

TOL Gases Limited

28TH ANNUAL GENERAL MEETING

**JULIUS NYERERE
INTERNATIONAL CONVENTION
CENTRE – MIKUMIHALL AND VIA
ZOOM VIDEO CONFERENCING**

25TH AUGUST, 2023



Plot 4B, Nyerere Road, P.O Box 911, Dar es Salaam
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NOTICE

28TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 28th Meeting of the Shareholders of TOL Gases Limited will be held on a hybrid of physical attendance at the Julius Nyerere International Convention Centre (JNICC) and via ZOOM video conferencing on 25th August, 2023 at 9.00a.m to transact the following business:-

1. Adoption of the Agenda.
2. Confirmation of Minutes of the year 2021 Annual General Meeting held on 19th August, 2022.
3. Matters arising from minutes of the year 2021 Annual General Meeting.
4. Chairman's Statement.
5. To receive Directors' Report, Auditors' Report and the Audited Financial Statements for the year ended December, 31, 2022.
6. To approve Dividend Payment.
7. To approve Directors' Fees.
8. To appoint Auditors for the year 2023.
9. Election of Directors.
10. To set the place, date and venue of the next meeting.
11. Any other business (Duly notified at least seven days before the meeting)

Registration for participating in the ZOOM Video Conferencing should be done through phone no 0685750201/0685750203.

A member entitled to attend and vote at the Meeting is also entitled to appoint a proxy (whether a member of the Company or not) to attend and vote in his/her stead.

All proxy forms or letters appointing proxy must be lodged at the office of the Company Secretary at least 48 hours before the time fixed for the holding of the meeting or via email to mjuliana@tol-gases.co.tz/nlulu@tol-gases.co.tz

BY ORDER OF THE BOARD

**CORNELIUS KASIYA KARIWA
COMPANY SECRETARY**

TOL GASES LIMITED

YEAR 2021 ANNUAL GENERAL MEETING

**Minutes of the year 2021 Annual General Meeting held on 19th
August, 2022 on a hybrid of physical attendance at the Ruaha Hall,
Julius Nyerere International Convention Centre, Shaaban Robert
Street, Dar es Salaam and via zoom video conferencing**

Present:

(List of Shareholders who attended is appended).

Directors present:

- | | | | |
|----|-------------------------|---|--------------------|
| 1. | Mr. Michael Shirima | - | Chairman |
| 2. | Mr. Simon Mponji | - | Director |
| 3. | Eng. Joseph C. Machange | - | Director |
| 4. | Mr. Justin Massawe | - | Director |
| 5. | Prof. Abraham Temu | - | Director |
| 6. | Adv. Cornelius Kariwa | - | Company Secretary. |

Apologies

- | | | | |
|----|-----------------------|---|----------|
| 1. | Mr. Some Selestine | - | Director |
| 2. | Mr. Leonard C. Kitoka | - | Director |

By invitation:

- | | | | |
|----|--------------------|---|------------|
| 1. | Mr. Gideon Kapange | - | DSE – CSDR |
| 2. | Mr. Adolf Boyo | - | KPMG |
| 3. | Mr. Bakari Amiri | - | KPMG |

In attendance:

- | | | | |
|----|-----------------------|---|---------------------|
| 1. | Mr. Daniel M. Warungu | - | Managing Director |
| 2. | Mr. Evarist Tilafu | - | Director of Finance |
| 3. | Eng. Daudi Mlwale | - | BDM Director |
| 4. | Eng. McJohn Mbiri | - | Technical Director |
| 5. | Mrs. Juliana Mrikaria | - | DHRA |

- | | | |
|----------------------|---|-------------------|
| 6. Mr. Robert Tenga | - | Finance Manager |
| 7. Mr. Rajabu Kiweku | - | Technical Manager |
| 8. Mrs. Aisha Lubuva | - | Fleet Manager |

1.0 NOTICE AND QUORUM:

NOTICE having been duly served on all the Shareholders and there being the requisite quorum, the meeting was called to order at 09.30 am.

