

# tTech Limited

Minutes of the Adjourned 2020 Annual General Meeting  
held at the Knutsford Court Hotel, 16 Chelsea Avenue, Kingston 10  
on the 18<sup>th</sup> day of September 2020 at 2:00 p.m.

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<b>Present were:</b>	Mr. Edward Alexander	-	Executive Chairman/Director
	Mr. Norman Chen	-	Director/Member
	Mr. Gordon Christopher Reckord	-	Director/Member
	Mr. Uriah Philip Alexander	-	Director/via phone
	Mr. Hugh Allen	-	Director/Member
	Ms. Joan-Marie Powell	-	Director/Remuneration Committee Chairperson/Member
	Ms. Tracy-Ann Spence	-	Director/Audit Committee Chairperson
	Mr. Justin Morin	-	Director
	Ms. Gillian Murray	-	Company Secretary/Member
	Ms. Hortense Gregory Nelson	-	Finance & Admin Manager/Member
<b>In Attendance:</b>	Mrs. Lesley Cousins	-	Consulting Services Manager/Member
	Mr. Lanzel Bloomfield	-	Member
	Mr. Howard Fong	-	Member
	Mr. Winston Robinson	-	Ernst & Young
	Ms. Sophiean Edwards	-	Ernst & Young
	Ms. Yvonne Godfrey	-	Recording Secretary EY
	Ms. Kamala Riley	-	Recording Secretary EY
	Mr. Deondra Riley	-	Talk Up Youth
	Mr. Timothy Lewis	-	Talk Up Youth
	Mr. Norman Thomas	-	Jamaica Observer

1. **CALLED TO ORDER:** The Executive Chairman, Mr. Edward Alexander introduced himself and called the Meeting to order at 2:04 p.m. He welcomed everyone to the adjourned 2020 Annual General Meeting (“AGM”) of tTech Limited (“tTech”, “the Company”).
2. **QUORUM:** The Company Secretary advised that the Registrar, Jamaica Central Securities Depository Limited (“JCSD”) had confirmed that a quorum was present. The JCSD also confirmed that ten (10) valid proxies were received and were available for inspection.  
  
Participants were asked by the Chairman to stand, state their names clearly and to use the microphone provided when addressing the Meeting. Shareholders were reminded that they were eligible to move, second or vote on the proposed resolutions.
3. **PRAYERS:** Mrs. Hortense Gregory Nelson, tTech’s Finance & Administration Manager offered prayers.
4. **NOTICE:** The Notice of the Meeting, having been previously circulated was taken as read. The motion to propose the following resolution was moved by Mr. Norman Chen and seconded by Mr. Lanzel Bloomfield. It was unanimously resolved:

*“THAT the Notice convening the Annual General Meeting on September 10, 2020 at 2:00 p.m. that was adjourned, having been previously circulated, be taken as read.”*

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5. **APOLOGIES:** Apologies were tendered for Mr. Richard Downer, Board Mentor and Mr. Uriah Philip Alexander, Director, who had joined the meeting via Microsoft Teams.
6. **INTRODUCTION & WELCOME:** The Executive Chairman introduced the persons present at the head table: Ms. Gillian Murray; Company Secretary/Marketing & Human Resources Manager; Ms. Joan-Marie Powell, Independent Director; Mr. Justin Morin, new Independent Director; Mrs. Hortense Gregory-Nelson, Finance and Administration Manager and Mr. Gordon Christopher Reckord, the Chief Executive Officer.

Mr. Norman Chen, Technical Services Director; Ms. Tracy-Ann Spence, Independent Director; and Mr. Hugh Allen, Executive Director were also recognized.

Mr. Uriah Philip Alexander, Independent Director who joined the meeting remotely was also acknowledged.

Other team members who were in attendance and recognized were Mrs. Lesley Cousins, Consulting Services Manager and Ms. Samantha Jones, Marketing Associate.

The Auditors, Ernst & Young Chartered Accountants ("EY") was represented by Mr. Winston Robinson. Recording Secretaries, Ms. Yvonne Godfrey and Ms. Kamala Riley of Ernst & Young Services Limited, and the team from the Registrar & Transfer Agents, JCSD were all welcomed.

The Chairman indicated that during the year, Mr. Thomas Chin who is currently off the island had resigned. He acknowledged Mr. Chin's contribution having served tTech as an Independent Director and as Chairman of the Audit Committee.

