



MINUTES OF ANNUAL GENERAL MEETING OF SANEC	Actions
<p><b>1. Opening and Welcome by Andrew Dawson on 9<sup>th</sup> April 2025.</b></p> <p>Andrew Dawson welcomed all to the SANEC AGM.</p> <p><b>2. Apologies</b></p> <p>As per Attendance register. Proxies were also received and will be used if necessary.</p> <p><b>3. Confirmation of Voting Delegates and Quorum</b></p> <p>Andrew Dawson confirmed that there is a quorum with the number of shareholders present.</p> <p><b>4. Approval of Minutes of SANEC AGM on 14<sup>th</sup> April 2024</b></p> <p>Combined KPC and SANEC AGM minutes from 14<sup>th</sup> April 2024 have already been discussed. Proposed by Neil Smith Seconded by Jimmy Telle</p> <p><b>5. Executive Report</b></p> <ul style="list-style-type: none"><li>Andrew Dawson said the focus has been on how we create a revenue stream to reward our shareholders whilst focusing on keeping the property as one of the best Equestrian facilities in the country.</li><li>SANEC and KPC now have a signed 9 Year Lease Agreement in place now where 50% of the KPC Membership fees gets paid over to SANEC as rental. SANEC and KPC also have a Services Agreement in place where SANEC will take over all the ground staff and will then be responsible for all the upkeep and maintenance of the property. KPC will then pay over an annually agreed percentage of their Annual profit to SANEC to cover this upkeep which includes all the Arena Maintenance.</li><li>The plan is to eventually have a 99 year lease in place between SANEC and KPC and much has been done to get this in place. The approval of</li></ul>	



this is now in the hands of the Minister of Agriculture and all documentation has been provided for this approval. We hope to have an answer in this regard before our next AGM. We are striving to reach a model that the two entities together can provide a viable and sustainable strategy that will allow this partnership to make enough money to allow us to pay out dividends to our shareholders.

- During the last year we have made a significant investment into the property which will allow us to promote membership and ensure membership growth and sustainability for the Club. Some of these investments include the Refurbishment of the Small Sand Arena (May Foxcroft Warm-up), Refurbishment of the Members Arena and Members Warm-up, the addition of a Pizza Oven upstairs in the Restaurant, the installation of sliding windows in the press box to allow for Streaming cameras, the refurbishment and extension of the Peter Minnie Ablutions and the moving of Pavilion and rebuilding it including adding decking on either side, raised floor, blinds and bar.

If we move on now to the finances:

- This year SANEC showed a loss of just over R2 000 000 – most of this due to the cost of the Capital projects mentioned.
- Annual Revenue has increased by almost R900 000 which is a good sign although most of this increase is due to the 50% of KPC Membership Fees.
- Operating expenses has also increased substantially with arena maintenance one of the main reasons for this.
- Numerous other additional costs were pointed out and the reasons for these.

Andrew Dawson then pointed out that a lot of the costs had gone into improving the tenant facilities like Catering where the return on Investment will show during the next year or two. Hopefully this will then result in a profit and return through dividends to our Investors.

Finances approved by: Claudia Privato

Seconded by: Neil Smith



**6. Vote to retain Thort as auditors:**

Unanimously accepted

**7. KPC Lease Agreement – Explanation.**

Already discussed.

**8. Election of Directors to the SANEC Board**

The current 5 members of the SANEC Board are all available for re-election.

1. Grant Walker
2. Neil Smith
3. Graham Reid
4. Andrew Dawson (Chairman)
5. Jeanne Korber

No New nominations have been received.

All current Board members Unanimously Accepted for the next term.

**9. General**

Jimmy Telle raised a concern regarding SANEC Shareholders no longer being members of KPC and this is then in contravention of the companies act and our MOI. Andrew Dawson then responded that we should be contacting these shareholders and offering them one of the membership options to entice them to remain members otherwise these shares should be taken back into SANEC and resold.

No further matters.

Andrew also then mentioned that both the Maintenance team and Ground Staff will now report into the Maintenance Manager and that this will then help using economies of scale to increase productivity and reduce duplication and confusion.

**10. Close the meeting.**

Andrew Dawson then thanked all for attending and declared the meeting closed.