2.0 PROXIES

8 proxies with total shares of 86,489 was tabled.

3.0 AGENDA:

- (i) Adoption of the Agenda.
- (ii) Confirmation of Minutes of the year 2020 Annual General Meeting held on 27th August, 2021.
- (iii) Matters Arising from Minutes of the year 2020 Annual General Meeting.
- (iv) Chairman's Statement.
- (v) To Receive the Directors' Report, Auditors Report and Audited Financial Statements for the year ended December 31, 2021.
- (vi) To Approve Dividend Payment.
- (vii) To Approve Directors' Fees.
- (viii) To Appoint Auditors for the year 2022.
- (ix) Amendment of MEMARTS
- (x) Any other Business (duly notified at least seven days before the meeting).

4.0 ADOPTION OF THE AGENDA:

TABLED and **ADOPTED** the Agenda as presented.

5.0 CONFIRMATION OF MINUTES OF THE YEAR 2020 ANNUAL GENERAL MEETING HELD ON 27TH AUGUST, 2021:

TABLED and **NOTED** minutes of the year 2020 AGM held on 27th August, 2021.

The minutes were **CONFIRMED** to be a correct record of the said meeting and the Chairman and the Company Secretary signed the same.

6.0 MATTERS ARISING:

TABLED and **NOTED** a paper on Matters Arising from minutes of the year 2020 Annual General Meeting held on 27th August, 2021.

6.1 PAYMENT OF DIVIDENDS (10.1):

6.1.1 **REPORTED** that as of 30th June 2022, Tsh 1,778,759,625.00 was paid to Shareholders and Tsh 121,294,899.67 remained unclaimed and that CSDR and TOL would continue to seek Shareholders that were yet to receive their 2018, 2019 and 2020 dividend.

7.0 CHAIRMAN'S STATEMENT:

TABLED and **NOTED** the Chairman's Statement for year 2021 (previously circulated).

7.1 **REPORTED** further that revenue grew by 25% from Tsh 19.8Bn recorded in 2020 to Tsh 24.8Bn.

7.2 **REPORTED** further that profit before tax grew by 41% from Tsh 2.3Bn in 2020 to Tsh 3.3Bn in 2021.

- 7.3 **REPORTED** further that Earnings before interest, taxes, depreciation and amortization (EBITDA) for 2021 was 7.6Bn, 15% higher than 2020's EBITDA of 6.6Bn. EDITDA margin for 2021 was 31%
- 7.4 **REPORTED** that earnings per share for the year 2021 was Tshs. 57.29 compared to Tshs 40.76 recorded in 2020
- 7.5 **REPORTED** that having successfully installed and commissioned a new air separation plant, the company has embarked in investing in additional factory for carbon dioxide which will double the Company's production capacity and thus improve financial performance of the company.
- 7.6 **REPORTED** that the Company has continued to invest in embedding reliability into operations and has invested significantly into new trucks and tankers to instill confidence in the ability to deliver products to customers across the region reliably and efficiently.
- 7.8 **RESOLVED** that the Chairman's Statement for year 2021 be and is hereby received and adopted.

8.0 TO RECIEVE THE DIRECTORS' REPORT, AUDITORS' REPORT AND AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021:

TABLED and **NOTED** the Directors' Report, Auditors' Report and Audited Financial Statements for the year ended December 31, 2021 (previously circulated).

- 8.1 **RESOLVED** that the Directors' Report, Auditors' Report and Audited Financial Statements for the year ended December 31, 2021 be and are hereby received and adopted.

9.0 APPROVAL OF DIVIDEND PAYMENT:

9.1 **RESOLVED** that subject to the approvals of the Dar es Salaam Stock Exchange (DSE) and the Capital Markets and Securities Authority (CMSA), payment of a dividend of Tsh 40.00 per share for year ending 31st December, 2021 be and is hereby approved.

