

MINUTES
Caribbean Assurance Brokers Limited
Annual General Meeting (Virtual)
Wednesday August 18, 2021 at 3 pm

PRESENT:

Mr. Raymond Walker, Chairman/ Chief Executive Officer
Mrs. Tania Waldron-Gooden, Deputy Chief Executive Officer
Mr. Barrington Whyte, Non-Executive Director
Mr. Norman Minott, Non-Executive Director
Ms. Donna Hobson, BDO Jamaica
Mrs. Gail Minott, Company Secretary

LIVE STREAM:

Mr. Rion Hall, Non-Executive Director
Ms. Janice Holness, Non-Executive Director
Ms. Jennifer Rajpat, Non-Executive Director
Mr. Carlton Barclay, Non-Executive Director

Mr. Godfrey Heron
Mrs. Natalie St. Loius
Mr. Rickardo Gooden
Mrs. Donnisha Brooks
Mr. David Rose

WELCOME:

The Chairman welcomed everyone to the Annual General Meeting of Caribbean Assurance Brokers Ltd.

INVOCATION:

Director Barrington Whyte gave the invocation.

INTRODUCTION:

The Chairman introduced members of the Board of Directors (present and live streaming). He also introduced the company's Auditor BDO, Ms. Donna Hobson and the Company Secretary, Mrs. Gail Minott.

APOLOGIES:

There were no apologies for absence.

PROXIES:

No proxies were received.

QUORUM:

Having established a quorum, the Chairman declared the meeting open for business.

NOTICE OF MEETING:

The Chairman asked for the following motion:

“THAT the Notice of the meeting be taken as read”.

Proposed by: Director Norman Minott

Seconder: Director Tania Waldron-Gooden.

The motion was put to the meeting and carried unanimously.

DIRECTORS’ REPORT:

The Chairman asked for the following motion:

“THAT the report of the Directors be taken as read”.

Proposed by: Director Norman Minott

Seconder: Director Tania Waldron-Gooden.

The motion was put to the meeting and carried unanimously.

PRESENTATION OF AUDITORS’ REPORT/STATEMENTS OF ACCOUNTS

The company’s Auditor, BDO (Ms. Donna Hobson) read the report of the company’s 2020 Audited Financial Statements.

The Chairman thanked Ms. Hobson for her presentation.

Director Barrington Whyte, Chairman of the Audit, Finance, Risk and Compliance (AFRC) Committee was asked to provide the financial update and performance of the company in 2020 and over the first two quarters of 2021.

(See Appendix 1: Financial Presentation).

The Chairman thanked Director Whyte for his presentation.

QUESTIONS/ANSWERS:

The Secretary reported that no questions were received.

VOTING: RECEIPT OF AUDITED ACCOUNTS:

RESOLUTION 1:

The Chairman put forward the following ordinary resolution to the meeting:

“THAT the Audited Accounts of the Company for the year ended 31 December 2019, together with the Report of the Directors and thereon be and are adopted”.

Proposed by: Director Norman Minott

Seconder: Director Tania Waldron-Gooden

The resolution was put to the meeting and carried unanimously.

VOTING: ELECTION OF DIRECTORS:

RESOLUTION 2(a):

The Chairman put forward the following ordinary resolution to the meeting:

“THAT Director Barrington Whyte, who retires by rotation and being eligible for re-election, be and is hereby re-elected a Director of the Company”.

Proposed by: Director Norman Minott
Seconder: Director Tania Waldron-Gooden
The resolution was put to the meeting and carried unanimously.

RESOLUTION 2(b):

The Chairman put forward the following ordinary resolution to the meeting:
“THAT Director Norman Minott, who retires by rotation and being eligible for re-election, be and is hereby re-elected a Director of the Company”.

Proposed by: Director Barrington Whyte
Seconder: Director Tania Waldron-Gooden
The resolution was put to the meeting and carried unanimously.

RESOLUTION 2(c):

Director Minott put forward the following ordinary resolution to the meeting:
“THAT Director Raymond Walker, who retires by rotation and being eligible for re-election, be and is hereby re-elected a Director of the Company”.

Proposed by: Director Norman Minott
Seconder: Director Tania Waldron-Gooden
The resolution was put to the meeting and carried unanimously.

