

# BODCO LIMITED

## AGM MINUTES

**Minutes of the 51<sup>st</sup> Annual General Meeting of Bodco Limited held at the Company Conference Room, Bodco Complex, Harbour Trading Estate, Veloutier Road, Victoria, Mahe, Seychelles on Monday 21<sup>st</sup> May, 2018 at 2:00pm.**

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**Present:**

Michel F. Felix	-	Director and Chairman of the Board
Basil J.W. Soundy	-	Managing Director
Vivienne P. Soundy	-	Administration Director
Manisha Kanbi	-	SKS Chartered Accountants
Wilfred Jackson	-	Southern Registrars, Company Secretary
Daron Walker	-	Constant Capital

**Apologies:**

J.H. Atkinson	-	Director – Adonis s.a.
B. Z. Atkinson	-	Director – Adonis s.a.

**Attendance:** 13 Shareholders, of which 4 were by Proxy

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### **1. Confirmation of quorum and Welcome by the Chairman**

The 51<sup>st</sup> Annual General Meeting was called to order at 2:05pm. The Chairman welcomed all present. The Notice Convening the Meeting was taken as read. Apologies received and number of Proxies declared. A quorum was confirmed.

### **2. Confirmation of Minutes of 50<sup>th</sup> AGM**

The minutes of the 50<sup>th</sup> Annual General Meeting held on Friday 14<sup>th</sup> July, 2017 having been printed and circulated, were taken as read, confirmed, approved and signed by the Chairman.

### **3. Matters Arising**

- a) The Managing Director stated that three strategic partners are showing interest, one locally and two overseas. The search for a strategic partner with the assistance of Constant Capital (Sey) Ltd, Securities Advisors continues.
- b) The Managing Director confirmed receipt of a quotation of SRS 850,000 for the PV System which will be installed on the premises during the course of this year. This will be funded from the cash flow. He further stated that we managed to persuade the suppliers to spread the payments over four instalments.
- c) The Managing Director mentioned that the Company has completed the renovations over the past two years out of the cash flow including capital expenditure for vehicles.

#### 4. Chairman's Report

The Chairman's presented his report (Copy attached).

#### 5. Adoption of Financial Report for the year ended 31<sup>st</sup> December 2017

The Chairman said that the Financial Report for the year ended 31<sup>st</sup> December 2017 having been circulated was taken as read. The Financial Report was then proposed for adoption by the Chairman and the Audited Accounts were unanimously adopted.

#### 6. Resolutions

- a) The Chairman proposed that Mr. Basil Soundy who retires by rotation under Section 163(4) of the Companies Act 1972 be re-appointed as Managing Director.
- b) The Chairman proposed that the Directors' remuneration of about SCR 1,026,480.00 per annum be approved in respect of the **Managing Director, Mr. Basil Soundy**, for the financial year ending 31<sup>st</sup> December 2018.
- c) The Chairman proposed that the Director's remuneration of about SCR 504,000.00 per annum be approved in respect of the **Administration Director, Mrs. Vivienne Soundy**, for the financial year ending 31<sup>st</sup> December 2018.
- d) The Chairman proposed that **Mr. Dean Soundy** shall be appointed as **Operations Director** and that the remuneration of about SCR 780,000.00 per annum be approved for the financial year ending 31<sup>st</sup> December 2018.
- e) The Chairman proposed that the three non-executive Directors' namely **Mrs. B.Z. Atkinson, Mr. J.H. Atkinson and Mr. M.F. Felix** remuneration totalling about SCR 144,000.00 per annum be approved for the financial year ending 31<sup>st</sup> December 2018.
- f) The Chairman proposed that the Directors' decision to appoint SKS Chartered Accountants in replacement of BDO Associates as independent Auditors be endorsed and approved.
- g) The Chairman proposed that the Directors be authorized to fix the remuneration of the Auditors.

The resolutions were unanimously approved and adopted.

#### 7. Any Other Business

- a) Mr. Roger Toulon asked why no dividend will be paid this year. The Chairman mentioned that due to major renovations being undertaken, no dividends were recommended. The Chairman stated that the Company will be in a better position to recommend payment of a dividend in the future.
- b) The Managing Director reminded all the Shareholders that the value of the shares has increased quite significantly in terms of the equity of the Company. Now SRS 38 per share.
- c) Mrs. Goivana Neves suggested that for good transparency, the SKS Chartered Accountants should submit a quotation for their services so that the Shareholders know how much they are charging rather than the decision is made by the Directors. The Chairman pointed out that this information is already in the Financial Report.

## **8. Closing Remarks by the Managing Director**

It was pointed out by the Managing Director that the year 2017 was a challenging year. It was a year of changes to our infrastructure with renovations and a large new extension to our sales area to our showrooms. We have increased our sales turnover in spite of the disruption of the renovations programme. He thanked all the staff for their support and loyalty and for making Bodco a stronger Company and hopes that this year will be as successful as of 2017, despite the slow down in the construction industry and the competition within the market. He said that we must innovate, inspire and evolve, expand our services and to increase our customers base.

**There being no other business the Chairman closed the meeting at 2.30pm.**

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M. Felix  
Chairman

# BODCO LIMITED

## CHAIRMAN'S REPORT

Dear Shareholders

We have come to the end of yet another year of business and I welcome you all to the 51<sup>st</sup> Annual General Meeting of Bodco Ltd.

It thus gives me great pleasure in presenting to you my report for the year ended 31<sup>st</sup> December, 2017.

Much has evolved in the past year. The Microsoft software was eventually up and running, and members of staff undergone the necessary training to handle the system. The renovations to the buildings were stepped up and progressed well.

The Financial results for 2017 showed a significant improvement over the previous year. Revenue for the period at SR 50.33m (2016 SR 43.02m) increased by 17%. Gross Profit likewise increased by about 49% to SR 20.44m (2016 SR 13.97m). Profit before Tax of SR 5.91m rose by SR 3.8m which is quite commendable bearing in mind the loss incurred just two years ago. The valuation of the Property in 2016 was only booked in 2017 thus reflecting an increase of SR 31.495m as evidenced under revaluation reserves. Consequently the shareholders funds increased in both Revaluation and retail earnings to SR144.689m (2016 – SR 105.314m).

Despite the better performance, no dividends have been recommended for the second successive year. You will all be aware of the ongoing renovations underway. The showroom is almost completed with the exception of shelving and shutter doors. Other works still to be carried out will cost a further SR 2.5m which includes a new Photo Voltaic (PV) system to be installed at a cost of SR 850k. This system is cost effective, and will not only reduce utility cost significantly but will recover the cost of this investment in about 3 years.

Every effort continues to be made to reduce costs in every area possible. A classic example is in audit fees as a result of change of Auditors. For the benefit of the shareholders, it is worth mentioning that all the capital expenditure over the past 3 years, has been done from cash flow.

We remain weary of our competitors, but that said, the management have taken steps to ensure fast moving items are always in stock, which was the catalyst for last year's performance and I congratulate the Operations Manager for this.

We also note the discounting strategy adopted recently and I strongly believe it will help in the long run. Although mention was made last year on delivery of goods to boost sales, this may not make much difference and has not been pursued, at least for now. Continuous advertising especially on social media is more effective and is thus ongoing.

The search for strategic investors continues by the majority shareholders, and there are some interested parties both local and overseas.

In conclusion, I wish to thank the management and staff for their commitment to the company and in ensuring that progress continues. Thank you all.



Michel Felix

Chairman

26<sup>th</sup> April 2018