WISYNCO GROUP LIMITED

"Wisynco" or "the Company"

MINUTES OF THE 5th ANNUAL GENERAL MEETING HELD ON THURSDAY, FEBRUARY 16TH, 2023 AT 10:00 A.M.

Present Were:

Mr. William Mahfood	Director / Chairman / Shareholder
Mr. Andrew Mahfood	Director / CEO / Shareholder
Mr. Francois Chalifour	Director / Shareholder
Mr. Devon Reynolds	Director / Shareholder
Mrs. Lisa Soares Lewis	Director / Shareholder
Mrs. Odetta Rockhead-Kerr	Director / Shareholder
Mr. Andrew Fowles	Corporate Secretary / Shareholder
Mrs. Vanessa Young	Assistant Corporate Secretary
Mr. Garfield Reece	Auditor, PwC
Mr. Desmond Taffe	Auditor, PwC

1. WELCOME & CALL TO ORDER

1.1 The Chairman, William Mahfood, called the meeting to order and welcomed the shareholders and other persons attending the 5th annual general meeting (AGM).

1.2 After the Company Secretary confirmed that a quorum was present, the Chairman having read the definition of a quorum to the attendees of the meeting in accordance with the Articles of the Company, he then called the meeting to order at 10:20am.

1.3 The Chairman invited Mrs. Odetta Rockhead-Kerr, an Independent Director of the company, to open the meeting with a prayer.

1.4 The Chairman then summarized the meeting etiquette guidelines which were posted to the AGM website prior to the meeting and were also posted on the screen.

2. APOLOGIES FOR ABSENCE

2.1 Mr. John Lee- Chairman of the Audit & Risk Committee, Board Member & Shareholder
2.2 Mr. Adam Stewart- Board Member & Shareholder.

3. CHAIRMAN'S REMARKS

a) The Chairman introduced the Board Members and the Corporate Secretary and Assistant Corporate Secretary thanked them for their guidance counsel and oversight for the financial year.

b) The Chairman gave an overview of the financial year 2022 and gave special attention to the Company's annual report and its theme- celebrating the Company's contributions and commitment to Jamaica and the Company's growth with independent Jamaica.

c) The Chairman went on to address three particular points in his opening remarks:-

   a. Year 2022 in review, noting notwithstanding the challenges, the operating team was engaged and continued investment in the business facilitated growth. The Company delivered one of its best performances under the leadership of the Board, the CEO and special mention made of the commitment of the sales, operations and manufacturing teams. The rapid growth of the export market for the Company was also highlighted.

b. Corporate Social Responsibility;

c. Recycle Partners of Jamaica review; and

d. Environment.

4. **NOTICE OF AGM**

The Notice of the Company's 5th Annual General Meeting was taken as read.

The motion that the Notice of the Company's 5th Annual General Meeting is taken as read was moved by Dale Staple and seconded David Rose.

5. **RESOLUTIONS**

I) ORDINARY RESOLUTION 1: TO RECEIVE THE AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2022 AND THE REPORTS OF THE AUDITORS AND DIRECTORS THEREON.

The resolution "THAT the Audited Financial Statements for the year ended June 30, 2022 and the Reports of the Auditors and Directors thereon, be and are hereby adopted." was passed after being put to the meeting by the Chairman. Wesley Thomas moved the motion for its adoption, which was seconded by David Rose. Accordingly, it was resolved:

"THAT the Audited Financial Statements for the year ended June 30, 2022 and the Reports of the Auditors and Directors thereon, be and are hereby adopted."

II) ORDINARY RESOLUTION 2: APPOINTMENT & REUMERATION OF AUDITORS

The Chairman stated that the retiring Auditors, Messrs. PricewaterhouseCoopers had notified the Company of their willingness to continue in office. The following resolution was unanimously passed after being put to the meeting by the Chairman, on a motion made by David Rose and seconded by Marcia Nichols. Accordingly, it was resolved:

"THAT PricewaterhouseCoopers (PwC), Chartered Accountants, having agreed to continue in office as Auditors, be and are hereby appointed Auditors of the Company to hold office until the next Annual General Meeting at a remuneration to be fixed by the Directors of the Company."

