



Notice of Special Meeting of Shareholders

NOTICE IS HEREBY GIVEN of a Special Meeting of the Shareholders of **ANGOSTURA HOLDINGS LIMITED** (the "Company"), pursuant to Paragraph 13.2 of By-Law No. 1 of the Company, which will be held at the House of Angostura, Corner Eastern Main Road and Trinity Avenue, Laventille, Trinidad and Tobago, on the 22nd day of October 2019, at 11:00 a.m. to transact the following business:

SPECIAL BUSINESS:

To consider, and if thought fit, to pass the following Ordinary Resolution to fix the remuneration to be paid to Non-Executive Directors of the Company:

"BE IT RESOLVED THAT pursuant to Paragraph 7.1 of By-Law No. 1 of the Company, in respect of Board meetings, the remuneration of the Directors of the Company who are non-executive (being Directors who are neither employees of the Company nor any of its affiliates) shall be fixed as follows, with effect from November 01, 2019:

- a) The monthly remuneration of the Chairman – TT\$13,000.00;
- b) The monthly remuneration of each Director – TT\$8,000.00."

BY ORDER OF THE BOARD

Kathryna Baptiste Assee

Corporate Secretary
Angostura Holdings Limited
Corner Eastern Main Road and Trinity Avenue
Laventille
Trinidad
September 26, 2019



Notice of Special Meeting of Shareholders (continued)

1. Information Circular

Specific details on the resolution to be put before Shareholders at the Special Meeting are contained in the Information Circular accompanying this Notice

2. Circulation of Documents

The Notice of Special Meeting, Information Circular, Management Proxy Circular and Proxy Form are being mailed out to Shareholders and will also be accessible on and downloadable from the Company's website.

3. Proxies

- a. A shareholder entitled to attend and vote at the Special Meeting may appoint a proxy holder or one or more alternative proxy holders to attend and act at the meeting in the manner and to the extent authorised by the proxy and with the authority conferred by the proxy. Where the shareholder is a body corporate, the Company shall recognise any individual authorised by resolution of the directors of the body corporate to represent it at the Special Meeting. The proxy form of a corporation should be executed under its common seal or under the hand of an officer or attorney duly authorised.
- b. A proxy holder need not be a shareholder.
- c. To be valid, the proxy form appointing a proxy holder must be received by the Secretary of the Company at the Company's Registered Office at Corner Eastern Main Road and Trinity Avenue, Laventille, Trinidad at least forty-eight (48) hours (excluding non-business days) before the time appointed for the Special Meeting.
- d. Shareholders who return completed proxy forms are not precluded, if subsequently they so wish, from attending the Meeting instead of their proxies and voting in person.

4. Statutory Date

The Directors of the Company have not fixed a record date for the determination of shareholders who are entitled to receive notice of the Annual Meeting. Therefore, in accordance with Section 111(a)(i) of the Companies Act, Ch. 81:01 the statutory date applies, and only shareholders on record at the close of business on Wednesday September 25, 2019, the date immediately preceding the date on which the Notice is given, are entitled to receive Notice of the Annual Meeting.



INFORMATION CIRCULAR

Rationale for Increase of Non-Executive Directors' Remuneration

Request:

The resolution before Shareholders at this Special Meeting is as follows:

"BE IT RESOLVED THAT pursuant to Paragraph 7.1 of By-Law No. 1 of the Company, in respect of Board meetings, the remuneration of the Directors of the Company who are non-executive (being Directors who are neither employees of the Company nor any of its affiliates) shall be fixed as follows, with effect from November 01, 2019:

- a) The monthly remuneration of the Chairman – TT\$13,000.00;
- b) The monthly remuneration of each Director – TT\$8,000.00."

Background:

Current Structure:

The current structure of Directors' remuneration for Board Meetings involves the payment of a fixed monthly Board fee (also referred to as a monthly retainer) as follows. This is irrespective of the number of Board meetings held per month.

	Board (Monthly)	Board (Annual)
Chairman	\$5,400.00	\$64,800.00
Directors	\$3,600.00	\$43,200.00

This Special Meeting was convened to request Shareholders' approval for the aforementioned proposed remuneration in respect of Board meetings, for Non-Executive Directors, pursuant to Paragraph 7.1 of the By-Laws, the relevant part of which reads as follows:

"...Subject to paragraph 7.2 of the By-laws, the remuneration to be paid to the directors shall be such as the shareholders may from time to time determine in general meeting and such remuneration may be in addition to the salary paid to any officer or employee of the Company who is also a director..."

Please note that currently there are no Directors on the Board who are officers or employees of the Company. Directors' monthly Board fees have not been formally reviewed since at least 2011 and are currently significantly below market.



