



**MINUTES OF ANNUAL GENERAL MEETING  
HELD ON THURSDAY, JUNE 21, 2018 AT 10:00 A.M.  
AT THE JAMAICA PEGASUS HOTEL**

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**Present were:**

Mr. Jeffrey Hall	-	Chairman
Mr. Grantley Stephenson	-	CEO/Director/Shareholder
Mr. Bruce Brecheisen	-	Director
Mr. Kim Clarke	-	Director
Dr. Marshall Hall	-	Director
Mr. Alvin Henry	-	Director
Mr. Roger Hinds	-	Director
Mr. Charles Johnston	-	Director
Mr. Harriat Maragh	-	Director
Mrs. Kathleen Moss	-	Director

**In attendance were:**

Ms. Clover Moodie	-	Group Chief Financial Officer
Mr. Mark Williams	-	Chief Operating Officer
Ms. Anna I. Harry	-	Corporate Secretary/ Legal Counsel
Mr. Peter Williams	-	Senior Partner - PriceWaterhouseCoopers (PWC)
Ms. Allison Bernard	-	PriceWaterhouseCoopers (PWC)
Mrs. Judy Hylton	-	Hylton & Hylton - Attorneys-at-Law
Mr. Dean Panton	-	Chief Accountant, KWL
Mrs. Jodenia Ferguson-Bryan	-	Internal Audit Manager, KWL
Ms. Giselle Riley	-	Senior Accountant, KWL
Shareholders	-	See Appendix 1

**Call to order**

The Chairman called the meeting to order at 10:03 a.m. and extended a warm welcome to the shareholders as well as the company's Attorneys and Auditors and other invited guests.

**Confirmation of Quorum**

The Secretary confirmed that the required quorum was present and that the meeting could proceed to business.

**Notice of Meeting**

The meeting agreed that the notice of the meeting found on page 4 of the Annual Report be taken as read.

**Submission of Proxies and Corporate Representatives**

Shareholders were reminded that proxies should have been deposited with either the Company Secretary or the Registrar at least 48 hours prior to the date of the meeting. The Chairman also advised shareholders that a list of those proxies was available for inspection.

**Minutes of 2017 AGM, Articles of Incorporation and Share Register**

The Chairman advised the meeting that the Minutes of the last AGM, the Company's Articles of Incorporation and the shareholders' register were available for inspection. He reminded shareholders that for the purpose of recording the Minutes they were required to state their names, and he informed those in attendance that only registered shareholders or their appointed proxies or corporate representatives were allowed to participate and vote, if necessary.

**Introduction of Board Members and Senior Management**

Thereafter shareholders were reintroduced to the other members of the Board, as well as to other senior management staff of the KWL group. An apology was tendered on behalf of Mr. Robert Scavone for his absence from the meeting.

**Auditors' Report**

The report of the Auditors to the members was read by Mr. Peter Williams of PriceWaterhouseCoopers (PWC).

**Directors' Report and CEO's Presentation**

The meeting agreed to take the Directors' Report as read, and the Chairman paid tribute to leadership of the CEO, Management and the Board, and to staff of organisation, in achieving growth in revenue, and growth in net profit attributable to shareholders. He also highlighted growth in the number of staff over the last 10 years, and growth in the net profit per employee, which had more than tripled over the 10-year period. He then invited Mr. Stephenson to make a presentation on the company's performance for the year 2017 and the outlook for 2018.

The CEO's presentation highlighted the following elements of the Group's performance in 2017:

- a. Net profits for the Group increased by 25%.
- b. Revenues increased by 18%.
- c. Terminal Operations accounted for 77% of revenue, with an increase of 18% year-over-year, while Logistic & Ancillary Services accounted for 23%, and had seen a 17% increase over 2016.
- d. Transshipment volumes continued to be higher than domestic volumes in both motor units and containers handled.

He also highlighted that the KWL share price had increased by 436% from J\$6.06 to J\$32.50 over the 5-year period 2013 - 2017, and the dividends paid to shareholders had also increased steadily year over year. Shareholders were advised that the Board had declared an interim dividend of J\$0.20 per share prior to the AGM.

Mr. Stephenson also highlighted the following operational milestones:

- a. completion of the Total Logistics Facility;

- b. engagement of a global telecommunications equipment manufacturer, executing a major capital project in Jamaica and the Caribbean;
- c. continued development of the Group's human capital and improvement in container vessel productivity and truck turn time;
- d. increase in terminal capacity through the lease of 18 acres of land at Tinson Pen for housing of domestic motor vehicle operations;
- e. resurfacing of Berth 8; and
- f. boosting of equipment fleet with acquisition of additional bomb carts & chassis.

Finally, the CEO noted that the operational and financial performance in the first quarter of 2018 had been promising, and that plans for the rest of 2018 into 2019 include further development of the facility at Tinson Pen, and the development of a warehouse complex at Ashenheim Road.

Following the conclusion of Mr. Stephenson's presentation, the Chairman invited questions from the shareholders.

