

**MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF NCB FINANCIAL GROUP LIMITED  
HELD VIRTUALLY ON TUESDAY, OCTOBER 31, 2023 AT 2:00 P.M.**

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**PRESENT ON LINE**

Hon. Michael Lee-Chin, OJ	-	Chairman
Prof. the Hon. Alvin Wint, OJ, CD	-	Lead Independent Director
Mr Robert Almeida	-	Interim Group Chief Executive Officer & Director
Mrs Sandra Glasgow	-	Director
Mrs Sanya Goffe	-	Director
Mrs Thalia Lyn, CD	-	Director
Mr Dave Garcia	-	Corporate Secretary

**APOLOGIES**

Hon. Patrick Hylton, OJ, CD	-	Director
Mr Dennis Cohen	-	Director

Mr Malcolm Sadler, Chief Financial Officer, and Mr Paul Williams, representing the Auditors, Messrs PricewaterhouseCoopers, were also in attendance as well as over 110 members or their representatives all participating by electronic means.

**1. THE NATIONAL ANTHEM**

The National Anthem was played.

**2. CALL TO ORDER**

The Chairman called the meeting to order and the Secretary confirmed that a quorum was present. The Secretary indicated that the meeting was being held virtually and named those directors who were in attendance. He then invited the Chairman to give his welcome and opening remarks.

**3. CHAIRMAN'S WELCOME AND OPENING REMARKS**

The Chairman welcomed those in attendance and provided an overview of what had been taking place since July 2023 with a view to making all stakeholders, but primarily the shareholders, happy. He said Efficiency improvement, Governance & Customer experience (EGC) had become the Company's north star. He noted that over the last three months, the Company had de-layered as part of an efficiency drive to get closer to the customer and had improved its communication with staff. The Additional Public Offering (APO), he said, was one aspect of the strategy to make the Company capital efficient.

**4. PRAYER**

Prayers were offered by Mrs Julia Wong-Brooks, Executive Assistant, Group Finance Division, National Commercial Bank Jamaica Limited.

**5. NOTICE**

The Secretary outlined the procedures for the meeting.

He then referred to the Notice of the Meeting that had been previously circulated and appeared on screen. He suggested that the Notice be taken as read and asked that someone propose the following Resolution:

***"That the Notice of this Meeting be taken as read."***

Mrs Stephanie Neita so proposed and Ms Jacqueline De Lisser seconded the Resolution.

The motion was then put to the vote electronically after which, based on the voting results, the Chairman declared that it had been carried.

## 5. APPOINTMENTS OF PROXY

The Secretary advised that a number of proxies had been received and that a Proxy Register was available for inspection by interested persons, who may contact the Registrar should they wish to do so.

## 6. BUSINESS OF THE MEETING

The Secretary then advised that he would be proceeding with the business of the meeting.

### Arrange Additional Public Offering

The Secretary then introduced the first resolution as follows:

On the recommendation of the Directors of the Company, that the Directors of the Company are authorised, but not obligated, to arrange one or more additional public offers (the "Additional Public Offer(s)") to be made with respect to up to 300,000,000 ordinary shares (in this resolution "New Ordinary Shares") as part of the authorised capital of the Company (or such greater amount as the Directors in their absolute discretion may approve) currently unissued, for the purposes of raising capital for the benefit of the Company, the general public (in Jamaica or elsewhere) to be invited to subscribe for New Ordinary Shares on such terms (including the number of New Ordinary Shares and the price per New Ordinary Share) in each case as the Directors and/or any duly appointed Committee of Directors shall determine, in all such cases on terms and conditions as the Directors may consider expedient in their absolute discretion AND THAT the Directors may, but shall not be obliged to, elect to upsize the number of New Ordinary Shares made available for subscription by no more than 150,000,000 additional New Ordinary Shares in the event that the invitation(s) is/are oversubscribed, such New Ordinary Shares to be converted and/or confirmed on issue to be ordinary stock units, the same to rank in all respects *pari passu* with the existing ordinary stock units of the Company and be made the subject of a supplemental application for listing or cross-listing (the "Listing") of the New Ordinary Shares on the Jamaica Stock Exchange (and/or any other stock exchange, as applicable).

