

JAMAICA PRODUCERS GROUP LIMITED
MINUTES OF THE 86th ANNUAL GENERAL MEETING HELD AT COURTYARD BY
MARRIOTT
1 PARK CLOSE, KINGSTON 5,
FRIDAY, 16TH JUNE 2023 AT 10:00 A.M.

Present Were:	Mr. Charles Johnston	-	Chairman/Shareholder
	Mr. Alan Buckland	-	Group Finance Director/Shareholder
	Dr. Swee Chua	-	Director
	Mr. Stephen Facey	-	Director
	Mrs. Patricia Francis	-	Director
	Mrs. Sanya Goffe	-	Director
	Mr. Jeffrey Hall	-	Group Managing Director/ Shareholder
	Mrs. Dahlia Kelly	-	Director/Shareholder
	Mr. Grantley Stephenson	-	Director
	Prof. Alvin Wint	-	Director/Shareholder
Mrs. Kathleen Moss	-	Director/Shareholder	
In Attendance:	Ms. Simone Pearson	-	Secretary/ General Counsel /Shareholder
	Ms. Cynthia Lawrence	-	Partner – KPMG

Shareholders in attendance are listed in the Appendix.

1. CALL TO ORDER

The Chairman extended a warm welcome to everyone present, noting that it was a time of change for the Group following the shareholders' approval of the amalgamation of the material businesses with Pan Jam Investment Limited to form Pan Jamaica Group, which took effect on April 1, 2023.

Following confirmation by the Company Secretary that a quorum was present, the Chairman called the meeting to order at 10:00 a.m. This was followed by prayer, which was offered by Mr. V. Andrew Whyte, Chief Investment Officer of JP Corporate.

2. AUDITORS' REPORT

Ms. Cynthia Lawrence, Partner from KPMG, read the Auditors' Report on the Audited Financial Statements for the year ended December 31, 2022.

3. NOTICE OF MEETING

The Notice of the 86th Annual General Meeting was taken as read. The Chairman informed the shareholders that 28 proxies had been received which represented 62.82% of the issued stock of the company.

4. INTRODUCTIONS

The Chairman re-introduced the members of the Board of Directors and management team of Jamaica Producers Group. He welcomed the two newly appointed directors who joined the Board on April 1, 2023, Dr. Swee Chua and Mr. Stephen Facey. The Chairman also acknowledged the management team of JP subsidiaries and associated companies.

5. CHAIRMAN'S REMARKS

The Chairman gave his remarks in respect of the Group's results for the year ended December 31, 2022. He opined that the combined strength of Jamaica Producers Group and Pan Jam Investment operating as one, would continue to enhance shareholder returns through further diversification and a stronger platform for acquisition-led growth.

The Chairman thanked all the businesses around the world for their valuable contribution to the 2022 result. He further expressed thanks to the Board, Management and operating teams for their commitment to the business and the shared values, and to customers and partners for their continued support.

6. PRESENTATION BY THE GROUP MANAGING DIRECTOR

The Group's Managing Director, Mr. Jeffrey Hall, was then invited to make a presentation to the shareholders, which included an overview of the Group, the financial highlights, the strategy of the Group and the outlook going forward. Highlights of the presentation are set out below.

a. The Group:

Mr. Hall outlined that for the financial year ended the businesses were viewed in two core business platforms:

- (i) Logistics & Infrastructure: These were diverse businesses both in respect of geography and by the type of service or level of infrastructure investments; and
- (ii) Food and Drink: This category also demonstrated the Group's diverse operational presence both in respect of geography and also the production of products based both in the Caribbean and Europe but served international markets, as well as the Caribbean.

b. The Group's Strategy:

Mr. Hall explained that going forward, the Group's interest will focus in three categories: namely those in Pan Jamaica Group, its land holdings and its treasury investments. Highlights of the strategy to be employed in 2023 are outlined below:

- (i) Pan Jamaica Group: Mr. Hall explained that as a result of the amalgamation which took effect on April 1, 2023, the Group now had a 34.5% shareholding in the newly formed Pan Jamaica Group which itself had over \$115bn in total assets and an \$81bn+ total market value.
- (ii) Land Holdings: In respect of land holdings, Mr. Hall explained that the Group had approximately 3,500 acres of land in the parish of St Mary which included agricultural lands as well as prime coastal lands for which developmental plans were underway to secure returns for shareholders.
- (iii) Treasury Investments: Mr. Hall noted that the Group continued to maintain an active and robust investment foothold which included \$1.5bn Cash and Short-term Investments.

