

PORTLAND JSX LIMITED (PJX)

MINUTES OF THE ANNUAL GENERAL MEETING OF PJX HELD AT THE OFFICES OF MCNAMARA CORPORATE SERVICES INC., BELLA ROSA ROAD, GROS ISLET, ST. LUCIA ON WEDNESDAY, 15th SEPTEMBER 2021 AT 9.30 A.M.

Present:

Douglas Hewson	Board Chairman (by teleconference)
Patrick McDonald	Director (by teleconference)
Jonathan Murphy	Director (by teleconference)
Rhory McNamara	MCSI Inc., Company Secretary
Shareholders & Proxies	See List Attached

In Attendance by Teleconferencing:

Robert Almeida	Managing Partner, PPE
Joe Vescio	Managing Partner, PPE
Ricardo Hutchinson	VP Investment, PPE
Toni Tanille-Kerr	Investment, PPE
Lorraine Sullivan	Legal, PPE
Robert Pringle	Finance, PPE
Declan Daly	Finance, PPE
Nigel Chambers	KPMG Representative
Anna Young	Assistant Company Secretary

Apologies:

Patricia Francis	Director
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1. CALLED TO ORDER AND CONFIRMATION OF QUORUM

The meeting was called to order at 9.37 a.m. and Rhory McNamara chaired the meeting. A quorum was noted as present via persons in attendance and by proxies received.

2. CHAIRMAN'S WELCOME REMARKS

The Chairman formally welcomed all attendees to the 5th Annual General Meeting of the Company. He provided an overview of the matters on the Agenda for discussion which consisted of the Company Performance Overview, Resolutions relating to the adoption of Directors & Auditors Reports and Audited Financial Statements for the year ended February 28, 2021, the Re-appointment of Auditors and the Remuneration of Directors.

Prior to inviting Mr. Robert Almeida, Managing Partner PPE to present the Performance Overview, the Chairman commented on the Covid-19 pandemic and the Portfolio as follows:

- There was no company that had not been touched by the pandemic including those in the Portland Caribbean Fund (PCF) II portfolio. Portland JSX Limited (PJX) as a limited partner of PCF II should however be proud of the fact that the strong environmental, social and governance (ESG) programs in place in each portfolio

company as part of the fund's investment process to assist in strengthening resilience and enhancing the health and safety of employees, had been well managed.

- Shareholders were encouraged to consider the essential nature of some of the businesses in the Portfolio: telecommunications, banking, electricity generation, grocery delivery, call centre support, to name just a few.
- The pandemic might have underscored the hard truth about the importance of funding ESG programs and private capital in building resilient businesses. The Chairman pointed out that quite often financial performance was used as the only measure of a company's performance. However, Mr. Robert Almeida would provide proof that for PCF II, positive financial performance and positive ESG programs were interdependent rather than mutually exclusive.
- Indeed, Portland JSX Limited had played an important role of providing impact in the region. In the upcoming year, the Company would continue to play an important role in the region on two fronts - democratising ownership and institutionalizing diversity.

In closing, the Chairman thanked shareholders for their ownership in the Company. Noting the impact of the Covid-19 pandemic on AGMs and the restrictions imposed to stem the spread of the virus, he indicated that a virtual application was in use for the meeting which allowed for questions to be posed by members in the chat function. This function would be monitored, and responses provided to the questions put forward. The Company Secretary reiterated the Chairman's comments on the latter and pointed out the chat function on the bottom right of the screen where questions should be typed. There would also be an opportunity for the panel to field questions after the Directors and Auditors' Reports and Financial Statements had been tabled.

3. FUND MANAGERS – COMPANY PERFORMANCE OVERVIEW

Mr. Almeida informed attendees that PCF II would be the primary focus of the presentation. He reminded attendees that the primary investment of PJX was in the Fund hence the performance of the Company was directly related to and driven by the Fund's performance. PCF II was a fund with a total committed capital of US\$202.M in which PJX was a Limited Partner and an investor.

Mr. Almeida then read the Forward-Looking Statements Disclaimer and provided a summary of the presentation on the Company's Performance Overview.

- Currently PCFII was currently in the 6-7-year stage which meant that the Fund was still in the nurturing phase but had started to collect dividends and partial realisations from the portfolio companies.
- Contributed Capital plateaued at US\$180M with the remaining sum available to fund reserves and contingencies. The Fund had completed its investment cycle and was not seeking new investments. Notwithstanding the global pandemic, however, total value increased into year 2020 and continued to exceed contributed capital.

For 2021, this excess was expected to continue along with realisations of some US\$80M in the works.

