

HONEY BUN (1982) LIMITED

MINUTES OF THE ANNUAL GENERAL MEETING HELD

AT THE KNUTSFORD COURT HOTEL, 11 RUTHVEN ROAD, KINGSTON 10

ON WEDNESDAY, FEBRUARY 17, 2016

Present were:

Herbert Chong (Chairman)
Michelle Chong (Chief Executive Officer)
Paul Moses (Board Director)
Sushil Jain (Mentor/Board Director)

Special Invitees:

Wilfred McKenley (Partner, McKenley & Associates)
Bruno Lofler (Associate, McKenley & Associates)
Sandra Glasgow-Consultant (General Manager, Jamaica Exporters Association)
Marjory Kennedy (President, Jamaica Exporters Association)
Wunlym Shim (IT Consultant)

Honey Bun Ltd:-

Daniel Chong (Chief Operations Officer)
Dustin Chong (Sales & Distribution Manager)
Janelle Brown (Marketing Executive)
Tashma Goulbourne (Executive Assistant)
Antoinette Morgan-Burt (Brand Manager)
Merrick Marshall (Accounts Payable Supervisor)
Rosemarie Campbell-Bailey (Project Management Coordinator)

Paula Graham-Haynes (Recording Secretary)

1. CALL TO ORDER

The Chairman called the meeting to order at 10 a.m. He extended a welcome to all present and introduced the special invitees. Mrs. Michelle Chong commenced the meeting with a prayer.

2. PROXIES AND APOLOGIES FOR ABSENCE

The Chairman noted that no proxies were received. However, an apology for absence was tendered on behalf of Director, Charles Heholt.

3. QUORUM

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

4. 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. Paul Moses proposed a motion to accept it as read. Mr. Sushil Jain seconded and all agreed.

5. APPROVAL OF MINUTES

The following amendments were made to the minutes of the Annual General Meeting held on February 17, 2015:-

- Page 1, Line 2 of Item 5: "Mr. Lonsdale Bloomfield" should read "Mr. Lanzel Bloomfield".
- Page 3, Line 1: "Lancet Bloomfield" should read "Lanzel Bloomfield".

There being no other amendments, the minutes were approved on a motion by Mrs. Chong seconded by Mr. Livingston Young.

6. CHAIRMAN'S REMARKS

The Chairman reported on the successful sales and profits for the Financial Year 2015. He mentioned that Honey Bun was about to commission the first phase of their solar energy programme and that plans were in place to commence the build out on the newly acquired properties.

7. CHIEF EXECUTIVE OFFICER'S REMARKS

Mrs. Chong reported on, inter alia, the results from the 2015 Financial Year, the Cash Flow and Balance Sheet, exports and new products (which included Coconut Cookies and Brownie Bites) and awards won in 2015. She added that the first quarter 2016 exports showed an increase over the same period in the previous year.

8. AUDITOR'S REPORT

The Auditor's Report to the members was read by Mr. Bruno Lofler of McKenley & Associates.

9. QUESTIONS & ANSWERS

- a) Mr. Livingston Young congratulated Honey Bun on the introduction of the solar system.
- b) Mr. Orette Staple praised the Company for their success. Nevertheless, he inquired about the omission of Depreciation and Amortization from the Profit and Loss presentation in the 2015 Annual Report. He was advised that Depreciation was included in the Cost of Sales and that details were noted on page 78 of the Report.

He noted that Accrued Staff Vacation Pay was at \$5.3m and suggested that employees should be encouraged to take their vacation leave.

Mr. Staple also requested that the dividend policy be revisited with a view to making semi-annual payments. He suggested that the policies and guidelines of the Company be constantly reviewed.

10. RESOLUTIONS

a) **Resolution 1 – To Receive Annual Accounts**

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

THAT the Directors' Report, the Auditor's Report and the Audited Accounts for the year ended September 30, 2015 be received and adopted.

b) **Resolution 2 – Re-appointment of Directors Retiring by Rotation**

On the motion proposed by the Chairman seconded by Mr. Michael Hendricks the following resolutions were put to the vote and carried:-

THAT Directors who retire by rotation under the provision of the Articles of Association be eligible for re-appointment.

THAT Mrs. Michelle Chong be re-appointed as a Director on the Board.

c) **Resolution 3 – Directors' Remuneration**

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

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

d) **Resolution 4 – Audit Tender**

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

THAT the Board be authorized to appoint the Auditors of the Company based on the results of tender and to fix their remuneration.

e) Resolution 5 – Approval of Interim Dividend

On the motion proposed by the Chairman seconded by Mr. Lancel Bloomfield, the following resolution was put to the vote and carried:-

THAT the interim dividend of 12 cents per share to shareholders on record as at May 15, 2015, paid on May 29, 2015, be approved as the final dividend in respect of the year ended September 2015.

f) Special Resolution

On the motion proposed by the Chairman seconded by Mr. Paul Moses, the following resolution was put to the vote and carried:-

THAT Clause 81 of the Articles of Incorporation of the Company be amended to increase the number of Directors from six to ten.

It was noted that Mr. Staple was against the proposal.

11. ADJOURNMENT

There being no other matters for discussion, the meeting was adjourned at 11.16 a.m.

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Date

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Chairman