c. Pan Jamaica Group ('PJG') – The Strategic Pillars: Mr. Hall outlined the key operational segments of the Group noting that they formed the four (4) strategic pillars namely, Property & Infrastructure, Specialty Foods, Financial Services and Global Services.

d. St Mary Land Holdings: Mr. Hall explained that the plans for the landholdings in

St. Mary would take on a three-dimensional approach. He explained the categories as follows:

- (i) Resources - which will be sub-divided in respect of aggregates, alternative energy and concession model.
- (ii) Agriculture - the lands will continue to be used to cultivate bananas and pineapple and the remaining portions handled under the lease model.
- (iii) Development - the remaining lands would be used for property development.

- e. **Treasury and Enterprise-Wide Operating Themes:** Mr. Hall outlined that the Group was actively engaged in prudent treasury and financial risk management supported by a lean Head Office, with steady, long-term land development and consistent shareholder returns.

7. QUESTIONS FROM SHAREHOLDERS

At this point, the Chairman invited questions from the floor, and several shareholders took the opportunity to commend Management and the Board on the Group's positive performance in 2022. Questions, answers and observations are summarised below:

David Rose

- **Capital Infrastructure Group Limited (CIG) vs. Capital Infrastructure Managers Limited (CIM):** An explanation was requested in respect of Note 28 which was to be found on page 105 of the Annual Report relating to CIG and which spoke to the Share Subscription and whether CIM would be the managers of CIG so as to give better context to the subscription that was made for the shares.
 - **Response:** Mr. Hall explained that the CIG was an enterprise which was capitalized jointly with other parties and that at the end of the year they had entered into an agreement to acquire a powerplant that served the University of the West Indies, Mona and for which the capital call was made. This was connected to that investment and represented the Group's share of the investment at Pelican Power Plant. Mr. Hall further noted that the CIG would be responsible for handling large and meaningful projects and is the result of a 50/50 joint venture with Eppley Limited.
- **Agualta Vale Lands:** Clarity was sought with respect to the future plans of JP as it pertains to the Agualta Vale lands and dividend income.
 - **Response:** Mr. Hall pointed out that the Group has 3,500 acres of land for which the areas of focus would be in respect of concessions, leases and some amount of development. Mr. Hall reassured Mr. Rose that the main area of focus of JP would be on Pan Jamaica Group as well as a very prudent cash management position which was delivering good results at the time.
- **Page 87:** Mr. Rose sought clarity in respect of margin compression in JP Snacks in light of the stability in the cost of commodity prices and other import.
 - **Response:** Mr. Hall noted that JP Snacks volumes had not yet returned to pre-covid numbers in the Jamaican market, which has to do with the distribution of the product generally as well as inflation. Mr. Hall further noted that management was of the view that they have the capacity to achieve good distribution and therefore efforts were being made to achieve same.
- **JP ESOP:** In response to a question regarding what would happen to the JP ESOP following the amalgamation, Mr. Hall noted that the ESOP will remain with Jamaica Producers Group for accounting purposes, and it will be consolidated until it is distributed.

Livingston Young

- **Page 114 and Note 31:** An explanation was sought in respect of the difference between the fixed rate instrument, financial assets and financial liabilities.
 - **Response:** Mr. Buckland explained that the financial assets represented cash and short-term investments and the financial liabilities represented loans and borrowings. He further explained that the particular section of the Report was illustrating the proportion of assets, loans and liabilities that either incurred interest or received interest on a fixed or variable nature. He also pointed out that it was evident that most of the Group's liabilities were fixed some time ago and worked to the benefit of the Group.
- **Page 111:** An explanation was sought in respect of how the Group calculated its provisions against its receivables.
 - **Response:** Mr. Buckland explained that under IFRS standards companies use the expected credit loss method, so that when a sale is made an estimate is made with regard to what percentage one believes is going to default. What is represented in the report is the age of the receivable and what percentage of the receivable the company has provided for, for example 0.8% of anything that is current and as the receivable gets higher the provision will also get higher.
- **Page 115:** An explanation was sought in respect of average interest rate on bank loans and related parties' loans.
 - **Response:** Mr. Buckland explained that the weighted average interest rate of bank loans and related parties was 5.35%.
- **Page 59:** The question was raised in respect of why the incremental cost was so high in 2022 compared to prior and profit ratios.
 - **Response:** Mr. Hall explained that there was some amount of gross margin compression in 2022 arising from significant commodity price increases, logistics costs and wage inflation which management did not feel prudent to pass 100% of to our customers. He further explained that the bottom-line growth both last year and in Q1 spoke for itself, in that the Group delivered results. Mr. Hall reassured the shareholders that management was very much addressing its cost base.