Following a request by the Secretary, the resolution was proposed by Ms. Jacqueline DeLisser and seconded by Mrs Stephanie Neita.

Mr Robert Almeida, Interim Group Chief Executive Officer, was asked to speak to the purpose of the resolution. The Secretary also read a question in that regard that had been posed by Mr David Rose and asked that Mr Almeida incorporate a response in his remarks. Mr Almeida indicated that the proposed resolution was intended to enable the Company to issue additional shares to further bolster the Company's resilience and its capacity to pursue growth opportunities. The resolution, if approved, would provide the Board with authorisation to issue the shares; however, the Board would exercise its best judgment to do so in the quantities and at the prices that would optimally balance its needs and opportunities and minimising dilution to shareholders. He expanded on this as well as indicating strategies were being pursued with the intended outcomes of reducing debt, increasing profitability, restoring dividends and providing a platform for the acceleration of organic and inorganic growth. He said safety and soundness was the foundation or platform with increasing shareholder value as the desired outcome.

Questions received through the question and answer functionality were addressed by Mr Almeida and Mr Garcia. The questions/comments relevant to the resolution were as captured in **Appendix 1**.

The motion was then put to the vote electronically and, based on the voting results, the Chairman declared that it had been carried.

### Authorising Directors to execute Additional Public Offering

The Secretary then noted that the next resolution to be considered was also in relation to the proposed APO and read the following:

That the Directors or any duly appointed Committee of Directors be and are hereby authorised to settle all documents and execute all steps necessary and/or required to implement the Additional Public Offer(s) and to pursue the application for the Listing AND that all steps/actions already

taken/executed by the Directors and each of them relating to the intended Additional Public Offer(s) be and are hereby ratified and confirmed.

The resolution was proposed by Mrs Stephanie Neita and seconded by Ms. Jacqueline DeLisser.

The Secretary indicated that there were no questions specific to this resolution and so he asked members to vote.

After voting was complete, based on the voting results, the Chairman declared that the motion had been carried.

#### **Authorising Directors to issue unissued shares to Executives and/or other Employees**

The Secretary asked someone to propose the resolution with the minor amendments indicated by the words in brackets. The resolution, which appeared on screen, read as follows:

That the Directors may issue unissued shares in the capital of the Company and allot them for purposes of providing ownership interests in the Company, to executives and/or other employees (*current and former*) of the Company and/or its subsidiaries, as compensation for services and/or for valuable consideration provided to the Company and/or its subsidiaries by such executives and/or other employees (*current and former*), in each case as the Directors may determine within their discretion."

The resolution was proposed by Ms. Jacqueline De Lisser and seconded by Mrs Stephanie Neita.

The Secretary indicated that the purpose of the resolution was to allow the Company to issue shares that may be used as compensation, versus being restricted (as in the past) to purchasing shares on the market to be used for this purpose. He said this was intended for use not only now but in the future. The amendment was intended to ensure clarity that such shares may be used in relation to both current and former employees, which would then also allow its use in post-separation compensation and settlements.

Questions regarding the resolution received through the question and answer functionality of the meeting application were then fielded by Messrs Garcia and Almeida. These were as captured in **Appendix 2**.


The motion was then put to the vote electronically and, based on the voting results, the Chairman declared that it had been carried.

#### **7. CLOSING REMARKS**

The Chairman provided closing remarks. He expressed appreciation to shareholders who had been loyal to the Company over this most difficult period and promised that their patience would soon be well rewarded.

#### **8. TERMINATION**

The Chairman declared the meeting terminated at 3 p.m.