Mr. Livingston Young requested explanations regarding the interest rate risk and operating leases notes. He was advised that the interest rate risk note highlights how cash is invested, and how much interest is being paid on debt, and that Management seeks to ensure that assets are earning appropriately and that the interest paid on liabilities is kept at an acceptable level. He was also advised that the operating leases note indicates the projected earnings from properties leased to third parties over the next 5 years.

Mr. Orrette Staple congratulated the Chairman, Board and employees on the Group's positive financial results, especially in relation to the management of expenses, growth of the asset base, increase in the share price, and growth in dividends paid to shareholders. He also commended Directors' regular attendance at meetings and commended Management on the quality of the MD&A.

In response to questions posed by Mr. Staple, members were advised that:

- a. a loan of J\$435.5m had been acquired from the DBJ through CIBC at a rate of 8.25% to fund the acquisition of equipment, including the largest mobile harbour crane in Caribbean.
- b. Despite increased provision for impairment, it is not expected that amendments to IFRS 9 will bring about any significant or material changes to the method of assessing impairment, as the Group's receivables are short-term in nature.
- c. Management and the Board believe that the value of the long term receivables due from a related party and the PAJ is fairly represented in the accounts though there is no comparable asset to allow for valuation.
- d. The contract for construction of the TLF allowed for retention of a portion of the contract price as insurance that the works would be executed properly.
- e. The recovery of costs from damage to the berths by vessels is being handled by insurers.

Following the question-and-answer segment, attention reverted to the formal agenda and the following resolutions were tabled and passed.

**Ordinary Resolution No. 1 - Audited Financial Statements and Director's Reports**

The following resolution was passed unanimously on a motion by Mr. Staple which was seconded by Mr. Young:

THAT the Audited Financial Statements for the year ended December 31, 2017 and the reports of Directors and Auditors circulated with the notice convening the meeting be adopted.

**Ordinary Resolution No. 2 - To approve and ratify dividend payments**

The following resolution was passed unanimously on a motion by Mr. Young which was seconded by Ms. Carol Leslie:

THAT as recommended by the Directors, the interim dividend of seventeen cents (\$0.17) per share paid on August 9, 2017 and of twenty-one cents (\$0.21) per share paid on January 19, 2018, be and are hereby declared as final, and no further dividend be paid in respect of the year under review.

**Ordinary Resolution No. 3 - Rotation of Directors**

Mr. Young requested that the Chairman point out the retiring Directors, and this was done.

On a motion by Mrs. Lisa Johnston, which was seconded by Mr. Jackson, the members unanimously agreed to re-elect the retiring directors en bloc. The resolution to re-elect the directors was also passed unanimously in the following terms on a motion by Mr. Staple which was seconded by Mr. Michael Hendricks:

THAT the retiring Directors, Messrs. Alvin Henry, Roger Hinds, Charles Johnston and Harriat Maragh be and are hereby re-elected Directors of the Company.

**Ordinary Resolution No. 4 - To appoint Auditors and authorize the Directors to fix the remuneration of the Auditors.**

The following resolution, proposed by Mrs. Evelyn Sangster Barnes and seconded by Mr. Young, was passed unanimously:

THAT PriceWaterhouseCoopers, 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.

**Ordinary Resolution No. 5 - To fix fees of the Directors**

The following resolution, proposed and seconded by Messrs. Staple and Hendricks respectively, was also passed unanimously:

THAT the amounts shown in the accounts of the company for the year ended December 31, 2017 as fees paid to the Directors for their services as directors, be and are hereby approved.

**Any Other Business**

Mr. Jackson engaged the Board in a discussion regarding logistics and transshipment, the prospects for the Groups engagement in the BPO sector, and the ongoing roadwork in the port area.

**Termination**

There being no further business, the Chairman terminated the meeting at 11:45 a.m. and invited those in attendance to partake in light refreshments.

**APPENDIX 1**

**List of Non-Director Shareholders in attendance**

1. Michael Hendricks
2. Probyn Marsh
3. Errol Whittaker
4. Evelyn Sangster Barnes
5. Ann-Marie Rufus
6. Jerry Banton
7. Josiah Williams
8. Orrette Staple
9. Colin J. Lecesne
10. Yvonne Williams
11. Wayne Johnson
12. Marcia Campbell
13. Livingston Young
14. Stredwick herron
15. Dalphyne Jackson
16. Garfield Parris
17. Lisa McGregor-Johnston
18. Terrence Hamilton
19. Errol Thorpe
20. Allan Marsh
21. Sadie-Ann Burke
22. Clinton Allen
23. Wentworth Charles
24. Condell Stephenson
25. Hubert Maragh
26. Delroy Bryan
27. Jerico Hanson
28. Suzette Anderson
29. Erica McKenzie
30. Tamara Wright-Martin
31. Claudja Wilkin
32. Trevor Graham
33. Clive Bernard
34. Lloyd Wint
35. Venita Hanson
36. Carol Leslie
37. Ena west
38. Errol Wilmoth
39. Elethie Ricketts
40. Maritime & Transport Services Limited (Kim Clarke)
41. A.E. Parnell & Co. Ltd. (Kim Clarke)
42. S.B.D. LLC (Bruce Brecheisen)