Orrette Staple

- **C26 Note 8:** Mr. Staple asked about the 50% shareholdings in Grupo Frontera and justification into the attending capital injection.
 - **Response:** The Chairman advised that there are multiple ways of making an investment including injecting capital as equity or a loan and from all indications the Group invested the capital both as equity and as loan.
- **Page 59:** Mr. Staple observed that for every dollar earned, the Group spent 96 cents incrementally.
 - **Response:** Mr. Buckland noted that the Group had experienced gross margin compression from price and wage inflation and did not consider it prudent to pass 100% of this on to customers. Management would continue to assess the Group's cost base.

John Hall:

- This shareholder enquired into the reason for the amalgamation, citing concerns in respect

of the compatibility of the two companies.

- **Response:** Mr. Hall noted that both PanJam and JP have defined themselves as holding companies with very unique expertise, able to mobilize capital very efficiently to acquire businesses and stakes in businesses. Both companies believed that they bring an expertise around corporate governance and the leadership of enterprises that is not common in Jamaica. The stakeholders from both entities felt that the risk profile of the combined enterprise being more diverse, having the previously mentioned four strong segments, will allow the company to be more consistent in its long-term earning position as well as its capital allocation. JP's view was that with more substance the company can acquire more and on a larger scale.

Kerry Berry Teape

- Ms. Teape sought to better understand the strategic vision of the combined Group.
 - **Response:** Mr. Hall stated that the Group's management sees unambiguous and very powerful synergies between the two groups and the vision was for the Pan Jamaica Group to become a very significant enterprise in Jamaica with a unique ability to mobilize capital and organize opportunities and make more impact through combined efforts.

Livingston Young

- **APO:** In response to a question from Mr Young as to whether JP would consider an APO to acquire additional cash, the Chairman noted that this was not likely.

Nastasha Geohagen

- **Question:** Ms. Geohagan sought to understand the percentages of export and import by the Group.
 - **Response:** Mr. Hall noted that 53% of the Group's revenues were in the Americas and 47% were from Europe.

Monica Ladd

- Ms. Ladd asked for details on whether JP was building a reserve of cash for future opportunities. Mr. Buckland explained that the largest share of JP's cash was now in the Pan Jamaica Group and within the Pan Jamaica Group that cash resides within the parent company and through its subsidiaries. In terms of immediate capital projects with the cash that would have been previously associated with JP, the largest investment pipelines would be seen within Kingston Wharves through the renovation of Berth 7. This is a US \$30 Million project and will be one of the most significant coastal construction projects in Jamaica.

Gary Campbell

- In response to a question from Mr. Campbell as to which of the two entities initiated the amalgamation, Mr. Hall explained that there were conversations going back as far as 2016 when companies operated successfully as partners in the Mavis Bank Coffee Company.

The Chairman thanked shareholders for their questions, observations and comments.

8. RESOLUTIONS

ORDINARY RESOLUTION NO. 1 - DIRECTORS' REPORT, AUDITORS' REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2022

The resolution for the adoption of the Directors' Report, Auditors' Report and Audited

Financial Statements for the year ended December 31, 2022, was unanimously passed after being put to the meeting by the Chairman. Mr. Orette Staple moved the motion for its adoption, which was seconded by Mr. Mark Brown. Accordingly, it was resolved:

“THAT the Directors' Report, Auditors' Report and Audited Financial Statements of the Company and the Group for the year ended December 31, 2022 be and are hereby adopted.”

ORDINARY RESOLUTION NO. 2 - REMUNERATION OF AUDITORS

The following resolution was unanimously passed after being put to the meeting by the Chairman. Mr. Rose moved the motion for its adoption, which was seconded by Mrs. Kathleen Moss. Accordingly, it was resolved:

“THAT the remuneration of the Auditors, KPMG, having been fixed by the Directors for 2022 be and is hereby approved.”

ORDINARY RESOLUTION NO. 3 – INTERIM CAPITAL DISTRIBUTION

The following resolution was passed by a majority decision after being proposed by the Chairman. Mr. Barton moved the motion for its adoption, which was seconded by Mr. Orrette Staple. Accordingly, it was resolved:

“THAT the interim capital distribution of 30 cents per stock unit of record date December 20, 2022 be and is hereby ratified and declared final for 2022.”