  
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CHAIRMAN

  
.....  
CORPORATE SECRETARY

## APPENDIX 1

Question	Mr David Rose asked, "With a significant amount of Company debt maturing next year as bullet payments, will the APO be used to satisfy these obligations in the absence of capital market activity?"
Response	Mr Almeida responded that one of the strategies being embarked on by the Company was to reduce the debt of the organisation for the purposes of increasing profitability and providing capital capacity which would enable the Company to be more opportunistic and pursue organic and inorganic growth in the future.
Comment	Mr David Titil commented that raising capital to just pay dividends does not make economic sense. Is it that the capital raise is to meet capital requirements?
Response	Mr Almeida responded that dividends are paid out of earnings and not capital. The APO would create flexibility and provide capital capacity which would enable the Company to increase profitability, strengthen capital ratios and reduce its debt.
Question	Mr Titil asked if the APO will be conducted on the Trinidad and Tobago market as well or just on Jamaica Stock Exchange.
Response	Mr Garcia responded that the offer was only being made in Jamaica and not in any other jurisdiction. The Company's shares are, however, cross listed on the Trinidad and Tobago Stock Exchange so to the extent that persons wished to avail themselves of the opportunities to trade there subsequently, they may do so.
Question	Mr Theodore Golding asked if the Board considered the issuance of non-par redeemable preference shares. If not, why not?
Response	Mr Almeida responded that it was important to note that the Company had grown a lot without issuing any shares. One of the goals was to increase flexibility; if the Company went with preference shares that would result in another call on capital, creating an encumbrance that could infringe on the Company's capital capabilities. He also indicated that many options had been considered over the years but the most important priority was to reduce debt and increase flexibility to pursue opportunities in the future while paying all its stakeholders.
Question	Mr Golding asked why rights issued was not considered so as not to dilute the current shareholders.
Response	Mr Almeida responded that an APO does not preclude existing shareholders from participating. He would hope that the existing shareholders would participate which would yield the same effect as a rights issue and would prevent any dilution.
Question	Mr Golding asked if any portion of the APO would be used to settle the debt owed to the former Chief Executive Officer and his Deputy said to be in the region of \$10.8 billion.
Response	Mr Almeida said he could not comment as to whether there was a debt so he deferred on that part of the question. The main goal of the APO was to deleverage the existing entity as well as to increase capital capacity. He added that the issuance of shares would give "another form of currency" and was a means to ensure that the Company balances all stakeholders' needs and obligations.
Question	Mr Randy Aird asked about the intended amount to be raised.
Response	Mr Almeida responded that he could not say that there was a specific size at this time; what was being sought at this time was the authorisation to issue the shares. Management would read the market, assess the Company's needs and opportunities at the time as well as the market capacity and use that to determine the optimal size to go to market at an optimal price.
Question	Mr David Rose recalled that Mr Almeida mentioned doing an APO in more than one tranche. He asked if the additional shares would be used as a negotiation tactic to convert maturing Company debt to shares.
Response	Mr Almeida responded that the key word was flexibility, which was what the APO would give.

## APPENDIX 2

Question	Mr Rose and Mr Lloyd Smalling asked for further comments on the resolution.
Response	Mr Garcia responded that the resolution was intended to allow the Company to issue shares that may be used for compensation versus being restricted, as in the past, to purchasing shares on the market to be used for this purpose. This is intended for use not only at this time but also in the future. If shares are purchased on the market and used for this purpose, it is an additional cost for the company, which has implications for shareholders.
Comment	Mr Daniel Titil commented that he would love to see resolution 3 accompanied by a comprehensive employee share ownership compensation structure to prevent unwarranted share dilution.
Response	Mr Almeida said the shareholder's perspective was well received and would be taken into consideration.
Question	Mr Golding asked if the reference to former employees included pensioners.
Response	Mr Garcia responded yes, the scope of the resolution as worded would include pensioners, but said that distribution would be within the discretion of the Directors and for a purpose that would be aligned to the interests of the Company.
Question	Mr Rose asked if this resolution was also meant to address the departure of former executives of NCBFG.
Response	Mr Garcia responded that the Company had not had departures of former executives of NCBFG at this time but this type of resolution would be able to address a scenario that could arise if one were to have had departures before the point of doing a share issuance and allotment. He said this related to an earlier point made by Mr Almeida: flexibility needed always to be aligned with purpose.