

**MINUTES OF THE ANNUAL GENERAL MEETING OF ACCESS
FINANCIAL SERVICES LIMITED HELD ON
THURSDAY, THE 5TH DAY OF OCTOBER 2023 AT THE COURTLEIGH
HOTEL & SUITES, 85 KNUTSFORD BOULEVARD,
KINGSTON 5 IN THE PARISH OF SAINT ANDREW AT 11:00 A.M.**

Present were:

| | |
|-----------------------|-------------------------------|
| Marcus James | Executive Chairman |
| Neville James | Director |
| Michael Shaw | Director |
| Justine Collins | Director |
| Charmaine Boyd-Walker | Director |
| Nerisha Farquharson | Director |
| Sherri Murray | Company Secretary |
| | |
| Hugh Campbell | Group Chief Executive Officer |
| Brian Salmon | VP & Chief Financial Officer |
| Nyssa Johnson | KPMG Representative |
| Shareholders | See List Attached |

CALL TO ORDER AND WELCOME

The meeting was called to order by the Chairman at 11:00 a.m. having received confirmation from the Company Secretary that a quorum was present.

NOTICE OF MEETING & OPENING PRAYER

The notice of the meeting was taken as read and the Chairman invited Ms. Nerisa Codlyn to offer a prayer.

CHAIRMAN'S WELCOME AND OPENING REMARKS

The Chairman began by welcoming the Directors and Shareholders of the Company as well as the management and staff present. He introduced the Directors and then took the opportunity to extend special words of thanks to former Director James Morrison who had resigned on June 30, 2022, for his stewardship and dedicated service during his tenure. At the same time, he acknowledged and welcomed the new Group Chief Executive Officer, Hugh Campbell, noting that his transition had been a smooth one and that the Company was doing well under his guidance.

Continuing, the Chairman expressed his gratitude to members of the Board and the Company's management and staff for their support during the year under review, highlighting the fact that team effort was the key to the Company's successful performance. He told Shareholders that with the implementation of the Microcredit Act, under which Access was the first company to be licensed, compliance with the new regulations was an important strategic area of focus. Being the

first company to be licensed was acknowledgement of the corporate governance work undertaken by the Company and its leadership of the microfinance sector. This was not a chance achievement but the result of its commitment to excellence and its implementation and use of technology which has made Access more efficient in its operations and resulted in greater productivity. Other developments highlighted by the Chairman were the successful raising of a corporate bond to replace existing debt, investment in new technology, an increase in loan distribution, the launch of the “My Access” mobile App and the execution of staff training programmes. An active programme of community involvement and educational assistance for the children of Access staff totaling J\$2M over a four-year period was among important initiatives undertaken by the Company.

GROUP CEO’S REPORT

After introducing members of the senior management team present, the Group CEO, Hugh Campbell, described management’s business strategy as being based on the three pillars of ‘Customer First’, ‘Cost Containment’ and ‘Improvement of Productivity’. Turning to the financial performance of the Company for the financial year ended March 31, 2023, he reported that revenues were recorded at \$208B which represented a 3% improvement over the prior year. The consolidated net profit after tax was \$301M, representing a 30% decline compared to the previous year. The return on equity at 11.6% also saw a decline and earnings per share at \$1.09. At the same time Access, the company, recorded a 12% increase in disbursement, but its Florida-based wholly owned subsidiary Embassy Loans, suffered a 26% decline in disbursements as the Company was still recovering from the slow take up of car loans in the aftermath of the coronavirus pandemic. Total assets for the Group as at March 31, 2023, was \$6.29B, 30% up from the previous year’s total of \$5.56B.

A highlight for the year was the ‘Triple B’ credit rating the Company received from the Caribbean rating agency CARICRIS, which in its report, stated a stable outlook for the Company. Compliance with its new regulated status under the Microcredit Act was central to the Company’s operations and in pursuance of this, members of the senior management team embarked on a tour of the Company’s branches to sensitize staff members of the new requirements and the implications for the business and to address any queries they had. Recognizing that 7% of its business clients are women, management sought to recognize ‘Women in Business’ with a special cash grant programme in December 2023 to benefit a number of these clients by assisting them to usher in their new year operations. An equally successful initiative was a programme of ‘positive storytelling’ in which stories of business success were highlighted. This was part of a campaign of support for small businesses in providing them with a platform to showcase their businesses including successful participation at the 2023 JMEA Expo.

Moving on to the new financial year the Group CEO reported first quarter results for the period ended June 30, 2023. Operating revenues amounted to \$94M, an 8% increase over the \$78M recorded in the same period in 2022, of which loans and advances of \$5.15B showed an 11% increase year over year. However, this was offset by a 4% increase in operating costs. Mr. Campbell closed his presentation by thanking the Board and his colleagues in management and the staff for making his first year as Group CEO a fulfilling and productive one.

AUDITORS' REPORT

Ms. Nyssa Johnson, of the auditing firm KPMG, presented the Auditors' Report. In respect of the financial statements the report as read noted the auditor's opinion that the financial statements gave a true and fair view of the financial position of the Group and the Company as at March 31, 2023; that proper accounting records were maintained, and that reporting was in accordance with International Financial Reporting Standards (IFRS) and the Jamaican Companies Act. The Report as read included a rationale for the subjective nature of the provision for credit losses.

QUESTION AND ANSWER SESSION

In the ensuing question and answer session Shareholder Bloomfield referred to page 3 and Resolution #2, in which he took issue with the omission of an actual figure of the dividend to be paid. He was advised by the Secretary that this was set out in the Annual Report, but Mr. Bloomfield insisted that standard practice required the amount to be included in the Resolution. The Chairman promised to make a note of his observation.

