mr. Antao asked why the Managing Director salary is 20% less than in previous year?
- A: The Chairman explained that last year there had been 2 Managing Directors at one point in time and this year the new Managing Director is also responsible for some of the islands within the region and his costs were shared accordingly.
- Q: Mr. Antao asked why there was no increase in the remuneration of the non-executive Directors?
- A: The Chairman said that they had been doing an exceptional job and deserved a higher remuneration and informed that the remuneration figure will be revised again once the business back in a better position.
- Q: Mr. Antao asked to check the date on the Director's Report, as to whether correct or not?
- A: The Chairman informed Mr. Antao that the date will be corrected.
- Q: Mr. Antao asked why there was no Corporate Governance Report in the annual report of the Company?
- A: Mr. Iqbal informed they have noted the point and needful will be done next year.
- Q: Mr. Antao asked why has the Auditor's Report not stated whether the Company had complied with the Seychelles Securities Act?

- A: Mr. Iqbal said that the next Financial Statements will be prepared under IFRS requirements now that the Company is listed on the stock exchange and that the Company had been granted an exemption for non compliance with IFRS for the year ended June 30, 2016.
- Q: Mr. Antao asked what “Other Investments” represented on page 15 of the Financial Statements?
- A: Mr. Iqbal informed that these represented two land portions which the Company has on Mahe.
- Q: Mr. Antao asked about the movement in deffered tax in 2016?
- A: The Chairman said that this had already been explained earlier during the meeting.

After having answered the above questions, the Report of the Directors’ and the Auditor’s together with the Financial Statements for the year ended June 30, 2016 were approved by all Shareholders

The motion was seconded by Mr. Antao and no shareholders were against.

### **3. Dividend**

The Chairman requested an approval for a final dividend of SR. 0.50 per share for the year ended June 30, 2016.

The motion was seconded by Ms. Afua and no Shareholders voted against.

The Chairman informed the Shareholders that the dividend will be paid to all shareholders whose names appear on the Company’s records effective December 12, 2016 and that payments will be made by December 22, 2016 by bank transfer or cheque. The Chairman reminded Shareholders who had not send in their bank details yet to do so as soon as possible.

### **3. Re-elections of Directors and approval of remunerations**

- Mr. Iqbal retiring as he was appointed after the last AGM was re-elected as Finance Director of the Company, and the motion was seconded by Mr. Antao.
- Mr. Weeling-Lee and Mrs. Nair, Directors retiring by rotation, were re-elected as Directors of the Company, and the motion seconded by Ms. Low.
- The Managing Director’s remuneration of approximately SR. 2,348,885 per annum for the year 2016/2017 was approved and the motion seconded by Ms. Ernesta.
- The Finance Director’s remuneration of approximately SR. 3,264,911 per annum for the year 2016/2017 was approved and the motion seconded by Ms. Jean-Louis.
- The non-Executive Director’s remunerations of approximately SR. 199,008 per annum for the year 2016/2017 were approved and the motion seconded by Ms. Evelina.
- It was approved that the Directors be authorized to fix the remuneration of the Auditors, and the motion seconded by Mr. Felix.

### **4. Any other business**

No matter arose.

The Chairman thanked all shareholders present, and wished everyone present a merry Christmas and a happy new year and declared the meeting closed.

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Chairperson

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Company Secretary