III) Ordinary resolution 3: To elect Directors:

The Directors retiring by rotation in accordance with section 114 of the Company's Articles of Incorporation, are Mr William Mahfood, Mr. Andrew Mahfood and Mr François Chalifour, who, being eligible, offer themselves for re-election:

To consider, and if thought fit, pass the following Resolutions:

Resolution 3(a)

The following resolution was unanimously passed after being put to the meeting by the Independent Director, Lisa Soares Lewis, on a motion made by Dale Staple and seconded by Wesley Thomas. Accordingly, it was resolved:

"THAT the Directors retiring by rotation be re-elected by a single resolution."

Resolution 3 (b)

The following resolution was unanimously passed after being put to the meeting by the Independent Director, Lisa Soares Lewis, on a motion made by David Rose and seconded by Tabith Athey. Accordingly, it was resolved:

> "THAT the retiring Directors, Mr William Mahfood, Mr. Andrew Mahfood and Mr François Chalifour, be and are hereby re-elected Directors of the Company."

IV) ORDINARY RESOLUTION 6: REMUNERATION OF DIRECTORS

The Chairman stated that Directors' emoluments for the year, were shown at Note 13 under the heading Key Management Compensation in the Annual Report and Accounts for the year ended June 30, 2022. The following resolution was unanimously passed on a motion made by David Rose and seconded by Welsey Thomas. Accordingly, it was resolved:

"THAT the amount shown in the Audited Accounts of the Company for the year ended June 30, 2022 as fees of the Directors for their services as Directors, be and is hereby approved."

V) ORDINARY RESOLUTION 7: RATIFICATION & DECLARATION OF FINAL DIVIDEND

The Chairman advised the meeting that the interim dividend of $0.20 was declared on March 1st, 2022 and August 4th, 2022 respectively. The Chairman also pointed out that, the Directors do not propose to declare any further dividend(s) from the audited profits realized during the year ended June 30, 2022 and as such, that the interim dividend be ratified and declared final. The following resolution was unanimously passed on a motion made by Oneil Lynch and seconded by David Rose. Accordingly, it was resolved:

"THAT the dividend of 20 cents per share declared on March 1st, 2022 and paid on August 4th 2022 respectively be and are hereby declared final in respect of the financial year ended 30 June 2022."

6. <u>THE CEO'S REPORT</u>

6.1 The Chairman invited the CEO, Andrew Mahfood, to deliver his report on the Company's performance for the 2022 Financial Year (FY22).

a) The CEO introduced the Executive Management Committee (EMC) individually and thanked them and the employees of the Company for their commitment to the growth of the Company and the upward results yielded for the financial year.

b) The CEO went on to present on the performance of the company for FY22 in detail. The key takeaways from the CEO's report were: -

Macro Environmental Effects on the Company's performance: -

a. Impact on costs- utilities, fuel, transport, wages & raw materials;
b. Lowest employment in Jamaica;
c. Rising interest rates locally & globally;
d. Tight liquidity.

Performance: -

e. Solid recovery in revenues up 23% with a five-year CAGR of 9.8%;

f. Gross Profit $13.3 billion, gross margin 33.9% compared to 34.9%- macro environmental effects contributed to this slight decline.
g. EBITDA 20.7% greater than prior year.
h. Net Profit 32.3% greater than prior year.
i. Earnings per share was 32% greater than prior year. Consistent increases in the EPS over the last 4 years averaging approximately 15.5% growth.
j. Current highlights for FY23 were highlighted for the benefit of the shareholders.
k. Company highlights: -
    i. Investments in talent development and engagement of the Company's team members;
    ii. Major capital expansion for increased production capabilities, cost efficiencies and new innovations;
    iii. Health cash reserves for further strategic investments, withstanding the unknowns eg covid
    iv. Expansion of capacity by opening the distribution centre in Trelawny to ass to Company's reach;
    v. Digital transformation initiatives and investments such as enterprise risk management;
    vi. Expanded initiatives in environmental, social and governance programs.