Rationale for Increase of Non-Executive Directors' Remuneration (continued)

With respect to Sub-Committee fees, pursuant to Paragraph 7.1 of the By-Laws, Directors are authorised to award separate fees to any Director who is a member of a Board Sub-Committee, and shareholder approval or confirmation is not required. The relevant part of Paragraph 7.1 reads as follows:

“...The directors may also award separate remuneration to any director who is a member of a sub-committee of directors or required to undertake any special services on the Company's behalf other than the normal work ordinarily required of the director and the confirmation of any such resolution or resolutions by the shareholders shall not be required...”

Sub-Committees typically meet once per month. Meeting times can be anywhere from 3 to 4 hours with an equal amount of preparation time. The Directors have determined that Sub-Committee fees would be fixed as follows:

	Sub-Committee (Monthly)
Chairman	\$3,900.00
Directors	\$2,700.00

Market Analysis:

HRC Associates' 2017-2018 Compensation Survey

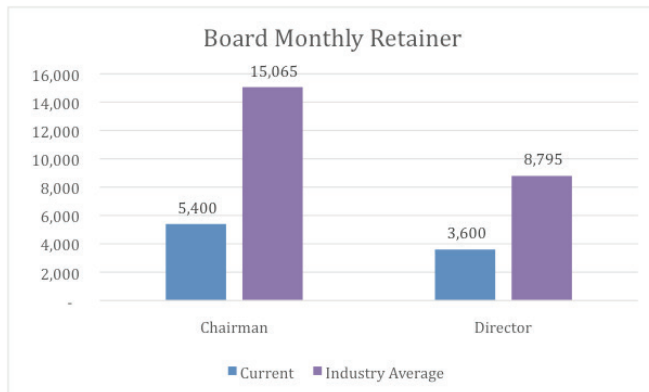
In arriving at the proposed remuneration, the Company took into consideration a Compensation Survey in relation to Directors' remuneration prepared by HRC Associates for the period 2017-2018. Information relative to the category "Sales, Trading, Manufacturing and Miscellaneous" was utilised, as this was the best fit for Angostura Holdings Limited.

In summary, the review revealed the following in relation to Board fees:

- Based on the companies surveyed, payment for regular Board Meetings comprise two (2) elements:
 - a) annual retainer and/or b) per meeting fee.
 - a. The overall market average annual retainer for a Chairman is currently \$180,778.00;
 - b. The overall average annual retainer for a non-executive Director is \$105,535.00;

The comparison of AHL's monthly retainer against the industry average monthly retainer is shown in the chart below:

Rationale for Increase of Non-Executive Directors' Remuneration (continued)



It is important to note that AHL Directors receive only a fixed monthly retainer and do not receive a per meeting fee for Board Meetings.

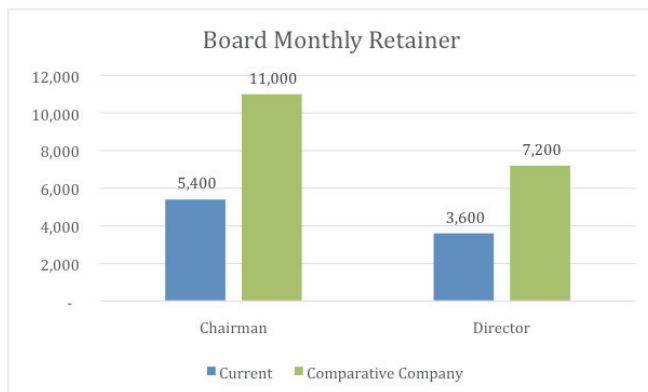
Industry Comparator

The monthly Board remuneration of a listed regional manufacturing company as at 2018 – which consists of a monthly retainer and a per Meeting Board fee is shown compared with that of AHL as follows:

	Comparator Company - Monthly Retainer	Comparator Company - Per Meeting Fee (Board)	AHL Current Total Monthly Remuneration (Board)
Chairman	\$11,00.00	\$5,400.00	\$5,400.00
Directors	\$7,200.00	\$3,400.00	\$3,600.00

AHL's current monthly retainer compared with that of the comparator company is shown graphically in the chart below:

Rationale for Increase of Non-Executive Directors' Remuneration (continued)



Note that the structure of Non-Executive Directors' remuneration for the comparator company also includes per meeting sub-committee fees.

Rationale for Increase:

The main reasons for the proposed increase in Board fees is as follows:

1. Current and Proposed Board Remuneration Relates to the AHL Group

It is important to note that the current and proposed Directors' fees relate to the AHL Group – which includes three (3) separate companies with separate Board Meetings for Angostura Holdings Limited (parent company), Angostura Limited ("AL") and Trinidad Distillers Limited ("TDL"). Historically, Directors have not been compensated separately for their directorships on the various Boards. Accordingly, an increase in fees sufficient to cover Directors' involvement at the Group level is warranted. It should also be noted that the listed regional manufacturing company considered in this analysis is a subsidiary of a larger Group (as opposed to being a parent company such as AHL), thereby further justifying the higher rates proposed for AHL. Further, the Board remuneration structure of the comparator company comprises a monthly retainer plus per meeting fees, whereas AHL's remuneration structure comprises only a monthly retainer.

