



SEYCHELLES BREWERIES LIMITED

55TH ANNUAL GENERAL MEETING

MINUTES OF MEETING

DATE & TIME Friday 1st December 2023 at 11AM

VENUE Savoy Resort & Spa, Beau Vallon

PRESENT

Board of Directors

		Present	Absent
Mr. Anthony Smith	Chairperson	√	
Ms Yvonne Mwangi	Managing Director	√	
Mr. Jean Weeling-Lee	Director	√	
Mr. Rod Thorrington	Director	√	
Ms. Nisreen Abdul Majid	Director	√	
Mr Andrew Ross	Director	√	
Mrs. Noel Goueth	Finance Director	√	

Service Providers

Mrs Daniella Larue	Representing Azer Corporate, Company Secretary	√	
Mrs Nazrah Ramdin	Senior Partner, BDO Associates, Auditors	√	
Mr Oliver Bastienne	Representing ACM Associates, Sponsor Advisor	√	

Shareholders

250 shareholders or their proxies	No. of shares represented: 11,176,138 shares Shareholding represented: 89%
-----------------------------------	---

CONFIDENTIAL

Seychelles Breweries Limited
Annual General Meeting held on Friday 1st December 2023 at 11.05AM,
Savoy Resort & Spa, Beau Vallon

Introduction

The meeting was called to order at 11.15 AM by Mr Anthony Smith, the board Chairperson who reminded those present that this was Seychelles Breweries' 55th AGM meeting for the year ended 30th June 2023.

At the request of the Chairperson, the Company Secretary reported that at the time the meeting started, there were 247 shareholders or their proxies, representing 89% of the total shares of the Company and confirmed that there was a quorum for the meeting.

The Chairperson introduced the directors present who were: Ms Yvonne Mwangi, Mrs Noel Goueth, Mr Jean Weeling Lee, Mr Rod Thorrington, Ms Nisreen Abdul Majid, Mr Andrew Ross and Mr Anthony Smith.

The Chairperson also presented the service providers working with Seychelles Breweries Limited, namely Azer Corporate, the Company Secretary; BDO Associates, the auditors; and ACM Associates, the Sponsor Advisor.

The Chairperson then asked the meeting to observe a minute of silence in memory of the shareholders who died during the year 2023.

Notice convening the meeting.

The Chairperson stated that the notice of the meeting had been circulated and asked that it be taken as read.

The Chairperson's Report.

The Chairperson proceeded to read his report, that had been circulated as part of the annual report to all shareholders.

After delivering his report, the Chairperson presented the following resolutions for the members' consideration.

1. Minutes of the 54th Annual General Meeting

The Chairperson informed the members that the minutes of the 54th Annual General Meeting have been available on the Company's website as well as on MERJ Exchange website and asked that they be taken as read.

The Chairperson moved that, in consideration that no amendments, omissions or corrections have been received, that the minutes of the 54th Annual General Meeting be confirmed.

Seychelles Breweries Limited
Annual General Meeting held on Friday 1st December 2023 at 11.05AM,
Savoy Resort & Spa, Beau Vallon

The motion was seconded by Mrs Pervin Ghislain.

The meeting voted in favour of the motion and there was no dissenting vote. The motion was therefore carried.

2. The Directors' and Auditors' Reports

The directors' and auditors' reports, that had been circulated together with the audited accounts for the year ended 30th June 2023, were taken as read.

Mrs. Nazrah Ramdin informed the members that the audit for the year ended June 2023 went very smoothly with the auditors being able to access all relevant records that have allowed them to give the opinion that the accounts show a true and fair view.

The Chairperson welcomed any questions on the Directors' and Auditors' Reports and on the financial statements for the year ended 30th June 2023.

No questions were asked.

3. The Financial Statements for the year ended 30th June 2023.

The Chairperson moved that the financial statements for the year ended 30th June 2023, together with the directors' report and auditors' report be approved.

The motion was seconded by Ms Beatrice Dubignon.

The meeting voted in favour of the motion and there was no dissenting vote. The motion was therefore carried.

4. Appointment of Auditors

The Chairperson moved to authorise the directors to appoint the auditors following nomination by the Company's Audit Committee.

The motion was seconded by Captain Robert Morgan.

The meeting voted in favour of the motion and there was no dissenting vote. The motion was therefore carried.

The meeting moved to the re-election of directors and the directors retiring and seeking re-election.

Seychelles Breweries Limited
Annual General Meeting held on Friday 1st December 2023 at 11.05AM,
Savoy Resort & Spa, Beau Vallon

5. Appointment of directors

The Chairperson proposed the following motions for the election of the Directors who were appointed during the year.

a) That Mrs Noel Goueth be appointed as a director.

