



**DESNOES  
& GEDDES  
LIMITED  
ANNUAL  
REPORT  
2018**

# NOTICE OF ANNUAL GENERAL MEETING FOR DESNOES & GEDDES LIMITED

NOTICE IS HEREBY GIVEN THAT the One Hundredth Annual General Meeting of Desnoes & Geddes Limited (the “Company”) will be held at 214 Spanish Town Road, Kingston 11 on Monday June 17, 2019 at 10:00 a.m. for the following purposes:

## 1. AUDITED ACCOUNTS FOR YEAR ENDED DECEMBER 31, 2018

To receive the Audited Financial Statements for the year ended December 31, 2018 together with the reports of the Directors and Auditors thereon.  
To consider and, (if thought fit) to pass the following ordinary resolution:

“THAT the Audited Financial Statements for the year ended December 31, 2018 together with the reports of the Directors and the Auditors thereon, be and are hereby adopted.”

## 2. DECLARATION OF DIVIDEND

To declare the first interim dividends of \$0.56 paid as final for the year ended December 31, 2018.

To consider and (if thought fit) pass the following ordinary resolution:

“THAT as recommended by the Directors, the interim dividend of \$0.56 per stock units paid June 15, 2018 be and is hereby declared as final dividend for the year under review.

## 3. REMUNERATION OF DIRECTORS

To fix the remuneration of the Non-Executive Directors:  
To consider and, (if thought fit) pass the following ordinary resolution:

“THAT Directors’ fees in the amount of \$5,786,000 payable to all Non-Executive Directors of the Company during the year, be and are hereby approved.”

## 4. ELECTION OF DIRECTORS

In accordance with Article 108 of the Company’s Articles of Incorporation, the directors retiring by rotation is Mr. Richard Byles who being eligible, offers himself for re-election.

To consider and (if thought fit) pass the following ordinary resolution:

4(a) “THAT the retiring director Mr. Richard Byles be is hereby re-elected a Director of the Company.”

In accordance with Article 109 of the Company’s Articles of Incorporation, Mr. Paul Schalekamp was appointed during the year and must retire at this annual and being eligible offers himself for election.

To consider and (if thought fit) pass the following ordinary resolution.

4(b) “THAT the retiring director Mr. Paul Schalekamp be and is hereby elected a Director of the Company.”

## 5. REMUNERATION OF AUDITORS

To fix the remuneration of the Auditors or to determine the manner in which such remuneration is to be fixed.

To consider and (if thought fit) pass the following ordinary resolution:

“THAT KPMG, having signified their willingness to continue to serve, continue in office as the Auditors until the period ending with the conclusion of the next Annual General Meeting, at a remuneration to be agreed with the Directors.”

## BY ORDER OF THE BOARD



**Gene M. Douglas**

Corporate Secretary

Dated this 13<sup>th</sup> day of May 2019

Any member entitled to attend, and vote is entitled to appoint a proxy to attend and on a poll, vote instead of the member. A proxy need not be a member of the Company. An appropriate form of proxy is enclosed.

The proxy form must be signed, stamped and deposited at the registered office of the Company situated at 214 Spanish Town Road, Kingston 11 addressed to “The Company Secretary” not less than 48 hours before the time of holding the meeting. The stamp duty is \$100.00 and may be paid by affixing a postage stamp to the proxy form.

The complete annual report, including a full set of financial statements, is on our website, [www.redstripebeer.com](http://www.redstripebeer.com). You may request a printed copy from the Registrar, Sagicor Bank Jamaica Limited, Corporate Trust Division, 28 – 48 Barbados Avenue, Ground Floor, Kingston 5 or by telephone (876) 936-7384. We will also have copies of the report at the meeting.

# DIRECTORS' REPORT

The Directors are pleased to submit their Report and Audited Accounts for the year ended December 31, 2018.

	Dec 2018 (\$Million)	Dec 2017 (\$Million)
The profit of the Company before tax was	3,859	3,912
Net Profit of the Company after tax was	3,096	3,107

## DIVIDENDS

The Directors have recommended that the interim dividends of \$0.56 paid to stockholders on 15 June 2018 be declared as final dividend for the year ended 31 December 2018. No further dividend was recommended.

## THE BOARD

Pursuant to Article 108 of the Articles of Incorporation of the Company, one-third of the Directors or the number nearest to one-third, where their number is not a multiple of three, shall retire from office each year. Mr. Richard Byles will retire, and being eligible, offers himself for re-election.

During the year Mrs. Carol Bourke, Mr. Richard Pandohie, Mr. Eugene Ubalijoro and Mr. Bruce Kidner resigned from the company and Mr. Paul Schalekamp was duly appointed a director. Pursuant to Article 109 of the Articles of Incorporation of the Company Mr. Schalekamp must retire at this annual general meeting and being eligible offers himself for election.

The Directors of the Board as at December 31, 2018 comprised:

Mr. Richard O. Byles	Chairman
Mr. Ricardo Nuncio Arratia	Managing Director
Mr. Peter K. Melhado	
Mr. Hemmo Parsons	
Mr. Paul Schalekamp	

## AUDITORS

Messrs. KPMG, the present Auditors have indicated their willingness to continue in office and offer themselves for re-election.

The Directors wish to express their appreciation to the management and staff for the work they have done during the year.