VOTING: RE-APPOINTMENT OF AUDITORS:

RESOLUTION 3:

The Chairman put forward the following resolution to the meeting:
“THAT BDO, having agreed to serve as Auditors, be and is appointed Auditors of Caribbean Assurance Brokers Limited, to hold office until the next Annual General Meeting, at a remuneration to be fixed by the Directors of the Company”.

Proposed by: Director Norman Minott
Seconder: Director Barrington Whyte
The resolution was put to the meeting and carried unanimously.

CONCLUSION:

The Chairman thanked Shareholders for their attendance and interest, stating that he looked forward to their continued support in the coming year.

The meeting was terminated at 3.50pm on a motion put forward by Director Minott and seconded by Director Whyte.


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Mr. Raymond Walker
Chairman & CEO


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Mrs. Gail C. Minott
Company Secretary

APPENDIX 1: FINANCIAL PRESENTATION

DIRECTOR BARRINGTON WHYTE Chairman of the Audit, Finance, Risk and Compliance Committee

Opening Remarks:

Shareholders were reminded of the significant changes in the operating environment brought about by the COVID-19 Pandemic which began in March 2020, and which persists up to now.

The following points were highlighted:

❖ Performance Highlights: Year Ended 31 December 2020

- The revenue for the year fell by 9% from \$435.2 million at the end of 2019 to \$396.9 million at the end of 2020, a decline of \$38.3 million or 9%.
- A significant reduction in operating expenses, by \$27.0 Million or 7% was attained.
- The revenue decline of \$38.3 million did not carry through to the bottom line and a net profit of \$31.55 million was realized, representing a decline of \$7.08 million below the \$38.6 million achieved in 2019.
- Earnings per share was \$0.13 (13 cents) compared with \$0.18 (18 cents) in 2019.
- Total assets increased by \$115.6 million, from \$476.5 million to \$592.0 million. The increase was significant in the areas of property, plant and equipment, cash and bank balances, and was funded by increase in equity.
- Shareholders' equity increased by \$120.37 million to \$332.4 million during the year.
- This was mainly attributable to our listing on the JSE Junior Market in March of that year, which raised some \$100 Million in additional equity.

❖ Performance Highlights: 6 Months Ending June 30, 2021.

- Revenue for the 6- month period was \$151.3 million, representing an increase of \$11.7 million above the \$139.6 achieved over the similar period in 2020.
- Operating expenses also increased, \$23.4 Million above 2019. The main reasons for the increase:
 - i. Increase staff cost due to succession planning measures
 - ii. Increase in marketing and selling expenses and other operating cost due to the COVID-19 Pandemic
 - iii. Repairs and maintenance of roof of the building
 - iv. Depreciation expenses; and
 - v. Advertising cost of our revamped Credit Union Gold Series.
- The net loss for the period was \$21.3 million as against \$13.4 million in 2019, an increase of \$7.9 million.

- Most of CAB's revenues are usually earned in the 3rd or 4th Quarters of the year when the ICHIP annual renewals take place.
- Our earnings per share was (\$0.09) (-9 cents) compared with (\$-0.06) (-6 cents) in 2019
- Total assets increased by \$62.4 million, from \$639.8 million to \$702.3 million.
- Shareholders' equity remained strong at \$311 million representing a capital to asset ratio of 44.2%.

❖ **COVID 19 Impact:**

- Curtailment of economic activities caused a reduction in the Comapnay's commission from all lines of business.
- Restrictions and protocols effectively prevented sales producers from prospecting as projected and increased cost of operations.
- Travel restrictions, including closing of borders, impacted our Travel Assurance product.

❖ **Outlook:**

- The Insurance industry has become quite optimistic with the number of vaccines that are available worldwide.
- The government has secured vaccines for Jamaica which may signal the start of a return to normalcy.
- The effect on the global and local economies has been positive in varying degrees.
- We expect the situation to improve.

❖ **CAB'S Response:**

The company implemented the following measures in response to COVID:

- Continued observance of safety measures, to protect staff and customers
- Encouraged staff members to get vaccinated
- Participation in the Private Sector Vaccine Initiative (PSVI) to pre-register participating staff
- Staff rotation
- Work from home measures
- Development of new website which was released in the first quarter.
- Increased social media presence.
- The e-commerce gateway development has also been completed and is awaiting regulatory approval.
- New Product Development and revamping of existing product(s).
- Refining our ICHIP renewal process by implementation of new technological solutions.
- Our clients are enjoying the use of our newly improved loyalty app which provides a contactless option to redeeming rewards.