

# AGM NOTICE

Nutritious Foods and Beverages for the Sustenance of Good Health



**Dairibord**  
**Holdings**  
More Than Just Milk

## Notice to Shareholders

Notice is hereby given that the twenty-fifth Annual General Meeting (AGM) of Dairibord Holdings Limited will be held virtually at <https://eagm.creg.co.zw/eagmzim/Login.aspx> on 30 June 2020 at 10:00 hours for the purpose of transacting the following business:

### Special Business

1. To approve the convening of annual general meetings and any other meetings and remote voting of resolutions of shareholders through an electronic virtual platform as permissible under Section 170 (10) of the Companies and Other Business Entities Act, Chapter 24:31 in light of Covid-19 restrictions imposed by Statutory Instrument ("SI") 76 of 2020.

### 2. Adoption and Substitution of a New Memorandum and Articles of Association of the Company

To resolve as a special resolution, the adoption and substitution of a new Memorandum and Articles of Association for the Company, compliant with the requirements of the Companies and Other Business Entities Act (Chapter 24:31) and the new ZSE Listing Requirements (Statutory Instrument 134 of 2019).

### Ordinary Business

3. To receive and adopt the financial statements for the year ended 31 December 2019, together with reports of the directors and auditors thereon. The full annual report will be available on the company website, [www.dairibord.com](http://www.dairibord.com).

### 4. To Elect Directors of the Company:

4.1 In accordance with article 100 of the Company's Articles of Association, Mr. C.Mahembe retires by rotation and being eligible, offers himself for re-election. Mr. Mahembe holds a Diploma in Agriculture from Chibero College of Agriculture. He represents Serrapin Investments Limited.

4.2 In accordance with article 100 of the company's Articles of Association, Mr. N. Chiromo retires by rotation and being eligible, offers himself for re-election. Mr. Chiromo is a Chartered Accountant and he is a partner and executive director of Corporate Excellence Financial Advisory Services. He has over 27 years of experience in Finance, investment banking, audit and general management. Mr. Chiromo is an independent director.

4.3 In accordance with article 107 of the Company's Articles of Association, Mr. Ketan .K. Naik who was appointed director of the company with effect from 21 August 2019 retires, and being eligible, offers himself for re-election. Mr. Ketan .K. Naik holds a BSc. (Hons) in Management Sciences, from Warwick Business School, MSc. Real Estate Investment from CASS Business School and is a Registered Investment Advisor with the Securities and Investment Institute of the United Kingdom. He is a director of several private companies and also a member of the Harare Chapter of the Young Presidents Organisation. Mr Naik represents a consortium of shareholders that holds over 16% equity in the company.

### 5. Directors Remuneration

To approve the remuneration of the directors for the past year. (In terms of Section 3 of Practice Note 4 Issued by the ZSE on 17 January 2020, the Directors Remuneration Report is available for inspection by Dairibord Holdings shareholders at the Registered office of the company.)

### 6. External Auditors

To approve the remuneration of the auditors for the past audit. To re-appoint Ernst & Young Chartered Accountants (Zimbabwe) as auditors for the current year. In terms of the new requirements of the Companies and Other Business Entities Act (Chapter 24:31) Section 191, and in line with good corporate governance, Ernst & Young, who have audited the company for more than ten years are due for rotation. However, it has not been practically possible to implement the requirements for the year ending 31 December 2020 due to the uncertainties and restrictions presented by COVID 19. The directors will therefore conclude the process to rotate the auditors at the AGM to be held in 2021.