- Reference was made to the Chairman’s earlier remarks on the impact of Covid-19 on the portfolio companies and it was noted that the Managers were primarily focussing on liquidity management in each portfolio company. The diversification of the Portfolio had helped to mitigate adverse economic impact and there was optimism that companies would accelerate out of the pandemic positioned to take advantage of new opportunities.
- Highlights from specific portfolio companies were provided to give shareholders a sense of the tangibility of the portfolio:
 - a) **Liberty Latin America (LILA)** – operated under the name Flow in the Caribbean. The company completed the acquisitions of AT&T assets in Puerto Rico and Telefonica’s assets in Costa Rica. Telecommunications was an essential service that enabled work/school from home and the digital economy.
 - b) **Tropical Battery, Jamaica** - seized the opportunity to complete the successful listing on the Jamaica Stock Exchange whilst Diverze Properties, a sister company to Tropical Battery, had its best financial year on record. Chukka, within the Diverze Assets Inc. group, managed through the “no tourism” period and had emerged a safer, more efficient business with an expanded footprint having acquired the concession to manage Harrison’s Cave in Barbados. Chukka reopened operations in Belize and Dominican Republic, and its operations in Jamaica were improving.
 - c) **InterEnergy** - the electricity company had converted more power plants from heavy fuel oil to LNG which had benefits for climate change. It also entered the LNG distribution business, expanded renewable energy in Dominican Republic and introduced charging stations and other infrastructure for electric vehicles. This all contributed to maintaining cost effective energy generation and distribution through the region and in reducing the climate impact of energy generation.
 - d) **Merqueo** - an e-grocery company, capitalised on Covid-19 assisted growth of e-commerce and was growing rapidly in Colombia and Mexico. It had expanded into Brazil while expanding the scope of its business to include “marketplace” and “media”. Merqueo expanded on two dimensions, geographically as well as scope of business, while maintaining and growing an essential business in Latin America.
 - e) **Productive Business Solutions (PBS)** - PCF II partnered with Musson (Jamaica) Limited to acquire Massy Technologies with the intention of combining the business with PBS. This combination took place and PBS was positioned as a dominant provider with a significant platform serving 18 countries through the region, providing the solutions required that businesses need to participate in the digital economy.

- f) **ITEL** - a business outsourcing company, was able to provide essential Covid contact center services to the health care sector in Jamaica. Further, two significant trends had taken place, one being acceleration of digital transformation and the other focussed on nearshoring. The combination presented ITEL with an ideal expansion opportunity which would see the company grow regionally and diversify its production centres across the region to provide language and skills diversification to their customers while expanding their footprint of the sales platform primarily into North America. ITEL had significant and iconic customer wins in the last months that were exciting in terms of providing quality jobs for Jamaica and for the region.

Equity Value per Share Progression

PJX shares were initially issued at \$10 per share price and the equity value per share had grown to approximately \$13.50, hovering between \$13 - \$14 per share. On August 24, 2021, the trading price was \$7.06, representing a 48% discount to the actual equity value per share of the Company.

Looking Ahead

Mr. Almeida advised that the Board of Directors was focused on the way forward for the Company and summarised the position as follows: PJX was in a good position, well capitalized with access to management and access to opportunities; there was a strong asset base combined with relatively low debt leverage; the PPE relationship effectively provided PJX with access to competent and scalable management without fixed cost and attractive investment opportunities, as seen with ITEL. The Board was in the process of assessing value maximisation strategies for the Company.

The Company Secretary thanked Mr. Almeida for the performance update presentation.

4. DIRECTORS & AUDITORS REPORTS & AUDITED FINANCIAL STATEMENTS

A summary of the Directors & Auditors Reports and Audited Financial Statements was provided by Mr. Joe Vescio. He reiterated the resilience of the portfolio companies during the Covid-19 pandemic and the actions taken by these companies to deal with reversal of fortunes. In respect of PJX specifically, Operating Expenses recorded a 25% decrease compared to prior year mostly driven from the reduction in management fees paid to Portland Private Equity.

5. QUESTIONS AND ANSWERS ON THE FINANCIAL STATEMENTS

The floor was opened for questions on the overall review of the Company and the Financial Statements. However, the Chairman indicated that there were no questions/queries posed with respect to either of these matters.

6. FORMAL BUSINESS

Resolution No. 1 - Directors and Auditors Reports and Audited Financial Statements

THAT the Audited Financial Statements of the Company for the year ended 28th February 2021, together with the Reports of the Directors and the Auditors thereon, be and are hereby adopted.

The Company Secretary as Proxy for Guardian Life moved for the adoption of the above resolution which motion was seconded by the Company Secretary as Proxy for DB&G Pension Fund. The Company Secretary advised that there was one vote against and all other votes received via proxy were in favour of the resolution. Accordingly, the resolution was adopted.

Resolution No. 2 - Re-appointment of Auditors

THAT KPMG, Chartered Accountants of 204 Johnsons Centre, #2 Bella Rosa Road, Gros Islet, Saint Lucia, having agreed to continue in office as Auditors of the Company, be and are hereby re-appointed to hold office until the next annual general meeting of the Company AND THAT their remuneration be determined by the Directors.

The Company Secretary as Proxy for Proven Wealth Ltd moved for the adoption of the above resolution which motion was seconded by the Company Secretary as Proxy for Scotia Investment Jamaica Ltd. There was one vote against; all other votes via proxy were in favour of the resolution. Accordingly, the resolution was adopted.

Resolution No. 3 - Remuneration of Directors.

