



'The key ingredient to the food industry' ®

**BAKO Group Limited**  
**Annual General Meeting**  
**Tuesday 31<sup>st</sup> October 2023**

Board Members Present:	David Yates	Qualifying Director
	Duncan Hindley	Qualifying Director
	Gordon McGhee	Qualifying Director
	Tom Moore	Qualifying Director
	Mike Tully	Group CEO & Executive Director
	Kirti Hirani	Group CFO, Company Secretary & Executive Director
	Martyn Taylor	Independent Non-Exec Director
	Ian Dobbie	Independent Non-Exec Director

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### **Welcome**

The Chairman welcomed shareholders present at the 2023 Annual General Meeting (AGM).

### **Approval of minutes of AGM 2022**

The minutes of the 2022 AGM were available on the company website [www.bako.co.uk](http://www.bako.co.uk) shortly after the 2022 AGM. The minutes of the 2022 AGM were proposed as an accurate reflection of the meeting. All present were in favour and the minutes were passed and approved unanimously by those present.

### **Shareholder rebate**

The shareholder rebate for the financial year ended 31 March 2023 of £4.1million was paid as a credit note on shareholders customer accounts during October 2023. As in previous years, the rebate will be pro-rated based on the individual shareholders spend as a proportion of total shareholder spend. This rebate is in addition to the £500 per shareholder credited to the shareholders customer accounts in January 2023, bringing the total amount returned to shareholders for the financial year ended 31 March 2023 to £4.4m.

### **Minimum spend**

Last year, the Board had set out the minimum spend for the financial 2022/2023 at £15,000, but after reviewing the number of shareholders who failed to meet this criterion, the board decided to revert to the previous minimum spend of £10,400 which was applied for financial year 2021/22. The minimum spend for financial year 2023/24 will remain £10,400.

### **Answers to written questions submitted**

6 written questions were submitted prior to the meeting, Kirti Hirani responded to each question as follows:

1. Q: How many shareholders have ceased to trade?  
A: The number of shareholders whose shares are being cancelled are listed in the Share Buyback Contract. It is difficult for BAKO to determine how many of these have ceased to trade as they may, for example, have taken their trade elsewhere.
2. Q: How many new shareholders has BAKO recruited and how many shareholders are there at present?  
A: BAKO have recruited 27 new shareholders since 1 April 2023 and the current number of shareholders stands at 727.
3. Q: What is the strategy for recruiting new shareholders?  
A: The process for recruiting new shareholders has been strengthened to include the requirement for a short business plan from any potential new shareholder. This business plan is reviewed by the Managing Director of the

depot and the CFO to determine whether the customer can grow their trade with BAKO before inviting them to become a shareholder. This has been implemented to ensure any new shareholder is adding value to the BAKO Group.

4. Q: How many shareholders would have been cancelled if the minimum spend would have been enforced at the previously approved £15,000 per annum?

A: This would have led to an additional 34 shareholders being cancelled.

5. Q: How long have RSM been auditors and has this been tendered?

A: RSM (previously Baker Tilly) have been auditors for the BAKO Group for many years. The last tender process was completed in 2019 on conclusion of which it was decided that RSM would be retained as auditor but the audit partner be changed to maintain independence. The Board, Audit Committee and RSM review the independence of the auditors on an annual basis and every time a scope is requested for any non-audit work. The next scheduled date for tendering the audit is Q3 2024 in respect of the year ending 31 March 2025.

6. Q: Can a holder of Ordinary Shares buy more than 40 £1 Ordinary shares?

A: No, each holder of £1 Ordinary shares can only hold 40 such shares.

## **The Annual General Meeting**

The Chairman confirmed that a total of 24 valid proxy voting forms had been received.

### **SPECIAL RESOLUTION**

1 THAT the draft revised articles of association attached to this resolution be adopted as the new articles of association of the Company in substitution for, and to the exclusion of the existing articles of association.

Of the proxy votes received, 22 voted in favour, none abstained and 2 voted against. Of the six voting Shareholders present at the meeting, four voted in favour of the resolution, two abstained and none against. The resolution was passed.

### **ORDINARY RESOLUTIONS**

2 THAT the terms of the purchase contract produced to the meeting and signed by the Chairman of the meeting for the purposes of identification (Ordinary Purchase Contract) proposed to be entered into between the Company and each of the shareholders identified in the schedule thereto for the purchase by the Company of 40 Ordinary Shares of £1 each from each named shareholder for a total aggregate consideration of £2,920 be and hereby is approved and the Company be and hereby is authorised to enter into the Ordinary Purchase Contract.

Of the proxy votes received, 22 voted in favour, none abstained and 2 voted against. Of the six voting Shareholders present at the meeting, six voted in favour of the resolution, none abstained and none against. The resolution was passed.

3 That the Statement of Accounts for the year ended 31 March 2023, together with the report of the Directors and Auditors thereon be received.

Of the proxy votes received, 23 voted in favour, one abstained and none voted against. Of the six voting Shareholders present at the meeting, six voted in favour of the resolution, none abstained and none against. The resolution was passed.

4 That the Directors' remuneration and fees payable for the year ended 31 March 2023 be and hereby is approved.

Of the proxy votes received, 23 voted in favour, one abstained and none voted against. Of the six voting Shareholders present at the meeting, six voted in favour of the resolution, none abstained and none against. The resolution was passed.

- 5 That Duncan Hindley who retires by rotation as a Director in accordance with the provisions of the Articles of Association, and who, being eligible, offers himself for re-appointment as a Director of the Company be and hereby is appointed.

Of the proxy votes received, 24 voted in favour, none abstained and none voted against. Of the five voting Shareholders present at the meeting, five voted in favour of the resolution, none abstained and none against. The resolution was passed. Duncan Hindley was not eligible to vote on this resolution.

- 6 That David Ian Dobbie who stands for re-election in accordance with the provisions of the Articles of Association, and who, being eligible, offers himself for re-appointment as a Director of the Company be and hereby is re-appointed.

Of the proxy votes received, 23 voted in favour, none abstained and one voted against. Of the six voting Shareholders present at the meeting, six voted in favour of the resolution, none abstained and none against. The resolution was passed.

- 7 That Thomas Moore who is due to stand for re-election in accordance with the provisions of the Articles of Association, and who, being eligible, offers himself for re-appointment as a Director of the Company be and hereby is re-appointed.

Of the proxy votes received, 23 voted in favour, none abstained and one voted against. Of the five voting Shareholders present at the meeting, five voted in favour of the resolution, none abstained and none against. The resolution was passed. Thomas Moore was not eligible to vote on this resolution.

- 8 To authorise the Directors to appoint the auditors of the Company and to fix their remuneration.

Of the proxy votes received, 24 voted in favour, none abstained and none voted against. Of the six voting Shareholders present at the meeting, six voted in favour of the resolution, none abstained and none against. The resolution was passed.

The Chairman opened the floor for questions, but none were forthcoming. Longstanding shareholder, Bob McKenna of Bertwistles (Bakers) Limited, wished to thank the Board and Staff for all the hard work over the years in growing BAKO into what it is today.

The business of the 2023 AGM concluded; the meeting closed at 14:22pm