Rationale for Increase of Non-Executive Directors' Remuneration (continued)

2. Minimal overall impact on profits by increase in Directors fees

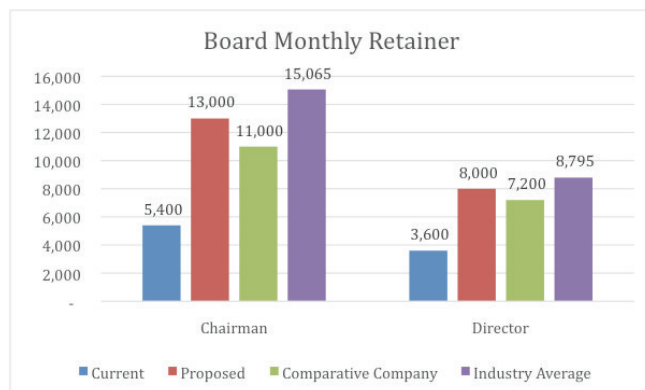
The impact of the proposed increase on operating expenditure is an increase of \$62,400, with Board fees as a % of operating expenses moving from 0.21% to 0.24%. The cost of the increase as a percentage of profit before tax is 0.031%.

Recommendation:

In light of the foregoing, it is recommended that the fixed monthly retainer for the AHL Board be increased by taking the average (rounded up) of the average fees in the HRC Associates Compensation Survey and the 2018 fees of the above-mentioned comparator company, as shown in the table and chart below:

Fixed Board Monthly Retainer:

	AHL Current	Comparator Company	HRC Average	Proposed
Chairman	\$5,400.00	\$11,000.00	\$15,065.00	\$13,000.00
Directors	\$3,600.00	\$7,200.00	\$8,795.00	\$8,000.00



The recommendation above takes into account that there would be no per meeting fee so that the figures proposed for Board fees have been rolled up into one.

We so recommend.

September 26, 2019




Management Proxy Circular

Republic of Trinidad and Tobago

The Companies Act, 1995

[Section 144]

1. **Name of Company:** ANGOSTURA HOLDINGS LIMITED, Company No. A-719(C).
2. **Particulars of Meeting:** A Special Meeting of Shareholders of the Company to be held on the 22nd day of October 2019 at 11:00 a.m. at the House of Angostura, Corner Eastern Main Road and Trinity Avenue, Laventille, Trinidad.
3. **Solicitation:** It is intended to vote the Proxy solicited hereby (unless the Shareholder directs otherwise) in favour of the resolution specified therein.
4. **Any Director's statement submitted pursuant to Section 76 (2):** No statement has been received from any Director pursuant to Section 76 (2) of the Companies Act, 1995.
5. **Any Auditor's statement submitted pursuant to Section 171 (1):** No statement has been received from the Auditors of the Company pursuant to Section 171 (1) of the Companies Act, 1995.
6. **Any Shareholder's proposal submitted pursuant to Sections 116 (a) and 117 (2):** No statement has been received from any Shareholder pursuant to Sections 116 (a) and 117 (2) of the Companies Act, 1995.

Date	Name and Title	Signature
September 26, 2019	Kathryna Baptiste Assee, Corporate Secretary	



Proxy Form

BLOCK CAPITALS PLEASE

I/We the undersigned, being a shareholder(s) of Angostura Holdings Limited, hereby appoint

.....of.....or failing him/her, the Chairman of the meeting, as my/our proxy to vote for me/us and on my/our behalf at the Annual Meeting of the Company, to be held on the 22nd day of October, 2019 at 11:00 a.m. and any adjournment thereof.

Ordinary Business

<u>Agenda Item</u>	<u>Resolution</u>	<u>For</u>	<u>Against</u>
Resolution 1	<p>"BE IT RESOLVED THAT pursuant to Paragraph 7.1 of By-Law No. 1 of the Company, in respect of Board meetings, the remuneration of the Directors of the Company who are non-executive (being Directors who are neither employees of the Company nor any of its affiliates) shall be fixed as follows, with effect from November 01, 2019:</p> <p>a) The monthly remuneration of the Chairman – TT\$13,000.00;</p> <p>b) The monthly remuneration of each Director – TT\$8,000.00."</p>	<input type="checkbox"/>	<input type="checkbox"/>

Signature:

Name:

Date:

Address:

Notes:

1. To be valid, proxies must be deposited at the registered office of the Company at least forty-eight (48) hours (excluding non-business days) before the time appointed for the Annual Meeting.
2. In the case of a Corporation, the proxy form should be executed under its common seal or under the hand of an officer or attorney duly authorised.
3. In the case of joint holders, the signature of any one of them will suffice but all names of all holders must be stated.
4. If the proxy form is returned without any indication as to how the person appointed proxy shall vote, such proxy may exercise discretion as to how to vote or whether to abstain from voting on any resolution.
5. Any alterations made to the proxy form should be initialled.