6.2 The Chairman thanked the CEO for his presentation and added his thanks and appreciation to all employees and shareholders.

7. QUESTIONS FROM SHAREHOLDERS

7.1 The Chairman invited Shareholders to present their questions.

QUESTION	RESPONSE
i) Dale Staple: Explain the non-existence in foreign exchange gain in 2022 vs 2021. Also, loss of royalties in 2022 vs 2021	Andrew M: Reference to page 116, note 10, the Company had a foreign exchange loss. When the USD strengthen against the JMD, the Company gets a gain, and when the opposite happens, the reverse happens. Company manufactures the Bigga at home whereas before it was manufactured overseas. Since the manufacturing has been localized, there is no further royalties to be gained but instead, the Company has gained in export revenue.
ii) Dale Staple: How is the company sure that the earnings per dollar will continue with the current trend?	William M: A substantial part of the company's business is manufacturing, the higher levels of efficiency in production drive operating cost and the increase in gross profit margin. Intention with the upcoming expansions is to have much higher impact on profitability in the coming financial year. Any expansion includes incremental cost. Inflationary adjustments in areas such as labour, fuel prices, commodity prices as a result of the war.
iii) David Rose: First quarter, there was a mention of production challenges that negatively impacted achieving the projected forecast. Can you elaborate on the production challenges.	Andrew M: The more the company produces the more he increased production causes stress to the equipment comes under. Accessibility of spare parts from suppliers. Company has doubled up on capacity to

		reduce these challenges, the demand was more than expected coming out of COVID so it is something being managed. S used in production. The company has expanded/doubled up on capacity for .
iv)	David Rose: Can you speak to labour issues in manufacturing? In terms of the Trelawny distribution centre, have there been any challenges in meeting the labour demand at that location?	Andrew M: The Company has started employing team members prior to the expansion started. For example, in December the company was net positive on new hires. impulse consumption from snacks and juices etc. William M: The Company Is a desirable place to work. It is anticipated that the Company will not have a challenge in filling the roles. Between operation or production, the numbers for new hires may be estimated at 150 new hires.
v)	David Rose: what is the projected effect that the expansion will have based on internal forecast, and how will the expansion be manifested?	William M: The real effect will be seen in the first half of the next financial year. Company is currently preparing by ordering equipment and machinery. The new space is being laid out for the factory estimated at 200,000 square ft of new space. On the financial side, the effect will be seen in the first half of the next financial quarter.
vi) vii)	David Rose: Which product lines have you identified as the focus of the expansion? Is the expansion a new space or re-allocation of existing space?	William M: Everything the Company produces is in higher demand than projected and so the focus is on all areas. It is a totally new build out.
viii)	Al Edwards: Given the macroeconomic environment and supply chain problems, will the Company be looking to develop more local brands geared towards export?	William M: Exports grew 70%. The Company has been inhibited in terms of exports because of challenges of capacity. It is a balancing act to meet the needs of local & global market. The expansion will give opportunity for export growth. Recently grape Wata was launched and has been successful. The Company will continue to innovate and continue to develop new products.
ix)	Wesley Thomas: The Company was once into Styrofoam production, is the Company considering relaunching the production of the Styrofoam production?	William M: The impetus of the Company to discontinue the production of Styrofoam based on legislative changes. It is intended that all single use plastics will be banned which will leave very limited options for the country. As it relates to plastic bottles, the industry is devoted to recycling including this Company who has 2 officers of the company who sit on the board of the recycling company.
x)	Wesley Thomas: Can you elaborate on intended acquisitions?	Andrew M: We are always looking for potential acquisitions and the Company is actively looking at options as they arise.