The Chairman briefly commented on the protocols to be observed by everyone in keeping with COVID-19 guidelines for public gatherings.

7. **AUDITED ACCOUNTS AND DIRECTORS' REPORT FOR THE YEAR ENDED DECEMBER 31, 2019**

The Company Secretary tabled the Audited Financial Statements for the year ended December 31, 2019 together with the Directors' Report and the Auditor's Report.

Mr. Winston Robinson of EY, read the 2019 Independent Auditor's Report on pages 47-52 of the Annual Report.

The Chairman thanked Mr. Robinson and indicated that before the 2019 Financial Statements are adopted, Mr. Gordon Christopher Reckord ("Mr. Reckord") and Mrs. Hortense Gregory-Nelson ("Mrs. Gregory-Nelson") would make presentations on some highlights in 2019 and some strategic plans for 2020.

8. **PRESENTATIONS**

**Financial Highlights:** Mr. Gordon Christopher Reckord, Chief Executive Officer ("CEO") thanked everyone for attending the adjourned 2020 Annual General Meeting. He commented briefly of tTech's vision, mission statement and explained that the core values were revised at the 2019 Management Retreat, to ensure the team continues to deliver insanely good IT services to tTech's customers.

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Shareholders were informed that year over year the Company grew by approximately 10%. Revenues increased to \$340M in 2019 but Profits had declined. Earnings per Share also declined from \$0.26 cents in 2018 to \$0.23 cents in 2019. The CEO stated that investments in people, tools and the implementation of new International Financial Reporting Standards (IFRS) have impacted profits and the Finance & Administration Manager would provide more details in her presentation.

The CEO explained that COVID-19 had caused a delay in convening tTech's 2020 AGM in June 2020, and as a result, this adjourned 2020 AGM was being held on September 18, 2020. In this regard, shareholders will receive additional information on activities and new services being undertaken in 2020. Some initiatives the management team started as the staff worked from home at the onset COVID-19 would also be provided.

Measures addressing staff health and wellness, team building, training, work-life balance and recognition were explained by the CEO. The CEO reported that at the end of the 2019 financial year, Officevibe engagement matrix for staff engagement was 7.4 out of 10. Training courses undertaken included "Engage and Grow". This course was for 12 weeks to assist staff to improve productivity and their individual performances. The staff expressed their appreciation for this course which also improved staff morale.

With regards to corporate social responsibility, tTech partnered with other companies working to redevelop Downtown, Kingston. The CEO commented on a Downtown, Kingston augmented reality mural which comes to life through software which is available for download. tTech staff also participated in beach clean-up activities in Downtown, Kingston on September 21, 2020 and an Annual Essay Competition aimed at developing youth in the Downtown community.

Ttech's main marketing event in 2020, tTechCon was held online due to COVID-19 restrictions for public gatherings. Marketing events such as tTechCon are important to generate leads and communicate to potential clients how tTech can create value for them.

Local awards tTech received during 2019 include the Jamaica Customer Service Association award, the Jamaica Stock Exchange 5K Run, American Chamber of Commerce Excellence in outstanding Corporate Social Responsibility, HR Management Association Award. International recognition received during the year included the Channel Futures MSP 501 award.

In response to COVID-19 this year tTech's Health, Wellness and Safety Committee quickly developed remote working guidelines. The team provided health and safety information to staff based on the recommendations from the World Health Organization and the Ministry of Health. The Committee immediately implemented tTech's remote work plan for staff and sanitization stations were strategically placed in the building. Access to tTech's offices was restricted to walk-in customers. Face to face meetings with external partners were also restricted.

tTech also invested in a programme called LEAP 2020, to assist tTech's team to achieve the Company's strategies. Data Protection Compliance as a new service was announced recently. The CEO explained that the new service became necessary as Jamaica has passed a Data Protection Act ("the Act") and many questions were received from customers about their compliance. tTech has partnered with external partners to ensure staff becomes knowledgeable on the Act as the team prepares to go to market with the new service.