THAT the amount shown in the audited accounts of the Company for the year ended February 28, 2021, as remuneration to the Directors for their services as Directors be and is hereby approved.

The Company Secretary as Proxy for Guardian Retirement Scheme Diversified Fund moved for the adoption of the above resolution which motion was seconded by the Company Secretary as Proxy for AIC Barbados Ltd. It was noted that there was one vote against and that all other votes via proxy were in favour of the resolution. Accordingly, the resolution was adopted.

7. GENERAL QUESTION AND ANSWER SESSION

Mr. Almeida addressed the following questions:

- **The Board will be assessing value in the coming months, what is the meaning behind this discussion?** The Board's view was that the Company was in a very strong position which had two implications: the first was a strong balance sheet with access to debt capacity and the expectations of cash inflows from the realisations from Portland Caribbean Fund II. The three-point access to capital, management, and opportunities made it incumbent on the Board to deliberate and develop a plan to increase and optimise the value of the Company going forward.

- **The 25% borrowing capacity in the recent preference share raise to support ITEL BPO and whether this will be a continuing function of the Fund?** The preference share raise was an opportunity for the Company to take advantage of a proprietary opportunity in ITEL. The structure allowed the Company to participate without exposing it to liquidity or other risks that would otherwise be associated with a straight investment funded by conventional on balance sheet debt.

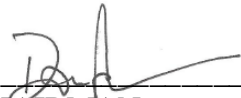
As this will be a continuing function of the Fund, the Managers were open to taking advantage of similar opportunities and, as such, this would be part of the Board's deliberations in terms of whether ITEL was a one-off or if it should be looked at as an ongoing part of the business that could increase shareholder value.

- **With more of the companies in the Fund focused on capital preservation and expansion, does this mean the harvest will be further delayed?** Gathering had been impacted because companies conserved cash which delayed dividends. The harvesting was a function of the Fund exiting investments such as selling its shares or receiving the repayment of a loan. On the one hand, the portfolio companies were conserving liquidity and on entering the pandemic there was considerable uncertainty ahead. Coming out of the pandemic some companies had returned to dividend payments, whilst others were looking at growth possibilities and deferring dividends to fund acquisitions. A few things had changed, however: (a) the need to conserve was less today than it was one year ago as the uncertainty was no longer so great; and (b) companies would be split into two categories, those coming out with new-found growth opportunities to reinvest their capital versus those that continued with business as usual. On the second part of the question regarding realisations, the Fund would seek, as part of the harvesting phase, to exit certain investments over the next few years which would be the normal part of the life cycle of a private equity firm.
- **Does PJX have a co-investment in PBS Technologies or solely PBS which is listed on the JSE?** PJX was an investor in the Fund which had an investment in both PBS and PBS Technologies (now merged). Therefore, PJX indirectly through its investment in the Fund was invested in PBS and PBS Technologies.
- **Mr. Rose requested clarification as to whether once the PBS deal was completed would there be a capital distribution from the Fund to PJX?** Mr. Vescio responded by advising that the Fund would receive certain distributions and at the Fund level there would be a further decision as to whether to distribute to the investment partners, one of which was PJX.
- **Are there any investments looking to go public in the near term which would create better value for Portland Caribbean Fund II?** Listings were one way of raising capital, creating more local ownership of companies as well as enabling the fund to realise on its investments. Each individual portfolio company could be reviewed to see if it was ideally suited for listing. There were some companies within the portfolio that were natural for the New York Stock Exchange such as LILA or Columbus (Cable & Wireless), or others suited to the London Stock Exchange.

- **For clarification, based on the gathering etc. up to the harvest, the Company was creating funds but was there a possibility that PJX might move further to invest in new companies should the need arise? PJX as an investor must make this decision going forward and ITEL was a great first example of opportunities presenting themselves.**

8. TERMINATION

The Chairman thanked everyone for their attendance and for participating in the discussions. He also thanked the Company Secretary for his management of the meeting. The meeting terminated at 10.28 a.m.



CHAIRMAN

January 10, 2022

DATE

List of Shareholders represented by Proxies Doug Hewson/Rhory McNamara

Name	Present	Proxy
Grace Kennedy Limited Pension Scheme (Proven Wealth Limited)	By proxy	Doug Hewson/ Rhory McNamara
ATL Group Pension Fund Trustees Nominee Limited	“	“
Victoria Mutual Wealth Equity Fund (VM Wealth Management Limited)	“	“
Prime Asset Management JPS Employees Superannuation Fund (VM Pensions Management Limited)	“	“
Guardian Life Limited – Guardian Equity Fund	“	“
Guardian Life Limited – Surplus Fund	“	“
Guardian Life Limited – Pooled Equity Fund	“	“
Guardian Life Limited – Pooled Pension Fund	“	“
Guardian Retirement Scheme Diversified Fund	“	“
Guardian Retirement Scheme Equity Fund	“	“
Guardian Retirement Scheme International Equity Fund	“	“
Portland Fund II GP, Inc. (Preference Shareholders)	“	“

List of Shareholders/Other Attendees: Shevona Richards, David Rose, Audrey Richards, Wainston Clarke.