

HONEY BUN (1982) LIMITED

Annual General Meeting Minutes

Date: February 17, 2015

Duration: 10:05am – 11:38am

Board members present:

Herbert Chong (Chairman)
Michelle Chong (CEO)
Paul Moses (Director)
Charles Heholt (Director)
Sushil Jain (Mentor/Director)

Special invitees present:

Daniel Chong (COO)
Elizabeth Swaby (Marketing Executive)
Dustin Chong (Distribution Manager)
Wilfred McKenley (Partner, McKenley & Associates)
Bruno Loffler (Associate, McKenley & Associates)

Recorder: Jacqueline Stennett (Executive Asst.)

Venue: Knutsford Court Hotel, 11 Ruthven Road, Kingston 10

1. Welcome

The Chairman called the meeting to order at 10:05am. He welcomed everyone to the Company's third Annual General Meeting. Antoinette Burt-Morgan followed in prayer.

2. Introductions

The Chairman introduced:

- members of the Board seated at the head table,
- Honey Bun's Staff Members, Wilfred McKenley and Bruno Loffler, from McKenley & Associates who served as auditors.

3. Proxy

The Chairman acknowledged receipt of proxy for VMWM – Client 1 and Heather Rose

4. Quorum

The Chairman confirmed that a quorum of shareholders was present and therefore declared the meeting open for business.

5. Notice

The Chairman noted that the Notice calling the meeting had been in the hands of the Members of the Company for the prescribed period set out in the Articles, and Mr. Lonsdale Bloomfield proposed a motion to accept it as read. Mr. Andre Smith seconded the motion and all agreed. The notice was taken as read.

6. Approval of Minutes

Mr. Charles Heholt proposed that the minutes of the previous AGM held on 12 March, 2014 be approved, Ms. Barbara Samuels seconded **and all agreed.**

7. Chairman's Address

The chairman welcomed everyone to the meeting and reported on the financial year.

8. CEO's Report

The CEO delivered her welcome speech with financial reports to the members present. She further highlighted some of the plans for 2015.

9. Auditors' Report

The report of the auditors to the members was read by Bruno Loffler of McKenley and Associates.

10. Questions & Answers

The Chairman invited shareholders to make inquiries.

- a) Christopher Borough congratulated Honey Bun on the Buccaneer Rum Cake. He is, however, having a hard time finding the cupcakes in the Supermarkets. He also noted that Annual Reports were not provided at the meeting for the Shareholders.

The Marketing Team noted these concerns.

Mr. Borough encouraged the executives to purchase local chocolate from Pioneer Chocolate Company.

- b) Livingston Young congratulated the company on their giving back to the community by donations as well as supporting the schools. He also saw where the company dropped the price on the Shorty Bread. He wanted to know if it affects the bottom line.

CEO said that this price reduction has been in effect since January and it was too early to comment.

- c) Orrett Staple congratulated Honey Bun on the good results despite the challenges. He extended congratulations to everyone in the organization. He noted that the effort of the Board members to attend meeting is to be commended, and it was good to see that the company completed the first evaluation of the CEO and Board members and would like to see a continuation of it.

Mr. Staple commented that 5 cents dividend was disappointing. He was reminded by the directors present that payments are based on cash availability and dividend policies.

Mr. Staples referred to Page 56 and asked what the value of the accrued vacation is?

CEO explained that it represented vacation leave that the members of staff had not taken.

Lancel Bloomfield wanted to know if the company is a member of the Jamaica Bakers Association and if so is the company able to lobby for low cost raw materials.

The Chairman said that the company is a member and that we do lobby for better prices.

Stephen Jackson from the Observer wanted to know regarding the new premises if there is going to be a new venture different from baking. Chairman clarified that this is yet to be decided.

11. Resolution 1 – To receive Annual Accounts

On the motion proposed by the Mr. Borough seconded by Livingston Young, the following resolution was put to the vote and carried.

THAT the Directors' Report, The Auditors' Report and the Audited Accounts for the year ended September 30, 2014 be received and adopted.

12. Resolution 2 – Re-appointment of Directors retiring by rotation

The second resolution set out in the Notice was to re-elect certain directors who retire by rotation under the provisions of the Articles of Association and are eligible for re appointment. The chairman who was retiring handed over his responsibilities to Mr. Heholt.

Resolution 2(a)

On the motion proposed by Mr. Charles Heholt seconded by Michael Hendricks:

THAT Mr. Herbert Chong be re-elected as Director of the Company.

The resolution was carried.

Resolution 2(b)

On the motion proposed by Mr. Charles Heholt seconded by Mr. Staple:

THAT Mr. Sushil Jain be re-elected as a Director of the company

The resolution was carried

13. Resolution 3 – Directors' remuneration

Mr. Herbert Chong took over the chairmanship of the meeting at this point.

On the motion proposed by the Chairman seconded by Mr. Borough, the following resolution was put to the vote and carried.

THAT the Board is authorized to fix the remuneration of the Directors.

14. Resolution 4 – Auditors' remuneration

On the motion proposed by the Chairman seconded by Christopher Morris, the following resolution was put to the vote and carried.

THAT the Board is authorized to reappoint auditors McKenley and Associates based on their consent as auditors of the Company, and to fix their remuneration.

15. Resolution 5 – Approve dividend for the year

On the motion proposed by the Chairman seconded by Ms. Vacciana Cummings, the following resolution was put to the vote and carried.

THAT the interim dividend of 5 cents per share paid on June 16, 2014 be approved as the final dividend in respect of the year ended 30 September, 2014.

16. Conclusion

The Chairman thanked all for coming. The meeting closed at 11:38am.

DATE

CHAIRMAN