ORDINARY RESOLUTION NO. 4 - RE-APPOINTMENT OF AUDITORS

The Chairman reported that the Auditors, KPMG had expressed their willingness to continue as the Group's Auditors. The following resolution was unanimously passed after being put forward by the Chairman. Mr. Orrette Staple moved the motion for its adoption, which was seconded by Mrs. Gustav. Accordingly, it was resolved:

“THAT the Auditors, KPMG, having indicated their willingness to continue in office, be and are hereby re-appointed for the year 2024.”

ORDINARY RESOLUTION NO. 5 - ELECTION OF DIRECTORS

The following resolution was unanimously passed after being proposed by the Chairman. Mrs. Ladd proposed the motion for its adoption, which was seconded by Mrs. Dahlia Kelly. Accordingly, it was resolved:

- a) “THAT Mr. Stephen Facey who retires after having been appointed to the Board since the last Annual General Meeting, be and is hereby elected a Director of the Company.”

The following resolution was unanimously passed after being proposed by the Chairman. Mr. Rose proposed the motion for its adoption, which was seconded by Mrs. Moss. Accordingly, it was resolved:

- b) "THAT Dr. Swee Chua who retires after having been appointed to the Board since the last Annual General Meeting, be and is hereby elected a Director of the Company."

The following resolution was unanimously passed after being proposed by the Chairman. Mrs. Kelly proposed the motion for its adoption, which was seconded by Mr. Barton. Accordingly, it was resolved:

- c) "THAT Mr. Alan Buckland who retires by rotation, be and is hereby re-elected a Director of the Company."

The following resolution was unanimously passed after being proposed by the Chairman. Mr. Rose proposed the motion for its adoption, which was seconded by Mrs. Gustav. Accordingly, it was resolved:

- d) "THAT Mrs. Patricia Francis who retires by rotation, be and is hereby re-elected a Director of the Company."

ORDINARY RESOLUTION NO. 6 - REMUNERATION OF DIRECTORS

The following resolution was unanimously passed after being proposed by the Chairman. Mr. Rose moved the motion for its adoption, which was seconded by Mr. Livingston Young. Accordingly, it was resolved:

"THAT the amount of \$14,390,000.00 shown in the Accounts for the year ended December 31, 2022 for Non-Executive Directors' fees be and is hereby approved."

9. TERMINATION

In closing, the Chairman expressed appreciation to the shareholders for attending the meeting, as well as, for their continued confidence and support which was necessary for the Group's success. The Chairman also thanked the Board, management and the staff for their contribution and for successfully dealing with the challenges experienced during the year.

There being no further business, the Chairman declared the meeting terminated at 12:17 p.m.

APPENDIX

ANNUAL GENERAL MEETING – FRIDAY JUNE 16, 2023

INVITED GUESTS

LUKE DOUGLAS
STEPHEN MORRISON
CYNTHIA LAWRENCE
CLAUDETTE ASHMAN IVEY
SAM COOPER
ANNA WARD
MADRIA ROBINSON
RYAN MARTELL JNR.
ANTWONE MARSHALL
TEMITOPE SALATRO
HALRIC THOMPSON
JOEL PRABAHAR
JUSTIN CAMPBELL
JEI HAN HALL
DERICA GOODEN
MATTHEW JAMES
MARRISSA WONG
AL EDWARDS
ERIC SCOTT

SHAREHOLDERS

BRANDON DAVIS
ERROL HAMILTON
SIMONE SPAULDING
CHRISTINE WONG
KAREN VAZ
CAMILLE NELSON
JOANNA BANKS
MARJORY KENNEDY
GLENOR SMITH
JANET M. SHAW
JOSIAH WILLIAMS
IAN ELLIS
NICOLA BOROUGH
GEOFFREY FORDE
CAROL LESLIE
JOHN HALL
DAVID MARTIN
ANDREW WHYTE
PETA-GAYE CLARKE
MONICA LADD