Mr. Bloomfield also wanted to know the percentage of loans that were classified as 'non-performing' which was disclosed as just under 6%. His main query, however, related to the increase in audit fees which he observed had risen from \$15.3M to \$30.8M in a single year, an increase that he found unacceptable. The meeting was told by way of an explanation that in previous years the auditors had been operating at a loss on the Access audit and that an adjustment had been made in the current audit to make up for those accumulated losses. This action coupled with increased inflation had resulted in the over 100% increase. This issue of the size of the increase in the audit fee was further clarified by Director Boyd-Walker when it was again raised towards the end of the meeting. Director Boyd-Walker explained that the Access experience of a major increase in audit fees was not unique as having sat on the Board of other companies, she could attest to the fact that they had been faced with similar increases. She went on to explain that the landscape within the auditing profession had undergone changes in recent years due mainly to more rigorous regulatory requirements by the FSC which made auditors in Jamaica and the Caribbean take measures to safeguard the integrity of the processes they employed and to ensure that as a profession, they were the best in class. It was the implementation of such processes that had resulted in an increase in audit fees generally.

Mr. Bloomfield also commented on an earlier observation by Shareholder Orrett Staple regarding the presence and participation at Annual General Meetings such as the current one by the larger shareholders, but the Chairman was quick to point out that the two largest shareholders were in fact represented at the current meeting. For his part, Mr. Bloomfield's observation that there were more staff than shareholders present at the instant meeting was quickly countered by the Chairman who pointed out that some members of staff were also shareholders. Notwithstanding, the Shareholder suggested that the absence of more shareholders was due to insufficient communication by the Board and management of the Company and requested more communication during the course of the year and not just at annual general meetings.

RESOLUTIONS

The Company Secretary then presented the following Resolutions for approval:

Resolution No. 1 – Directors and Auditors Reports, and Audited Financial Statements

RESOLVED THAT the Audited Financial Statements of the Company for the year ended 31st March 2023 and the Reports of the Directors and Auditors thereon be hereby adopted.

Shareholder Staple moved the motion which was seconded by Director Farquharson and then carried unanimously.

Resolution No. 2 - To declare the Interim Dividends paid during the year as final.

RESOLVED THAT on the recommendation of the Directors, the interim dividends paid by the Company of THIRTY (30) cents on July 15, 2022, Ten (10) cents on August 30, 2022, TEN (10) cents in November 2022 and TEN (10) cents on March 9, 2023, be and are hereby declared as final for the 2023 financial year.

This resolution was moved by Shareholder David Rose and seconded by Shareholder Jessiah Williams and carried unanimously.

Resolution No. 3 – Re-Election of Directors

Pursuant to Article 97 of the Company's Articles of Incorporation, Directors Justine Collins and Michael Shaw are the Directors to retire by rotation. Mr James Morrison, a Director of the Company, resigned on 30th June 2022.

(a) RESOLVED THAT Ms. Justine Collins, a Director retiring by rotation, be re-elected a Director of the Company.

Shareholder David Rose moved for the adoption of the resolution. The motion was seconded by Shareholder Nicholas Mundell and declared carried unanimously.

(b) RESOLVED THAT Mr. Michael Shaw, a Director retiring by rotation, be re-elected a Director of the Company.

This resolution was moved by Shareholder David Rose and seconded by Shareholder Daniel Bruce. It was put to the meeting and subsequently carried by unanimous vote.

Resolution No. 4 - Re-Appointment of Auditors

RESOLVED THAT KPMG, Chartered Accountants of 6 Duke Street, Kingston, having consented to continue as Auditors of the Company, be re-appointed be re-appointed to

office until the conclusion of the next Annual General Meeting of the Company AND THAT the Directors be authorized to fix their remuneration.

Shareholder Orrette Staple rose to object to the resolution, stating that he was not in favour of the reappointment of the auditors named in the resolution. After a brief exchange the resolution was moved by Director Farquharson and seconded by Director Neville James. It was carried with two objections.

Resolution No. 5 – Directors’ Remuneration

RESOLVED THAT the amount shown in the Audited Financial Statements of the Company for the year ended 31st March 2023 as remuneration paid to the Directors for their services as Directors be and is hereby approved.

Shareholder Rose moved for the passing of the above resolution and the motion was seconded by Shareholder Bruce. The resolution was then put to the shareholders and declared carried with one objection.

CLOSING REMARKS FROM THE FLOOR

Shareholder Orrette Staple rose to thank the Chairman, Directors, and management staff of the Company for their stewardship but repeated an earlier statement that shareholders should be paid a dividend of \$3.50.

CHAIRMAN’S CLOSING REMARKS

Before closing the proceedings, the Chairman thanked all attendees including Shareholders, fellow Directors, members of the Access staff, as well as personnel from KPMG, other support personnel and the media for their presence and participation. He noted the concerns that the Shareholders had voiced, particularly in relation to dividends and promised that they would be taken into consideration going forward.

TERMINATION

The meeting terminated at 12:40 p.m.



CHAIRMAN

January 23, 2024

DATE

Appendix

| Shareholders | |
|--------------|-------------------------|
| 1 | Daniel Bloomfield |
| 2 | Nicholas Mundel |
| 3 | D Bruce |
| 4 | Josiah Williams |
| 5 | Orrette Staple |
| 6 | Hugh Campbell |
| 7 | David Rose |
| 8 | Natasha G |
| By Proxy | |
| 9 | Mark J Golding |
| 10 | Julie Thompson James |
| 11 | Springhill Holdings Ltd |
| 12 | Marcus James |
| 13 | PROVEN Group Ltd |