10.0 APPROVAL OF DIRECTORS' FEES:

TABLED and **NOTED** a paper on Approval of Directors' Fees (previously circulated).

10.1 **REPORTED** that it is recommended that Director's fee to remain the same thus Tsh. 6,000,000/= net of taxes for each director and Tsh. 8,000,000/= net of taxes for the Chairman as was approved by shareholders in 2019 AGM.

11.0 TO APPOINT AUDITORS FOR YEAR 2022:

TABLED and **NOTED** a paper with recommendation on appointment of auditors for year 2022 (previously circulated).

11.1 **REPORTED** that the Board of Directors recommended appointment of KPMG as external auditors for the financial year 2021 pursuant to articles 136 of TOL Gases Ltd MEMATS that requires the Company to appoint an Auditor(s) at each AGM to hold office until the next ensuing AGM.

11.2 **RESOLVED** that KPMG be and are hereby appointed the Auditors of TOL Gases Limited 2021 financial statements at a fee of USD 22,500.

12.0 AMMENDMENT OF MEMARTS:

TABLED and **NOTED** a paper with a proposal for amendment of MEMARTS to specifically change Company name to TOL Gases PLC (previously circulated).

12.1 REPORTED that Registrar of Companies as mandated by BRELA Act, has issued a notice to all companies must be registered in the online registration system i.e. ORS.

12.2 REPORTED that the Company is registered in BRELA ORS as a Limited Company as such there is a need to change registration of the Company to Public Listed Company i.e. PLC. This will enable Management to update Company information online as required.

12.3 RESOLVED that Management be and hereby mandated to amend the MEMARTS and specifically change Company name from TOL Gases Limited to TOL Gases PLC.

13.0 AMMENDMENT OF MEMARTS:

TABLED and **NOTED** a paper with a proposal for amendment of MEMARTS to specifically recognize digital communications and virtual meetings (previously circulated).

13.1 REPORTED that the existing MEMARTS had not envisaged the rapid development in communication technology. It is therefore proposed that MEMARTS be amended to recognize the use of both digital and electronic means of communication such as virtual meetings and digital communications platforms in special circumstances as approved by the Board of Directors.

13.2 RESOLVED that Management be and hereby mandated to amend the MEMMARTS and specifically to include recognition of virtual meetings and digital/electronic communication platforms in special circumstances as approved by the Board of Directors.

14.0 CLOSURE:

There being no other business to transact, the Chairman **CLOSED** the meeting at 12.15 pm with a vote of thanks.

Approved.....

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COMPANY SECRETARY

CHAIRMAN

Date.....

List of shareholders who attended 2021 AGM on 19th August 2022

S/N	PARTICIPANT NAME
1	MILLICENT MREMA
2	DORAS JULIUS LIGANGA
3	EVARIST TILAFU
4	ROBERT W TENGA
5	FAUSTIN LIHAWALA
6	PAUL PETER GANDYE
7	HARUN MSHAMU MPONDA
8	NAOMI OSIMA
9	RASUL ABDALLAH KIGODA
10	CHANDE MOHAMEDI
11	HUMPHREY KAMENYA
12	JOHN PASCHAL RUGEMALIRA
13	RAJABU KIWEKU
14	CSDR (GIDION KAPANGE)
15	HABIBA OMARY MAHUMA
16	ZULFIKAR KARIM
17	EMMANUEL JOSEPH DAFTARI
18	RASHIDI MSHAMU
19	ELIAS 2 ADOCK OKOTH
20	MWANAISHA KAPALATA
21	CHRISTINA NGHUMBI
22	BENINA NJAIDI
23	ALPHONCE MARCO
24	KILLENGA MANSUETH
25	SHIDA MAJIJO RYOBA
26	RODRICK MARANDU
27	SMART BROKERS
28	JOHN DICKSON MBWANA BOSIO DARU
29	MATHEWDWANDE
30	SAMWEL SAMSON KIGWA
31	MARY WASIL SEIF

32 AHMED ABDALLAH
33 ENDAEL ROBSON
34 ELIZABETH MAGAMBO
35 ADRIAN J MAKELELE
36 JOSEPH S MARO
37 JOHN PASCHAL RUGEMALINA
38 ISABELLA KAPER
KIBAHA EDUCATION CENTRE
39 SACCOS
40 IRENE MUSETTI (PSSF)
41 NOEL CHAMI
42 CIRILLE SEKAMAGANGA
43 MANATH ABDI RWEGARULILA
44 MUSA SAIDI KALIYHAI
45 MUSA SALEHE CHENGULA
46 ZACHARIA ERASTO BWUNGE
47 MGIMBA P.E
48 EDGAR RUGAIMUKAMU (TR)
49 AMENYE M KARINGA
50 MWENDAPOLE INVESTMENT
51 EDWIN AMANDUS NGONYANI
52 BARAKA URASSA
53 ROSEMARY S.LUHANGA
54 MCJOHN MBIRI
55 OMARI ALI MAHUNA
56 MUSTANSILALI TEHERAJ
57 ADOLF MICHAEL SHOKI
MR. ESSAYAS THOMAS
58 M.MGENDERA
59 CORNELIUS R. MWAKYUSA
60 EXAUD TERRY
61 SALUM RAMADHAN
62 ALBERT MILANZI
63 MARCO KASUGA

- 64 ELIAS MALILA SABUNI
- 65 SMART STOCK BROKERS
- 66 MRS DATIVA A. MALLE
MCHAPE BENSON
- 67 MWANYONDU
- 68 FREDRICK SUMAYE
MWINTANGA ALLY
- 69 MWINTANGA
- 70 MBITA HASHIMU MBITA
- 71 COSMAS S. LAMOSAI
- 72 MARCELINO XAVER KAYOMBO
- 73 KEBRON A. MAHOO
- 74 JOSHUA TUKIKO OSANO

TOL GASES LIMITED

28TH ANNUAL GENERAL MEETING

MATTERS ARISING FROM MINUTES OF THE YEAR 2021 ANNUAL

GENERAL MEETING HELD ON 19TH AUGUST 2022:

1.0 APPROVAL OF DIVIDEND PAYMENT

The AGM approved a dividend payout of Tsh 40.00 per share for the year ending 31st December, 2021 subject to approvals of the Dar es Salaam Stock Exchange (DSE) and the Capital Markets and Securities Authority (CMSA)

UPDATE:

Dividend payout as approved by the AGM was paid to the respective shareholders.

Tsh. 2,085,068,702.00 has been paid out to Shareholders as of 30th June, 2023 while Tsh. 100,157,892.00 remains unclaimed for the year 2021 dividend. Total unclaimed dividend for the financial years, 2018, 2019, 2020 and 2021 is Tsh 263,904,467.21

CSDR and the Company will continue to seek Shareholders who are yet to receive their 2018, 2019, 2020 and 2021 dividend so as payment can be made accordingly.

TOL GASES LIMITED

28TH ANNUAL GENERAL MEETING

CHAIRMAN'S STATEMENT

Esteemed Shareholders, Fellow Directors, Distinguished Guests, Ladies and Gentlemen, I am delighted to welcome you to this annual general meeting (AGM) to present to you the Director's Report for the year ended 31st December 2022.

Financial year 2022 saw some marked performance improvement especially on profitability, with operating profit growing by 38% on 2021 performance.

We are looking forward to commissioning the newly installed carbon dioxide (CO₂) plant (Ikama 2) before the end of the year. The factory construction is complete, the plant has largely been installed and commissioning will be taking place in the coming days. Investment in this additional plant will double our production capacity which will in turn enable the Company to pursue a larger market share within Tanzania and neighbouring countries.

Impact of the new CO₂ plant on the Company performance is expected to be registered in the financial year 2024. Meanwhile the Board and Management are focused on investing in additional capabilities for the distribution of the added volumes to ensure that the Company is able to meet customer needs for CO₂ across the local and regional market.

Competition continues to be stiff both from domestic as well as foreign competition. Competition is expected to get even tighter going forward but on the other hand demand for industrial gases is also expected to be growing in the foreseeable future. In such a market, the Company stands to lose market share and ultimately profitability if it does not keep up with demand. It is for this reason that the Board remains engaged and ready to invest in additional production as well as distribution capacity.

This is especially the case with CO₂ where preliminary studies have begun on a third 2tons/Hr plant in Kyejo, Busokelo District.

Financial performance

Performance for the financial year 2022 was a commendable improvement on 2021's performance especially at the level of operational profits. Revenue for the year grew by 2.85% from Tshs 24.8Bn recorded in 2021 to Tshs 25.5Bn.

Profit before tax grew by 38% from Tshs 4.48Bn recorded in 2021 to Tshs 6.2Bn whereas profit after tax grew by 5.6% from Tshs 3.29Bn to Tshs 3.48Bn during the year.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) for the year 2022 was Tshs 9.8Bn, 30% higher than 2021's EBITDA of Tshs7.6Bn. EBITDA margin for 2022 financial year was 38% (31% in 2021). Earnings per share for the year is Tshs 60.52 compared to Tshs 57.29 in 2021.

Dividend

The Board is recommending a dividend payment of Tshs 50.00 per share, a growth of Tshs 10 from the Tshs 40 per share dividend declared for the financial year 2021.

Vote of thanks

I would like to take this opportunity to once again sincerely thank our staff members for their commitment and dedication to our Company, Board of Directors, and Management and to our valued customers and all stakeholders for their support and confidence in the future of our Company. I look forward to your continued support in the financial year 2023 and beyond.

BOARD CHAIRMAN

Thank you all and God bless you.

TOL Gases Limited

28TH ANNUAL GENERAL MEETING

DIRECTORS REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDING 31 DECEMBER 2022

TOL GASES LIMITED

28TH ANNUAL GENERAL MEETING

APPROVAL OF DIVIDEND PAYMENT

It is proposed that subject to approval of DSE and CMSA, a dividend of Tsh. 50.00 per share be paid out for the year ending 31st December 2022.

Pursuant to the dividend payment declaration and approval from DSE and CMSA, the proposed timetable for dividend payment shall be as follows:

Announcement of Dividend Payment:	25 th August, 2023
Trading of Shares cum Dividend:	25 th August 2023 – 15 th September 2023
Trading of Shares Ex-Dividend:	16 th September 2023
Closure of the Members Register:	21 st September 2023
Re-Opening of the Register:	21 st September 2023
Dividend Payment on/or about:	20 th October 2023

Dividend will be paid directly to shareholders bank accounts.

TOL GASES LIMITED

28TH ANNUAL GENERAL MEETING

APPROVAL OF YEAR 2023 DIRECTORS' FEES

The Board of Directors annual fee has remained at the same level since 2019 as follows:

- a) Board member Tsh 6Million
- b) Board Chair Tsh 8Million

The Company has benchmarked its Board remuneration with its peers in the Dar es Salaam Stock Exchange (DSE), Government agencies such as parastatals and others similar sized companies and would like to recommend an uplift of the Director's fee commensurate with the size and responsibility of our Company as well as the prevailing market rates in order to continue attracting the good candidates to seat in the Company's Board.

Below are data used for the benchmarking exercise.

3.1 Viwango vya Ada ya mwaka kwa Wenyekiti na Wajumbe wa Bodi za Wakurugenzi za Taasisi na Mashirika ya Umma

Na.	Kundi la Taasisi	Viwango vya Ada ya mwaka	
		Mwenyekiti	Wajumbe
1.	Regulatory Authorities	12,000,000	10,000,000
2.	Bank and Financial Institutions		
3.	Commercial Entities		
4.	Social Security Funds		
5.	Public Universities and University Colleges	10,000,000	8,000,000
6.	Health Institutions		
7.	Appeals and Tribunal Boards		

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Table 1: Government's Board appointees fee directive

Others

No	Entity	Board Member	Board Chair
1	SWISSPORT	18,000,000.00	23,000,000.00
2	TANGA CEMENT	12,000,000.00	14,000,000.00
3	NICOL	13,860,000.00	15,120,000.00

Table 2: Private institutions of similar size to TOL Gases Plc

Recommendations

- 1) The Company is recommending that the current Director's fees be updated to reflect the prevailing market rates as follows:
 - i) Board Member Tshs 10 Million(*net of taxes*)
 - ii) Board Chair Tshs 12 Million(*net of taxes*)

TOL GASES LIMITED

28TH ANNUAL GENERAL MEETING

APPOINTMENT OF EXTERNAL AUDITORS

Board Policy on the duration of the tenure of external auditors

In the interest of independence of the external auditors, the Board has adopted a policy for retaining external auditors as follows:

- 1) The right for Shareholders to appoint external auditors annually in the AGM as enshrined in the Company's Act takes precedent over any Board policy on the matter of appointment of external auditors.
- 2) No auditing firm shall be allowed to hold office for more than six years continuously from the date of first appointment
- 3) After the first appointment of an auditing firm to be the Company's auditors, the firm will be allowed to hold office for three consecutive financial years without the Board soliciting for proposals from other auditing firms.

Current External Auditor

The auditing firm KPMG is the current office holder of the external auditors. The firm has held the office for the past three financial years. Seeing that the firm was in office at the time of adoption of the said policy, the Board of Directors recommends to the shareholders the reappointment of KPMG for the financial year 2023.

The shareholders are requested to approve the appointment of KPMG to be External Auditors of TOL Gases Ltd Financial Statements at fee of Tsh 70,000,000/=

The Board will invite other proposals for the external auditors for the financial year 2024 - 2026 in the AGM for the financial year ending 2024, from which the Board will forward two best evaluated firms for the shareholders to appoint from.

TOL GASES LIMITED

28TH ANNUAL GENERAL MEETING

ELECTION OF DIRECTORS – FILLING OF VACANT POSITION.

WHEREAS Section 92 provides that the General Meeting may by Ordinary Resolution remove or appoint any Director.

WHEREAS Mr. Michael Shirima (Director Representing Professionals) has passed away and thereby created a vacant position.

WHEREAS, Section 89 of the MEMARTS requires that no person shall be eligible for election of Directorship unless he/she is recommended by the Directors or proposed by a Shareholder who is duly qualified to be present and vote at the meeting and has signed the proposition to concede his/her willingness to be elected.

WHEREAS, any shareholder who would like to nominate a person for election to represent experts, may submit the following to the Secretary not later than 20th August 2023 :-

1. Notice of his/her intention to propose such a person signed by the proposed person conceding his willingness to be elected.
2. Resume of the proposed person with due consideration to the requirements of Companies Act and the Company's MEMARTS.

WHEREAS, the election will be conducted by all shareholders through voting by Shares.

TOL GASES LIMITED

28TH ANNUAL GENERAL MEETING

DATE AND VENUE OF 29TH ANNUAL GENERAL MEETING

**The 29th Annual General Meeting of the Shareholders of TOL
Gases Limited is scheduled as follows:**

DATE: Friday, 23rd August, 2024 commencing at 9.00am.

VENUE: Julius Nyerere International Convention Centre
(JNICC)

Block 10, Shaaban Robert Street,

Dar es Salaam.

TOL Gases Limited

**YEAR 2022 ANNUAL GENERAL
MEETING**

ANY OTHER BUSINESS