STEPHEN FACEY
ORRETTE STAPLE
KAREN BOLAND
ALAN BUCKLAND
SUZETTE RILEY
BIBI MORAIS
ANNELLA MCFARLANE
CHARLES WELSH
GARY CAMPBELL
LIVINGSTON YOUNG
MERZA GRANT
KAYREE TEAPE
TAMARA DENNIS DESGOUTTES
LINCOLN A. MCFARLANE
MARK ANTHONY BANTON
BEVERLEY GUSTAFF
DAVID ROSE
DENNIS REID
LANZEL BLOOMFIELD
CLAUDE ESPEUT
LEPERT EWART
ANTOINETTE LIVINGSTON
RONALD & THERESA EDWARDS
TARIQ KELLY
DEANNA WILLIAMS
CLOVER MOODIE
MARK WILLIAMS
RALSTON ISSACS
DEANNA DESGOUTTES
CLINTON ALLEN
EDWARD ISAACS
LISA MCGREGOR-JOHNSTON
VASCIANNA CUMMINGS
ANTHONY MINOTT
MARCIA E. MUNROE
ERROL HAMILTON
MARK MYRIE
MAUREEN JOHNSON
PRINCESS MCLEAN
NATASHA GEOHAGEN
MARVA GILLMORE
DAPHNEY DRYSDALE

REGISTER OF PROXIES

NAMES OF SHAREHOLDERS	NAME OF PROXY
MCGOWAN PROPERTIES LTD.	Jeffrey Hall
SHAREHOLDERS SERVICES TRUST J.B.P.A	Jeffrey Hall and Simone Pearson
SHAREHOLDERS SERVICES TRUST J.P.	Jeffrey Hall and Simone Pearson
TRUSTEES - JAMAICA PRODUCERS GROUP LIMITED ESOP	Jeffrey Hall and Simone Pearson
LENNOX PORTLAND LIMITED	Charles Johnston
EDWARD JOHNSTON	CHARLES JOHNSTON
JOHN PAUL ASHER	LISA JOHNSTON
SOFIA CHRISTINA ASHER	LISA JOHNSTON
ANNE MARIE ASHER	LISA JOHNSTON
MARLENE MCGREGOR	CHARLES JOHNSTON/LISA MCGREGOR-JOHNSTON
SHAVAL ASHLEY CAMPBELL	EUNICE CAMPBELL/HERMAN CAMPBELL
JAMAICA FRUIT & SHIPPING CO. LTD.	CHARLES JOHNSTON/LISA MCGREGOR-JOHNSTON
JAMAICA FREIGHT & SHIPPING CO. LTD.	CHARLES JOHNSTON/LISA MCGREGOR-JOHNSTON
MARINE MANAGEMENT SERVICES	CHARLES JOHNSTON/LISA MCGREGOR-JOHNSTON
JOHNSTON HOLDINGS LIMITED	MARJORI KENNEDY/PATRICIA FRANCIS
LENNOX PORTLAND LIMITED	CHARLES JOHNSTON/LISA MCGREGOR-JOHNSTON
C.E. JOHNSTON TRUST	CHARLES JOHNSTON/LISA MCGREGOR-JOHNSTON
SUE-ANN PANTON	CHARLES JOHNSTON/LISA MCGREGOR-JOHNSTON
SAGICOR LIFE JAMAICA LIMITED AS INVESTMENT MANAGER FOR FIRST JAMAICA/UHWI PENSION SCHEME	ROBERT MCKENZIE/KELSEY TAYLOR
SAGICOR LIFE JAMAICA LIMITED AS INVESTMENT MANAGER FOR ROUND TABLE NOMINEES LIMITED	ROBERT MCKENZIE/KELSEY TAYLOR
SAGICOR LIFE JAMAICA LIMITED AS INVESTMENT MANAGER FOR IBM PENSION FUND	ROBERT MCKENZIE/KELSEY TAYLOR
SAGICOR LIFE JAMAICA LIMITED AS INVESTMENT MANAGER FOR JAMAICA CHURCH PENSION FUND	ROBERT MCKENZIE/KELSEY TAYLOR
SAGICOR POOLED INVESTMENT FUNDS TRADING AS SAGICOR POOLED EQUITY	ROBERT MCKENZIE/KELSEY TAYLOR
SAGICOR LIFE JAMAICA LIMITED AS INVESTMENT MANAGER DIGICEL JAMAICA PENSION PLAN	ROBERT MCKENZIE/KELSEY TAYLOR

SAGICOR LIFE JAMAICA LIMITED TRADING AS SAGICOR EQUITY FUND	ROBERT MCKENZIE/KELSEY TAYLOR
ASSURANCE BROKERS JAMAICA LIMITED	KATHLEEN MOSS/CHARLES JOHNSTON
REBHAN'S GASES LIMITED	KATHLEEN MOSS/CHARLES JOHNSTON