The motion was seconded by Ms Elma Naidoo.

The meeting voted in favour of the motion and there was no dissenting vote. The motion was therefore carried.

b) That Ms Yvonne Mwangi be appointed as a director.

The meeting voted in favour of the motion and there was no dissenting vote. The motion was therefore carried.

c) That Mr Andrew Ross be appointed as a director.

The motion was seconded by Captain Robert Morgan.

The meeting voted in favour of the motion and there was no dissenting vote. The motion was therefore carried.

6. Re-election of directors

The meeting moved to the directors retiring and seeking re-election.

The Chairperson moved that Mr Jean Weeling-Lee who retires by rotation be re-appointed as a director.

The motion was seconded by Mr Mike King-Harman

The meeting voted in favour of the motion and there was no dissenting vote. The motion was therefore carried.

7. Remuneration Policy

The meeting moved to the remuneration policy of the company

a) Remuneration of the Managing Director

The Chairperson proposed that remuneration of the Managing Director totaling SCR 6.8 million per annum for the financial year 2023/2024 be approved.

The motion was seconded by Mrs Pervin Ghislain.

Seychelles Breweries Limited
Annual General Meeting held on Friday 1st December 2023 at 11.05AM,
Savoy Resort & Spa, Beau Vallon

The meeting voted in favour of the motion and there was no dissenting vote. The motion was therefore carried.

b) Remuneration of the Finance Director

The Chairperson proposed that remuneration of the Finance Director totaling SCR 3.2 million per annum for the financial year 2023/2024 be approved.

The motion was seconded by Mr Mike King-Harman.

The meeting voted in favour of the motion and there was no dissenting vote. The motion was therefore carried.

c) Remuneration of the Non-Executive Directors

The Chairperson proposed that remuneration of the Non-Executive Directors, totaling SCR 252,000 per annum for the financial year 2023/2024 be approved.

The motion was seconded by Mr Edwyn Palmer.

The meeting voted in favour of the motion and there was no dissenting vote. The motion was therefore carried.

d) Remuneration of the auditors

The Chairperson proposed that the directors be authorised to fix the auditor's remuneration for the financial year 2023/2024.

The motion was seconded by Mrs Pervin Ghislain.

The meeting voted in favour of the motion and there was no dissenting vote. The motion was therefore carried.

8. Declaration of a final dividend.

The Chairperson moved that a final dividend of SCR6.79 per share recommended by the directors for the period ended 30th June 2023 be declared and be payable on the 15th December 2023 to all shareholders on the register of members by close of business on Thursday 7th December 2023.

The motion was seconded by Mrs Patsy Seraphine.

The meeting voted in favour of the motion, there being no votes against the motion and no votes withheld.

Shareholders were informed that the dividend will be paid on Friday 15th December 2023 by means of bank transfer or by cheque in the post. The Chairperson urged shareholders who have not sent

Seychelles Breweries Limited
Annual General Meeting held on Friday 1st December 2023 at 11.05AM,
Savoy Resort & Spa, Beau Vallon

their bank details to the Company Secretary to do so as soon as possible so that all payments are effected through bank transfer in the future.

Any other business

Having concluded the ordinary business of the AGM, the Chairperson then opened the floor for shareholders' questions;

1. Mr Francois Rose commended the Seybrew board, management, and staff for the good performance for the 2022/2023 financial year. He queried the position of staff welfare on the Company's agenda and referred to the AGM resolutions where only the remuneration of the Managing Director, Finance Director, Non-Executive Directors and Auditors were mentioned and not that of the staff.

The Chairperson responded that the staff are remunerated fairly and he explained that the Company is required by law to seek the approval of the members for the remuneration of the Managing director, Finance Director and Non-Executive Directors but not for the employees. The Chairperson agreed that the employees deserve all the credit for the good performance for the 2023/2024 financial year and thanked them for their incredible work throughout the year.

Mr Francois Rose indicated that he did not receive a copy of the minutes of the last AGM and felt that the minutes should be circulated along with the Company's annual report. The Chairperson explained that the AGM minutes are available on the Company's website and shareholders could also request a copy from the Company Secretary anytime. He indicated that shareholders who wanted to access a copy of the minutes have done so, and added that having the minutes in digital form helps to cut the cost of printing and posting.

Mr Rose stated that the shareholders should be aware of the contents of Seybrew's Constitution and requested that a copy be made available to shareholders at the next AGM so that they may understand how the Company is being run. In his response, the Chairperson explained that Seybrew's Constitution is set out in the Memorandum and Articles of Association of the Company, which are available at the Registrar of Companies. He informed shareholders that he will be available for discussion, after the meeting, about any pertinent points related to their rights as shareholders or to the running of the Company.