**2019 Financial Statements:** Mrs. Hortense Gregory-Nelson ("Mrs. Gregory-Nelson") reported that in 2019 total revenues increased by 19.9% compared to 2018. Operating expenses in

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2019 increased by 22.9% over the prior year. Net profits attributable to shareholders declined by 10.2%. She however explained that in 2019 tTech invested heavily in people and tools to increase capacity to meet the demands for tTech's suite of services. Total revenues earned in 2019 were from recurring service contracts and projects. Due to the mixed nature of tTech's business, there were fluctuations in earnings from time to time. Mrs. Gregory-Nelson confirmed that tTech earned 9% of its overall revenue in 2019 from new customers. Other income, gains and losses, were impacted by the fluctuation of the Jamaican dollar. This was in addition to reduced rates on investments. Mrs. Gregory-Nelson also explained that the overall 2019 financial results were impacted by the adoption of the new International Financial Reporting Standards ("IFRS") 16 - Leases which resulted in a finance charge of \$2.5M. The new IFRS impacted the recognition of the right-of-use asset and long-term lease liability in the year. An explanation relating to IFRS 16 could be found in Note 10 on pages 85-86 of the Annual Report. The new IFRS impacted the Statement of Financial Position with an amount of \$28.3M being recognized in non-current assets, \$29.4M recognized in non-current liabilities and \$1.1M being recognized in current liabilities.

Total assets increased by 17.% to \$292.7M during 2019 and Shareholder's Equity increased by 9.0% to \$216.7M. This resulted from an increase in Other Receivables, Property and Equipment and Current Liabilities. Cash resources increased by 13.2% to \$40.6M and tTech continues to be debt free. The management team continues to monitor the Receivables and there are no existing disputes on outstanding invoices. All receivables over 90 days will be collected.

Mrs. Gregory-Nelson reported that revenues in the 1<sup>st</sup> quarter of 2020 increased by 8.4% compared to the corresponding period in 2019. Net profit in the 1<sup>st</sup> quarter of 2020, however, decreased by 23.5% over the same period in 2019. Investors continue to actively trade in the company's ordinary shares on the stock market and the number of active shareholders increased to 590. Mrs. Gregory Nelson reported that the tTech's Balance Sheet remains strong.

The Chairman thanked Mr. Reckord and Ms. Gregory-Nelson for the information they shared with shareholders. At the end of the presentations, the Chairman accommodated questions from shareholders.

### 9. QUESTIONS AND ANSWERS SESSION

**Question:** Mr. Lanzel Bloomfield indicated that he had two concerns. One was in relation to tTech's stocks that appear to be illiquid and very little trading of tTech's stocks was taking place. He asked what was being done to change that situation.

Mr. Bloomfield also noted that the Companies Act stipulates that shareholders have the right to physically attend General Meetings in person and vote. The amendment to the Company's Articles does not stipulate at what point the Company should host a virtual General Meeting versus in-person Meetings. He noted that the amendments proposed to the Articles should state when an electronic Meeting versus a Meeting where persons can attend will be convened. He opined that while electronic General Meetings may be necessary, they should only be held under specific circumstances.

**Response:** The Chairman indicated that changes to the tTech Articles would be taken in the Extraordinary General Meeting, scheduled to be convened immediately following this adjourned 2020 AGM. However, he explained that the proposed

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changes were in anticipation of pending amendments to the Companies Act impacting General Meetings, and to create the opportunity for tTech to be able to convene General Meetings virtually when the Companies Act is amended.

In relation to the query about trading of tTech's stocks, the Directors will discuss the possibility to make additional ordinary shares available to the market. However, the Chairman noted that the liquidity of stocks was not only a concern of tTech, but also other Junior Markets companies listed on the Jamaica Stock Exchange. The Chairman stated however that the major concern at this time was managing the COVID-19 pandemic to ensure tTech's financial performance continues to improve.

Question: Mr. Bloomfield expressed confidence in tTech's stock.

Question: Mr. Bloomfield referred to page 82 of the Annual Report and sought clarification to Receivables reported for 0-30 days. He also inquired about the management's team actions to reduce the trade receivables. The increase in Technical fees, services and products reported on page 91 was also queried.

Response: Mrs. Gregory-Nelson advised that tTech is currently discussing outstanding invoices with customers, and to arrange payment plans, if necessary. She confirmed that all amounts outstanding are collectible.

Mrs. Gregory-Nelson also explained that Technical fees are monthly expenses for tools used by the team to monitor customers sites remotely, and subcontractor fees for projects. Mr. Reckord clarified that as tTech grows, tools are implemented to assist the team to provide additional services without the need to increase staff. He noted that as the range of services that tTech provides increases, expenses associated with these tools are expected to increase.