### Special Business

#### 7. As an ordinary resolution: Share Buy Back.

"That the Company as duly authorised by Article 6 of its Articles of Association and section 129 of the Companies and Other Business Entities Act (Chapter 24:31), may undertake the purchase of its ordinary shares in such manner or on such terms as the directors may from time to time determine, provided that:

- Acquisitions shall be of ordinary shares which, in aggregate in any financial year, shall not exceed 10% (ten percent) of the Company's issued share capital.
- The prices at which such ordinary shares may be acquired will not be more than 5% (five percent) above and 5% (five percent) below the weighted average of the market price at which such ordinary shares are traded on the Zimbabwe Stock Exchange, as determined over the 5 (five) business days immediately preceding the date of the purchase of such ordinary shares by the Company.
- The authority shall expire on 1 July 2021 or the next Annual General Meeting, whichever is sooner.

After considering the effect of the repurchase of the shares, the Directors are confident that:

- The Company will be able to pay debts for the period of 12 months after the date of the notice of the Annual General Meeting.
- The assets of the Company will be in excess of its liabilities.
- The share capital and reserves of the Company are adequate for a period of 12 months after the date of the notice of the Annual General Meeting.
- The Company will have adequate working capital for the period of 12 months after the date of the notice of the Annual General Meeting.

### 8. Employee Share Trust

8.1 To consider, and if deemed fit, pass with or without modification, the following ordinary resolution:

'That the directors of the Company be and are hereby authorised to approve the reservation of 7,900,043 (seven million nine hundred thousand and forty three) ordinary shares out of the authorised unissued share capital of the Company as of the date hereof and the issue and allotment of such ordinary shares to the 2005 DZL Holdings Employee Share Trust such that the number of shares held by the Trust in the Company increases from 10,000,000 (ten million) shares to 17,900,043 (seventeen million nine hundred thousand and forty three) shares.'

8.2 As a special resolution: "To resolve with or without amendment in terms of Section 130 (1) of the Zimbabwe Stock Exchange Listings Requirements requiring an 85% of votes cast by shareholders present or represented by proxy at a general meeting called for that purpose:-

To waive any pre-emptive rights of the Shareholders in respect of shares to be issued and allotted pursuant to the 2005 DZL Holdings Employee Share Trust referred to in Ordinary Resolution 8.1

### Background notes to resolution 8

The Company believes that it is important to attract, motivate and retain employees of the appropriate calibre and to align their interests with those of shareholders. Accordingly, on 15 April 2005, the Company established the 2005 DZL HOLDINGS EMPLOYEE SHARE TRUST ("the Trust").

The Trust was granted a loan in the amount of \$10,000,000 (ten million dollars) by the Company to acquire 10,000,000 (ten million) shares (constituting approximately 3.15% of the total issued share capital of the Company at the time of establishment) at par value. The Trust is run by a Board of Trustees which acts in terms of the Trust Deed rules and also on the directives of the Directors of the Company.

The 10,000,000 (ten million) shares held by the Trust currently constitute 2.79% of the total issued share capital of the Company. The Company proposes to increase the number of shares held by the Trust by an additional 7,900,043 under similar terms as those on the first allocation. The increase will result in the Trust holding 17,900,043 (seventeen million nine hundred thousand and forty-three) shares constituting 5% of the total issued share capital of the Company.

### Notes

- In terms of the Companies and Other Business Entities Act (Chapter 24:31) a member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend and vote on a poll and speak in his stead. A proxy need not be a member of the Company. Instruments of proxy must be lodged at the registered office of the Company at least forty eight hours before the time appointed for holding the meeting.
- Members are requested to advise the Transfer Secretaries in writing of their email addresses and any change of postal address
- Meeting details:**  
Members are hereby advised to use the dedicated Corpserve helpline on +263 242 750 711, +263 772 289 768 or +263 779 145 849 for assistance with the online eAGM processes.

### By order of the board

**S. Punzisani**  
Company Secretary

09 June 2020

**Directors:** J. Sachikonye (Chairman), S. Chindove, C. Mahembe, \*A. Mandiwanza (Group Chief Executive), \*M. Ndoro (Group Finance Director), R.P Kupara, N. Chiromo, C.R.J Hawgood, K. K. Naik \* Executive.