Mr Rose referred to the last AGM, where he pointed out that holding the meeting on a work-day means that some shareholders do not get the chance to attend the AGM. He

Seychelles Breweries Limited
Annual General Meeting held on Friday 1st December 2023 at 11.05AM,
Savoy Resort & Spa, Beau Vallon

felt that the Company should consider having the meeting on the weekend with extended hours and allow shareholders more time to socialise and not be hurried during the lunch to be able to catch the bus. He suggested the NSC Hall as a potential venue for future meetings.

In his response, the Chairperson acknowledged that having the meeting on Friday means that some shareholders are unable to attend the meeting due to work commitments, but countered that family and other commitments could prevent shareholders from attending the meeting on a Saturday. He explained that the decision to move the meeting from Saturday to Friday was made two years ago and that the very good attendance at the last two AGMs indicates that Friday is the best option for most shareholders.

2. Ms Rosie Morel queried about the tenure of the auditor and of the board of directors and the number of times directors can be re-elected and stated that this information is not readily available and that she felt that there should be more education of shareholders on these matters.

Mrs Nazrah Ramdin, BDO Associates' Senior partner, informed the meeting that they have been Seybrew's auditors for five years and explained that as per the Listing Rules, a Company must rotate auditors every five years but that they can also change their engagement partner. She also informed the meeting that BDO Associates had phased out in Seychelles and that a local entity has now been set up, Sey Auditors & Associates. She referred to the AGM resolution about the appointment of auditors and reminded the meeting that the Audit Committee will recommend the appointment of the next auditor. The Chairperson added that the auditors for the next financial year will be confirmed in due course.

On the issue of the re-election of the Directors, the Chairperson explained that the law requires that one fifth of the Directors must retire and be re-appointed every year and that this is done by rotation on a rolling basis.

3. Ms Antonia Gabriel enquired about the possibility for Seybrew shareholders to be able to buy spirits at wholesale price, a facility enjoyed by Seybrew staff, and proposed an allowance of three bottles of spirit per shareholder. The Chairperson reverted that since there are 1300 shareholders and through the Seychelles Pension Fund, a further 45,000 indirect shareholders, it is not practical to offer this rebate. He added that there is no retail operation at the brewery to offer retail sales and encouraged all shareholders to purchase their products with the rest of the public, at the various retail outlets around the island.
4. Mr Mike King-Harman referred to the Annual Report, specifically to the mention of the stability of the Seychelles rupee, which he felt that although it is meant to be a fully floating

Seychelles Breweries Limited
Annual General Meeting held on Friday 1st December 2023 at 11.05AM,
Savoy Resort & Spa, Beau Vallon

currency, the quoted daily rates remain unchanged for weeks. He referred to the risk figures on page 46 of the report that are based on 5% fluctuation rate and wondered whether the figures reflected the exchange fluctuations on the FX cash balance held. He wanted to know the steps being taken by the Company to hedge potential currency fluctuations, particularly the weakening of the rupee. He referred to the tourism boom mentioned in the Chairperson's report and remarked that although tourism has increased by 10%, CBS figures show a fall of 16% in revenue, which on a per capita basis represents a revenue drop of 24% and this is not reflected in the exchange rate.

Mrs Noel Goueth, the Finance Director, explained that FX stability referred to in F23 is in comparison to F22, where in the immediate aftermath of the COVID pandemic, FX fluctuations highly impacted the business. She explained that the rate was around SCR22 and dropped in F23 to stabilize at the lower SCR14 to the USD and slightly above SCR14 to the Euro and stated that this is what is meant by stability in the annual report.

Regarding the risk figures, the Finance Director stated that the fluctuating FX rates impacted cost of sales due to the Company's heavy reliance on imports and added that 99% of the raw materials are imported in addition to services and capital expenses. She explained that Seybrew trades mostly in USD than in Euros and for F23, with cost base being high and FX being stable, the Company recorded an FX gain compared to the previous year. She went on to explain that it was expected that the unrealized exchange rates at the close of F22 would be high and there was a FX gain of SCR16 million at the close of the last financial year.

In her response on the future forecast, the Finance Director stated that there are provisions for any fluctuations. She added that the Company is protecting its contracts by ensuring that external suppliers are covered for one or two years. She stated that going forward, the Company is trying to reduce their reliance on external suppliers but acknowledged that it is difficult, especially for raw material purchase. The meeting was informed that for services, Seybrew is working with local suppliers as much as it is practicable.

Mr King-Harman referred to the media report on the 90,000 tonnes of wastes that are taken to the landfill annually, and wanted to know the Company's policy regarding the continuation of soft drink production in PET bottles as opposed to returnable glass ones. He referred to the recent court case against Pepsi, which he felt might reflect the public opinion on the matter. Ms Yvonne Mwangi, the Managing Director, reported that there is a plan to switch to recyclable PET as of July 2024 and stated that Seybrew is working closely with Coca Cola on this, as part of the Company's sustainability and zero waste to landfill agendas.