Mr. Bloomfield thanked the team for their responses.

The Chairman recognized Ms. Sophiean Edwards, Manager at Ernst & Young who had joined the Meeting earlier. There were no further questions.

Mrs. Lesley Cousins proposed, and Mr. Gordon Christopher Reckord seconded the motion proposing Resolution #1 and it was resolved:

*"THAT the Audited Financial Statements for the year ended December 31, 2019, together with the Directors' Report and Auditors' Report thereon be and are hereby adopted."*

The Chairman put Resolution #1 to vote. Resolution #1 was unanimously approved by the shareholders.

## 10. APPOINTMENT OF AUDITORS

In accordance with the Companies Act, Messrs. Ernst & Young Chartered Accountants of 8 Olivier Road, Kingston 8 having signified their willingness to continue in office, were recommended to be appointed, Auditor of the Company.

The motion to propose Resolution #2 was moved by Mr. Hugh Allen and seconded by Mr. Gordon Christopher Reckord. It was resolved:

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*"THAT Messrs. Ernst & Young be and is hereby appointed Auditors of the Company in accordance with Section 154 of the Companies Act; and that their remuneration to be fixed by the Board of Directors for the ensuing year."*

The Chairman put Resolution #2 to vote. Resolution #2 was unanimously approved by the shareholders.

## 11. DIVIDENDS

Ms. Lesley Cousins proposed, and Mr. Norman Chen seconded Resolution #3 and it was resolved:

*"THAT the interim dividend of \$0.065 cents paid on 14<sup>th</sup> day of June 2019 be and is hereby ratified and declared as final, and that no further dividend would be paid for the year ended December 31, 2019."*

The Chairman put Resolution #3 to vote. Resolution #3 was unanimously approved by the shareholders.

## 12. ROTATION OF DIRECTORS

The Chairman advised that article #102 of the Company's Articles of Incorporation provides for the rotation of Directors and the retiring Directors eligible for re-election are Mr. Hugh Allen, Mr. Uriah Philip Alexander and himself, Mr. Edward Alexander.

Mr. Gordon Christopher Reckord assumed the Chair and asked a Shareholder proposed that the re-election of all three (3) retiring Directors be taken as a single resolution. It was resolved:

*"THAT the re-election of the retiring Directors en bloc, be and is hereby approved."*

The motion was moved by Mrs. Lesley Cousins and seconded by Mr. Lanzel Bloomfield. The Resolution was put to vote by Mr. Reckord and was unanimously approved by the shareholders.

Another motion for the resolution to re-elect all three (3) directors eligible for re-election by rotation was proposed by Ms. Joan-Marie Powell and seconded by Ms. Hortense Gregory-Nelson. It was resolved:

*"THAT the retiring Directors Mr. Hugh Allen, Mr. Uriah Phillip Alexander and Mr. Edward Alexander be and are hereby re-appointed Directors of the Company."*

Mr. Gordon Christopher Reckord put this resolution to vote and the resolution was unanimously approved by the shareholders. The Executive Chairman, Mr. Edward Alexander resumed the Chair at this stage.

## 13. DIRECTORS' REMUNERATION

The Chairman advised that shareholders' approval was being sought for compensation paid to directors for the financial year ended December 31, 2019. The motion was proposed by Mr. Lanzel Bloomfield and seconded by Mr. Norman Chen and it was resolved:

*"THAT the amount of \$1,743,000 included in the Audited Accounts of the*

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*Company for the year ended December 31, 2019 as fees for their services as Directors, be and is hereby approved"*

Resolution #4 was put to vote by the Chairman and the resolution was unanimously approved by the shareholders.

## 14. TERMINATION:

The Chairman thanked everyone for attending the Adjourned 2020 AGM of tTech Limited. He advised that immediately following this meeting, an Extra-ordinary General Meeting will be called to amend the company's Articles of Incorporation.

The motion to terminate the adjourned 2020 AGM was moved by Mr. Gordon Christopher Reckord and seconded by Mr. Hugh Allen.

There being no other business, the Chairman declared the Meeting ended at 3:25 p.m.

CONFIRMED

  
Executive Chairman

DATED:

