

CAC 2000 Limited

MINUTES of the 2020 ANNUAL GENERAL MEETING
of the members of the company held at the
231 Marcus Garvey Drive, Kingston 11
on 29th day of June 2020, at 3:00 p.m.

Present:	Steven Marston	-	Chairman/Chief Executive Officer
	Richard Powell	-	Independent Director (via phone)
	Edward Alexander	-	Independent Director
	Patrick Smith	-	Independent Director
	Jennifer McDonald	-	Independent Director (via phone)
	Gia Abraham	-	Director/Proxy CAC Caribbean Ltd
	Colin Roberts	-	Director/Member
	Colleen Ellison-Hall	-	Financial Controller/Member
	Marcus Hay	-	Member
	Shauna Mackay-Anderson	-	Member
	Howard Chin	-	Member
	Brent Marston	-	Member
	Robert March	-	Member
In attendance:	Paul Williams	-	PwC
	Shelly-Ann Henry	-	PwC
	Rahyme McKenzie	-	DRT Communications
	Yvonne Godfrey	-	EY (Recorder)
	Kamala Riley	-	EY (Recorder)

1. **CALL TO ORDER**

Mr. Steven Marston, Chairman of CAC 2000 Limited ("CAC 2000", "the Company"), chaired the 2020 Annual General Meeting of the Company. The Chairman called the Meeting to order at 3:05 p.m.

2. **QUORUM**

The Chairman advised that he had been informed by the Registrar and Transfer Agent, Jamaica Central Securities Depository ("JCSD") that a quorum was present.

3. **PRAYERS**

Ms. Jennifer McDonald offered opening prayers.

4. **NOTICE**

The Notice of the Meeting, and an Addendum to note the change in venue to 231 Marcus Garvey Drive, Kingston 11, having been previously circulated were taken as read. The motion to propose the following resolution was moved by Mr. Colin Roberts and seconded by Mr. Brent Marston. It was unanimously resolved:

"**THAT** the Notice convening the Meeting and the Addendum having been previously circulated be taken as read."

5. **APOLOGIES**

There were no apologies.

6. **PROXIES**

The Chairman was advised that one (1) valid proxy was received and was available for inspection at the Registrar & Transfer Agent, JCSD.

7. **INTRODUCTION & WELCOME**

The Chairman introduced the directors, some of whom were seated at the head table: Mr. Edward Alexander, Mr. Colin Roberts, Mr. Patrick Smith, Ms. Gia Abraham; Mr. Richard Powell and Ms. Jennifer McDonald joined the Meeting electronically via telephone. PwC Auditors represented by Mr. Paul Williams and Ms. Shelly-Ann Henry were introduced. The Recording Secretaries of Ernst & Young Services Limited; and the Registrar & Transfer Agent, JCSD were also recognized. The Chairman welcomed all members present in person or by proxy, and invited guests to the 2020 Annual General Meeting of CAC 2000.

8. **AUDITED ACCOUNTS AND DIRECTORS' REPORT FOR THE YEAR ENDED OCTOBER 31, 2019**

Accounts and Report of the Directors: The Company Secretary, Ms. Gia Abraham tabled the Audited Financial Statements for the year ended October 31, 2019 together with the Directors' Report.

Ms. Shelly-Ann Henry representing PwC read the Auditor's Report for CAC 2000 for the year ending October 31, 2019 as set out on pages 41-44 of the 2019 Annual Report.

The Chairman thanked PwC and asked a shareholder to propose Resolution # 1.

“**THAT** the Audited Accounts for the year ended October 31, 2019 together with the Directors' Report and Auditor's Report thereon be and are hereby adopted.”

The motion was moved by Mr. Howard Chin and seconded by Ms. Gia Abraham. The Chairman thanked the proposer and the seconder. He added that before taking questions on the Directors' Report and Auditor's Report, he would comment on the financial performance of the Company during 2019, as well as some strategic highlights for 2020.

CHIEF EXECUTIVE OFFICER'S PRESENTATION

The Chairman and Chief Executive Officer, Mr. Steven Marston reported that the road construction along Marcus Garvey Drive which lasted for eighteen (18) months is finally completed, however it impacted CAC 2000's operations and financial results negatively. Over the counter sales at the office decreased significantly in Kingston as the access for both customers and employees was hampered during the road construction period. Staff morale was also negatively impacted by the road construction. The company continues to experience logistical issues for imports and deliveries as a result of the changes to the compound entrance and the narrowing of the roadway. Revenues were impacted negatively when compared to 2019 due to the fall off in projects and the disappearance of walk-in customers. Operating effectiveness and ratios declined due to unexpected disruptions that occurred. CAC 2000 closed the 2019 financial year with a small

operating profit, but the management team has strengthened its efforts to bid and win new projects.

During the year, CAC 2000 implemented a Dream Manager's programme to assist in improving staff morale by working with employees to achieve their dreams. The programme has contributed to the improvement in employee net promoter score, which is a survey that measures overall employee satisfaction. CAC 2000 Foundation continued its work with Jamaica Social Investment Fund and one hundred and thirty-two (132) students were trained in HVAC principles and soft skills. Seventy-two (72) students graduated and forty (40) gained employment, twelve (12) of whom are working with CAC 2000. Scholarships were awarded to deserving students at UWI, Utech and local primary schools. The Foundation has also continued to work with Step Centre and assist children with disabilities.

The Chairman reported that the road construction was now complete, however the Covid 19 pandemic has affected business since the 1st patient was identified in Jamaica. The impact included curfew guidelines based on the Disaster Management Act; closure of job sites such as the Alorica Call Centers which were ordered closed by the government; customers' operations were affected causing delays in payments and finalizing requests for quotations; cost containment measures were implemented; and the rapid decline of the value of the Jamaican Dollar.

A settlement has finally been agreed upon in the X-ray Diagnostics lawsuit, with both parties agreeing on a payment plan, along with a discontinuation of the Supreme Court appeals. The payment plan was approved by the Board, and the Jamaica Stock Exchange was notified as to the settlement of the said lawsuit.

Since the onset of Covid-19, CAC 2000's operating efficiencies have improved, along with the company offering new products and solutions to customers such as room purifiers under the Indoor Environmental Quality (IEQ) umbrella. There has also been a push to improve the company's purchasing efficiencies, as well as continued discussions around mergers and acquisitions possibilities with local and regional companies. Despite what some people are saying about the economies, there are still opportunities in the area of large projects.

QUESTIONS AND ANSWERS

Question: Mr. Robert Marsh, a shareholder, enquired who was the Company's main competitor. He also asked if CAC 2000 was in the solar energy business. Mr. Marsh noted that there is a company based in Germany that offers solar energy solutions.

Response: The Chairman noted that CAC 2000 is predominantly in commercial air-conditioned installation, service and sales. He also explained that the other entities were not listed on the Jamaica Stock Exchange, so their financial information was not readily available for comparison. The competitors that CAC 2000 was aware of were mostly in residential installation, service and sales. Mr. Colin Roberts said he suspected that CAC 2000 is either #1 or #2 in the market and the main competitor would be Arel Limited.

CAC 2000's main customers are commercial and the government. The Chairman noted

that he is a Director of the company in Germany, but he could not speak at this Meeting in that capacity.

Question: Mr. Howard Chin, a shareholder asked if the front of the premises, 231 Marcus Garvey Drive, could be modified since the Company had issues with access to the premises.

Response: The Chairman noted that prior to the road construction, 40 ft containers could reverse onto 231 Marcus Garvey Drive. Arrangements were subsequently made to offload inventory at the back of the premises and at two (2) additional warehouses. The premises at the back is owned by the Trustee in Bankruptcy. It was rented by CAC 2000 after the occupants vacated the property.

At the end of the discussion, the Chairman thanked shareholders for their participation. The following resolution previously moved and seconded was now put to the vote.

“**THAT** the Audited Accounts, the Report of the Auditors and the Report of the Directors for the year ended October 31, 2019, be and are hereby adopted.”

The Chairman declared the resolution #1 approved by the shareholders.

9. RE-APPOINTMENT OF AUDITOR

The Chairman informed shareholders that Messrs. PwC, Chartered Accountants, Cnr Duke & Port Royal Streets, Kingston, have signified their willingness to be re-appointed Auditor of the Company and it was resolved:

“**THAT** Messrs. PwC be and is hereby re-appointed Auditors of the Company in accordance with Section No. 154 of the 2004 Companies Act, and that their remuneration be fixed by the Board of Directors for the ensuing year.”

The motion to propose Resolution #2 was moved by Mr. Colin Roberts and seconded by Mr. Brent Marston. The Chairman declared the resolution approved by the shareholders.

10. DIVIDENDS

It was unanimously resolved:

“**THAT** a final dividend of 3.5 cents (0.035) per stock unit be paid out of 2018 profit on July 16, 2019 to the ordinary stockholders on record as at June 19, 2019 be and is hereby approved.

The motion to propose resolution #3 was moved by Ms. Gia Abraham and seconded by Mr. Colin Roberts. The Chairman declared the resolution #3 approved by the shareholders.

11. ROTATION OF DIRECTORS

The Chairman advised that pursuant to Article 102 of the Company's Articles of Incorporation, the retiring Directors eligible for re-election are Mr. Richard Powell, Patrick Smith and Ms. Jennifer McDonald.

The motion for the resolution #3A to re-elect Mr. Richard Powell who is eligible for re-

election by rotation was proposed by Mr. Brent Marston and seconded by Ms. Gia Abraham. It was unanimously resolved:

“THAT the retiring Director Mr. Richard Powell be and is hereby re-appointed director of the Company for the ensuing year.”

The resolution was put to the meeting and the Chairman declared the resolution #3A approved by the shareholders.

The motion for the resolution 3B to re-elect Mr. Patrick Smith who is eligible for re-election by rotation was proposed by Mr. Colin Roberts and seconded by Mr. Howard Chin. It was unanimously resolved:

“THAT the retiring Director Mr. Patrick Smith be and is hereby re-appointed director of the Company for the ensuing year.”

The resolution was put to the meeting and the Chairman declared the resolution #3B approved by the shareholders.

The motion for the resolution 3C to re-elect Ms. Jennifer McDonald who is eligible for re-election by rotation was proposed by Mr. Colin Roberts and seconded by Mrs. Colleen Ellison-Hall. It was unanimously resolved:

“THAT the retiring Director Ms. Jennifer McDonald be and is hereby re-appointed director of the Company for the ensuing year.”

The resolution was put to the meeting and the Chairman declared the resolution #3C approved by the shareholders.

12. CLOSING PRAYERS

Mrs. Colleen Ellison-Hall offered closing prayers.

13. RESIGNATION OF DIRECTOR

The Chairman advised that Mr. Matthew Hogarth, Independent Director and Chairman of the Governance Committee resigned as a Director of CAC 2000 on December 17th, 2019.

14. TERMINATION

The Chairman thanked everyone who participated in the 2020 Annual General Meeting of CAC 2000. He encouraged participants to stay safe during the Covid 19 pandemic and advised that CAC 2000 can assist with Indoor Environment Quality (IEQ) equipment that provides improved air quality for home and offices. There being no other business, the Chairman declared the meeting ended at 3:50 p.m.

CONFIRMED  DATED: 10/8/2021
Chairman