Mr King-Harman felt that the Seybrew share price is dormant and requested for Seybrew to discuss with MERJ on the possibility to publish monthly trading volumes and bid offers.

Seychelles Breweries Limited
Annual General Meeting held on Friday 1st December 2023 at 11.05AM,
Savoy Resort & Spa, Beau Vallon

He shared his experience of a share transaction at a price below the current price posted by MERJ. The Chairperson acknowledged that it is currently not possible to see trading volumes on the local stock exchange and noted Mr King-Harman's concerns that volumes are lightly traded, and the shares are stagnant and neither reflecting the Company's performance nor the value of the equity. He added that shareholders should be apprised of the trading volumes and bid offers and he pledged to discuss the issue with MERJ.

5. Mr Steven Rousseau noted the improvement in turnover for the year 2023 and referred to past discussions on the possibility of exporting Seybrew products. He acknowledged the difficulty to export the products in glass bottles, but that given that Seybrew is currently available in cans, wondered whether this discussion can now happen, which he felt could further increase profitability. The Managing Director responded that the Company has been exploring the option to export but stated that availability of canning material is an issue currently. She added that the Company is working to ensure that the local demands for the Seybrew products are met but also to ascertain the readiness for export of the brand.

Mr Rousseau expressed satisfaction with the SCR100 million that has been made available for sustainable projects and referred to the waste treatment project with PUC that Seybrew had committed to and wondered whether the project will start soon. The Managing Director informed shareholders that the Company has presented their plan to PUC and that the first phase of the construction of the effluent treatment plant will start in 2023. She added that the project will be done in phases and it is expected to be completed by 2027.

6. Ms Sandra Labrosse proposed that Seybrew should give special mention to those who have been shareholders from the beginning. The Chairperson expressed gratitude for these shareholders and thanked them for their loyalty and support and stated that Seybrew is very fortunate to have shareholders that have been around for such a long time. He added that the Company tries to make the AGM a time of celebration and ensures that as many shareholders as possible attend the meeting, where they are treated to a special lunch and are presented with tokens of appreciation, at a venue that is suitable for most, and at a time that is convenient to allow shareholders from Praslin and La Digue to participate, with Seybrew organizing and paying for their tickets. He stated that all shareholders are treated equally and fairly whether they have been a shareholder for a shorter or longer period.
7. Mr David Furneau acknowledged that Seybrew has grown and has been very profitable over the years and with more people wanting to purchase shares, he enquired about whether the Company has any intention to issue more shares. The Chairperson averred that the Company is currently in a solid financial position and has no current plans to issue more shares. The Chairperson noted Mr Furneau's frustration about the unavailability of

Seychelles Breweries Limited
Annual General Meeting held on Friday 1st December 2023 at 11.05AM,
Savoy Resort & Spa, Beau Vallon

shares for purchase and the share price, and explained that the purpose of listing on the stock exchange was to ensure that supply meets demand and that the prices of the shares should increase when there is demand for the shares. He added that the demand for more shares illustrates that ownership of Seybrew shares is a worthwhile investment and that the return to shareholders, mainly via dividends, over the last few years show that it is one of the most competitive investments on the island.

Mr Furneau also referred to the price of Seybrew beers that is higher than the other imported beers. He noted that it is mostly the tourists who are buying the Seybrew brands with locals opting for the less expensive imported brews and wanted to know whether there were any plans for Seybrew to be more competitive by reducing its prices. The Managing Director pointed out that the Seybrew products include Guinness, Eku and Vann Swet, with the aim to ensure that consumers can enjoy the brands at different prices. She acknowledged that there is a lot of competition from imported brands that are heavily discounted because they are short-dated products. She affirmed that if the competition were bringing in the right-dated products, then Seybrew's brands would be competitively priced. She reassured shareholders that the Company is focusing on providing the freshest beer on the island and explained that they intend to discuss with the Government to look for ways to protect the consumers from short-dated products.

8. Mrs Pervin Ghislain requested that the Company considers issuing bonus shares to shareholders especially those who have been longstanding Seybrew shareholders. The Chairperson expressed delight that there is a high demand for Seybrew shares among shareholders and the public and added that the Company may consider this request if there is a need to raise funds in the future.

Closing of the meeting

There being no other questions, the Chairperson, on behalf of the board of directors, thanked the shareholders for their participation and questions. Shareholders were invited to lunch.

The meeting was declared closed at 12.18 pm.

Chairperson

For Azer Corporate

Company Secretary