xi) Oniel Lynch Would the company consider a share buyback?	William M: The Company has to balance the need for capital to grow versus shareholder returns. The Company sees opportunity for growth, if the Company can use the capital the grow faster, then in the medium to long term then there will be more value for shareholders.
xii) Lansel Bloomfield Page 115, Note 7- Expenses by Nature Note What is being done to reduce these expenses?	Andrew M: The increase in fuel and increase in revenues has driven that figure upwards. The more the Company sells the more that figure will increase. Company is considering options to reduce that figure.
xiii) Lansel Bloomfield: What are the plans to obtain raw materials and finished products from nearer shores considering the volatility in the south China sea.	William M: The Company does not purchase a lot of raw material from that region. It comes from this hemisphere and from Turkey. The Company realized during the pandemic is the need to have multiple suppliers so that the Company can ensure redundancy.
xiv) Lansel Bloomfield: What is being done to reduce the cost of sales figures?	Andrew M: The Company is looking at more investment in energy to drive down that cost. The increase in sales cost was impacted by increase in prices eg fuel.
xv) Dale Staple: What is Convenient Brands and what is the cause for reduction in receivables?	Andrew M: Convenient Brands Limited (CBL) is an affiliate company that sells Dominos Pizza. They rent space from the Company as well as purchase the food items needed for that business from us. The reduction in receivables is because CBL paid down on its debt to the Company. Similarly, Trade Winds Citrus Limited (TWCL) is also an associated company. The year-end receivable went down from TWCL slightly.
xvi) Dale Staple: Explain the loss provision for obsolete inventory?	William M: The type of business of the Company, there are items that the Company sells that has a shelf life eg yogurts from Yoplait & Chobani. In the event the product isn't sold within a specific timeline, the items are written off. Similarly, the Company may bring in raw materials and if for example a label is changed, then that item would be written off as obsolete.
xvii) David Rose: What is the scale of the new investment?	Andrew M: $2m USD in the LNG area so that it is more dependable and will reduce costs by about 20%.
xviii) David Rose: is the new business complementary or a new business that has untapped potential.	William M: It is both.
xix) David Rose: In the context of increased IT hacks, how are you making Wisynco more resilient to IT hacks?	Chris Ramdon: ERP is wider than just a technology concern/ response to the IT hack threat. It is encompassing all areas of the business, not just the IT security however the IT security is a top priority. The results are shared with the auditors.IT security, data privacy and disaster recovery are amongst the top priorities of the technology team.
xx) Al Edwards: How are sales going with Worthy Rum there is also a shortage of rum for the hotels- can Worthy fill this gap?	William M: There is tremendous growth in the Worthy product and the shortage to the hotels opened the door for Worthy rum to meet some of the demand.

7.2 The Chairman thanked shareholders for their questions, comments and feedback and indicated that any unanswered questions would be addressed and posted on the Company's website.

8. <u>ANY OTHER BUSINESS</u>

There was no other relevant business to be considered.

9. <u>TERMINATION</u>

9.1 The Chairman thanked those present for their attendance and participation. He advised that if there were any further questions or concerns they could be communicated to Assistant Corporate Secretary, Vanessa Young at the email address: vanessay@wisynco.com

9.2 The meeting was terminated at meeting at 11:50am.

____________________________ June 5th, 2023

Chairman Date

Appendix 1

SCHEDULE 1 – SHAREHOLDERS IN ATTENDANCE

1. N. Craig Clare	2. Richard Pryce	3. Princess McLean
4. Jake Mahfood	5. Denise Williams	6. O'Neil Lynch
7. Wesley Thomas	8. Orrette Staple	9. David Rose
10. Daphney Drysdale	11. Stephen Dawkins	12. Valerie Hamilton
13. Joshua Mahfood	14. Christopher Ramdon	15. Xavier McPherson
16. Annette Headman	17. Tabitha Athey	18. Rosalyn Cole
19. Howard Wolfe	20. Anneika McFarlane	21. Lincoln McFarlane
22. Marcia Nichols	23. Marva Gillmore	24. Pearnel McKoy
25. Devon Dick	26. Andrew Fowles	27. Dwight Jackson
28. Aubrey Scott	29. Norman Grant	30. Rita Richardson
31. Stephen McConnell	32. Clinton Allen	33. Howard Fung
34.	35.	36.
37.	38.	39.
40.	41.	42.