

SACOS INSURANCE GROUP

EXTRAORDINARY GENERAL MEETING

MINUTES OF EXTRAORDINARY GENERAL MEETING HELD ON 28 APRIL 2017 AT DEEPAM CINEMA VICTORIA MAHÉ SEYCHELLES AT 10.00am

Present:

Lekha Nair	Director and Chairperson
Jean Claude d'Offay	Director
Marc Inch	Director
Rod Thorrington	Director
John Esther	Director
Marko Sinovich	Director

Directors with Apologies:

Ina Barbe	Director
Louis Rivalland	Director
Patrice Bastide	Director

Company Secretary: Jean Raguin

By Invitation: Kieran B Shah (Legal advisor)

Presence by Shareholding

Mark Inch	250,000 shares representing 13%
Bluebird Investment	103,423 shares representing 5%
Other Shareholders (64)	36,100 representing 1.8%

Presence by Proxies

Opportunity Investment	757,477 shares representing 38%
Loz Ltd	47,500 shares representing 2.4%

1. Welcome

The secretary welcomed everybody present and introduced the directors to the meeting. At the invitation of the chairperson, he read out the notice convening the extraordinary general meeting which had been published in the Nation. The secretary confirmed that there was a quorum (that is over 50 per cent of the shareholders were present or represented by proxies) and therefore the meeting could proceed.

2. Purpose of the Meeting

The chairperson welcomed everyone present and explained that the purpose of the meeting was to get the approval of the Company in general meeting on three matters, namely:

- > To pass a special resolution to amend the Memorandum of Association of the Company with respect to its object clause;

- > To pass special resolution to amalgamate Sacos Insurance Company Limited into Sacos Group Ltd;
- > To pass special resolution to amalgamate Sun Investments Seychelles Limited into Sacos Group Ltd.

3. Presentation to the Members of the Company:

At the invitation of the chairperson, the CEO, John Esther made a presentation with power points explaining the purpose for the amendments to the Memorandum of Association and amalgamation of the Companies.

3.1 The present corporate structure is that Sacos Group Ltd is a holding company that has three subsidiaries, namely:

- > Sacos Insurance Company Limited which carries on the general insurance business;
- > Sun Investment Seychelles Ltd which owns all the properties; and
- > Sacos Life Insurance Company Ltd which carries on life insurance.

By law Sacos Life Insurance must remain separate and owns all its assets. Therefore, it will not be the subject of amalgamation and will remain the only subsidiary of Sacos Group Limited.

3.2 The Rational for Amalgamation

The proposed amalgamation will bring in an improvement in the operational efficiency in a leaner and smarter set up focusing on insurance which is the core business. It will eliminate inter group transactions like Sacos Group managing the business of its subsidiaries There would be a simpler corporate structure having one subsidiary instead of three subsidiaries.

It would benefit from lower tax which Sacos Group Ltd as a company listed on the stock exchange would pay tax at the rate of 25% instead of the higher rate of 32% approximately, thereby improving its balance sheet, making it stronger and therefore better for the shareholders and providing a better security for its policy holders. By way of illustration, if an amalgamation had been done its tax liability for the years 2014 and 2015 would have been SCR4,656,361 instead of SCR6,066,397 and SCR6,361,331 instead of SCR8,316,957, respectively. The tax savings would have been SCR1,410,036 and SCR1,955,626 respectively for the two years of 2014 and 2015.

3.3 Steps taken to date

The Company had obtained professional advice on the restructure from accountancy firm, BDO and from Senior Counsel, Kieran Shah.

The professionals prepared a Scheme of Amalgamation which was presented to the Financial Services Authority (which has a supervising and licensing role on insurance company) for approval. Notices of the Scheme were published in the Nation, Seychelles Today and Gazette inviting policy owners to inspect and to make any representations. The Financial Services Authority has approved the Scheme, and has approved Sacos Group Ltd to be licensed as an insurer so that it can carry on the insurance business of Sacos Insurance Company Limited.

3.4 Next steps

It is now necessary to obtain the approval of the shareholders to pass the three special resolutions then to file the amended Memorandum of Association of SACOS Group Ltd at the Seychelles Company Registry.

The Company will then apply to the Supreme Court of Seychelles for approval of the amalgamation of SACOS Insurance Company Limited and Sun Investments Seychelles Ltd into SACOS Group Ltd.

4. Special Resolution to amend the Memorandum of Association of SACOS Group Ltd.

The chairperson proposed the following as a special resolution: "That in accordance with section 122 (4) (a) of the Companies Act 1972, to amend the objects clause and to file a restated Memorandum of Association to reflect the new object clause and the share capital".

The motion was seconded by Evelyn Antat. It was put to the vote and 52 members voted for the resolution and nobody voted against. The chairperson noted that as more than 75% of the shareholders had voted in favour, the resolution was passed.

5. Special Resolution for the statutory notice period for proposing the following two resolutions be waived.

The chairperson proposed that the statutory notice period for proposing the following two special resolutions be waived. It was seconded by Alex Fideria and was put to the vote. Fifty-five members voted in favour and nobody voted against. The chairperson noted that as more than 75% of the shareholders had voted in favour, the resolution to waive the statutory notice period be waived was passed.

6. Special Resolution to amalgamate Sacos Insurance Company Ltd into Sacos Group Ltd.

That the members approve as a special resolution "that the company, subject to the approval of the court, approves the amalgamation of Sacos Insurance Company Ltd into Sacos Group Limited".

It was seconded by Dolor Ernesta and put to the vote. Fifty-six members voted for and nobody voted against. The chairperson noted that as more than 75% of the members voted in favour, the resolution was passed as a special resolution in accordance with section 122 (2) of the Companies Act 1972.

7. Special Resolution to amalgamate Sun Investments (Seychelles) Ltd into Sacos Group Ltd.

The chairperson proposed the following as a special resolution: That the members approve the following as a special resolution "that the Company, subject to the approval of the court, approves the amalgamation of Sun Investments (Seychelles) Ltd into Sacos Group Limited."

It was seconded by Antoine Fernandez and put to the vote. Fifty-eight members voted for and nobody voted against. The chairperson noted that as more than 75% of the shareholders voted in favour, the resolution was passed as a special resolution.

8. Comments from the floor

Several members expressed their views namely, that more information should have been communicated before the meeting. Another member observed that the amalgamation should have been done much earlier. That the assets of Sacos life must be kept separate, but the apartments being rented by Sacos Insurance Company Ltd should be converted into condominium and sold. The insurance business should be developed further and that with the tax benefits expected, there is an expectation of an increase in dividends.

9. Closure of Meeting

There being no further business the chairperson closed the meeting at 11.15a.m.

Chairperson

Date