## BY ORDER OF THE BOARD



**Gene M. Douglas**

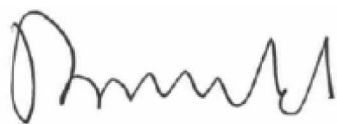
Corporate Secretary

Dated this 13<sup>th</sup> day of May 2019

**DESNOES & GEDDES LIMITED**Statement of Financial Position  
December 31, 2018

	<u>Notes</u>	<u>2018</u> \$'000	<u>2017</u> \$'000
<b>Non-current assets</b>			
Investment in joint venture	5	207,959	213,721
Investment properties	6	1,190,200	1,048,449
Property, plant and equipment	7	11,861,870	10,580,668
Intangible asset	8	616,061	749,628
Employee benefits asset	9	1,034,000	1,448,000
<b>Total non-current assets</b>		<b><u>14,910,090</u></b>	<b><u>14,040,466</u></b>
<b>Current assets</b>			
Cash and cash equivalents		1,662,305	952,858
Accounts receivable	10	3,311,574	3,987,360
Due from related entities	11	333,467	1,802,512
Inventories	12	1,927,066	1,857,791
<b>Total current assets</b>		<b><u>7,234,412</u></b>	<b><u>8,600,521</u></b>
<b>Current liabilities</b>			
Accounts payable	13	4,371,191	4,886,483
Taxation payable		68,029	123,356
Due to related entities	11	194,725	1,703,236
<b>Total current liabilities</b>		<b><u>4,633,945</u></b>	<b><u>6,713,075</u></b>
<b>Net current assets</b>		<b><u>2,600,467</u></b>	<b><u>1,887,446</u></b>
<b>Total assets less current liabilities</b>		<b><u>17,510,557</u></b>	<b><u>15,927,912</u></b>
<b>Equity</b>			
Share capital	14	2,174,980	2,174,980
Capital reserves	15	378,129	378,129
Other reserves	16	731,250	1,045,500
Retained earnings		13,451,492	11,678,697
<b>Total equity</b>		<b><u>16,735,851</u></b>	<b><u>15,277,306</u></b>
<b>Non-current liabilities</b>			
Employee benefits obligation	9	59,000	54,000
Deferred tax liabilities	17	715,706	596,606
<b>Total non-current liabilities</b>		<b><u>774,706</u></b>	<b><u>650,606</u></b>
<b>Total equity and non-current liabilities</b>		<b><u>17,510,557</u></b>	<b><u>15,927,912</u></b>

The financial statements on pages 5 to 46 were approved for issue by the Board of Directors on May 13, 2019 and signed on its behalf by:



Director

Richard Byles



Director

Ricardo Nuncio

The accompanying notes form an integral part of these financial statements.

# CORPORATE DATA

## CORPORATE DATA 31 December 2018

### Board of Directors

Richard O. Byles – Chairman  
 Ricardo Nuncio Arratia – Managing Director  
 Peter K Melhado  
 Hemmo Parsons  
 Paul Schalekamp

### Company Secretary

Gene M. Douglas, F.C.I.S.; M.B.A.

### Registrar & Transfer Agent

Sagicor Bank Jamaica Limited  
 Group Legal, Trust & Corporate Services  
 28-48 Barbados Avenue, Kingston 5

### Auditors

KPMG  
 6 Duke Street  
 Kingston

### Bankers

Bank of Nova Scotia Jamaica Ltd.  
 Corner Duke & Port Royal Streets  
 Kingston

Citibank NA  
 19 Hillcrest Avenue  
 Kingston 6

National Commercial Bank Jamaica Ltd  
 37 Duke Street  
 Kingston

### Attorneys-at-law

Patterson Mair Hamilton  
 Temple Court  
 85 Hope Road  
 Kingston 6

Myers Fletcher & Gordon  
 21 East Street  
 Kingston

### Registered Office

214 Spanish Town Road  
 Kingston 11



**PLACE  
\$100  
STAMP  
HERE**

I/We \_\_\_\_\_ of \_\_\_\_\_  
Being a member/members of Desnoes & Geddes Limited, hereby appoint

\_\_\_\_\_ of \_\_\_\_\_

Or failing him, \_\_\_\_\_ of \_\_\_\_\_

As my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held on Monday June 17, 2019 at 10:00 a.m. and any adjournment thereof.

Dated \_\_\_\_\_ Signed \_\_\_\_\_

Please indicate by inserting "X" in the space below how you wish your vote to be cast. If no indication is given your proxy will vote for or against resolution or abstain as he/she thinks fit.

<b>RESOLUTIONS</b>	<b>For</b>	<b>Against</b>
<b>1.</b> Adopting the financial statements and reports of Directors and Auditors thereon		
<b>2.</b> Declaration of Dividend		
<b>3.</b> Approving Fees for Non-Executive Directors for the year		
<b>4(a).</b> Re-electing Director Mr. Richard O. Byles		
<b>4(b).</b> Re-electing Director Mr. Paul Schalekamp		
<b>5.</b> Remuneration of the Auditors		

**NOTES:**

- If a member is a corporation, this form must be done under common seal or under the hand of an officer or attorney duly authorised in writing.
- To be valid, this form must be received at the Registered Office of the Company, 214 Spanish Town Road, Kingston 11, no later than 10:00 a.m. on June 14, 2019.



