



Positive Outlook

The investment in our Meat Processing Plant will continue to contribute to overall sales by servicing the demand of the hospitality market for key protein products. The company began distributing products into the major supermarket and hyper market chains and it will further expand its range of products produced in the plant targeting local consumption and driving sales in the retail trade.

We began exporting our heritage products to St. Maarten and plan to expand further into other Caribbean markets by the end of the second quarter of 2013-2014.

The past year has been challenging on many levels; notwithstanding these factors, CPJ has remained committed to completing its original expansion objectives as set out in our prospectus in 2011. We intend to keep our focus on growing our market share and increasing efficiencies.

The company extends its deepest thanks to its shareholders, customers, business partners, vendors and employees who go the extra mile every day to contribute to the success of our company.

Report to the Shareholders

Audited Results for Year Ended June 30, 2013

Financial Highlights (J\$) 2013 vs 2012

	2012/2013 '000'	2011/2012 '000'	Change '000'	% Change
Revenue	6,528,551	5,863,348	665,203	11%
Gross Profit	1,873,341	1,511,681	361,660	24%
Gross Profit %	29%	26%	54%	-
Operating Expenses	1,268,059	1,007,371	260,688	26%
Op/Ex to Sales	19%	17%	39%	-
Profit from operations	465,688	407,339	58,349	14%
Non-Operating Expense	175,176	136,627	38,549	28%
Profit before taxation	290,513	270,712	19,800	7%
Taxation	9,981	(6,430)	16,411	-255%
Net profit for the Year	300,494	264,282	36,212	14%
EPS	27.29	24.33	2.97	12%

**Exchange based on weighted average to US\$1.00
Year 2012/2013 JMS\$94.1147 & Year 2011/2012 JMS\$86.8762*

Company achieved impressive performance for Q4

The net profit for the last quarter of US\$1.4 million surpassed the previous quarter's results by 188% and Earnings Per Stock Unit increased to USD 0.13c compared to USD 0.04c the previous year. The fourth quarter performed ahead of the company's expectations in terms of projected sales thereby contributing to the significant increase in net profit. Revenues for the fourth quarter were US\$19.2 million versus US\$17.7 million representing a 9% increase over the corresponding period last year. This was the result of increased production and efficiency of the manufacturing division, the consumer support of CPJ Market Kingston and Cru Bar. In addition, the hotel sector remained buoyant during the quarter as high occupancies were enjoyed throughout the period notwithstanding the closure of major hotel properties.

The company achieved a 15% increase in its Gross Operating Profit of US\$5.4 million, a significant improvement when compared to the corresponding period last year of US\$4.6 million representing 28% and 26.4% gross profit margins respectively. Selling and administrative expenses reduced by 5.8%.



Community Development

As part of its commitment to community development, during the quarter CPJ became the lead sponsor for the Jamaica Independent Schools Association (JISA) Invitational Friendship Meet held in July. This sporting event held in Montego Bay promotes character development, an attitude of teamwork and genuine care of others as prerequisites to participation.



Throughout the year, CPJ participated in many fundraisers for the We Care for Cornwall Regional Hospital foundation as it seeks to improve the quality of the infrastructure and medical care at the facility.

Company achieved modest growth year on year

The company's sales exceeded expectations for the third and fourth quarter, which are traditionally the company's strongest revenue periods, compensating for a weaker than expected first & second quarters. Revenues for the year were US\$69.4 million versus US\$67.5 million over the corresponding period last year, an increase of US\$1.9 million or 2.7%. The net profit attributable to shareholders for year ending June 30, 2013 increased by 5% to US\$3.2 million compared to US\$3.04 million as at June 30, 2012; earnings per stock unit moved to USD 0.29c from USD 0.28c

Selling and Administrative expenses for the year increased by US\$1.8 million compared to last year due to the new business units which began operating at the end of December 2012, namely the opening of the CPJ Market Kingston store, The Deli at CPJ Market and the award winning CRU Bar + Kitchen. The store has been well received and has given the company more opportunity to showcase the rapidly growing selections of meat and seafood products processed by CPJ. CPJ Market has become known as highly desirable destination for a range of speciality food categories including Gluten Free products. Also notable is that CRU Bar + Kitchen won the 2013 Jamaica Observer Food Table Talk award for outstanding décor.

The depreciation charge (2013: US\$1.5 million; 2012: US\$1.1 million) increased by US\$469 thousand or 42% compared to the corresponding period in 2012 representing the capital expenditure for the manufacturing and operational assets set up this year.

Current assets rose by US\$4.3 million or 15% over the same period last year. Cash and cash equivalents increased by US\$2.4 million. Trade Receivables decreased by US\$407 thousand while our Inventory increased by \$2.2 million or 14%. Current Liabilities decreased slightly by 1.7%. Long term borrowings increased by US\$2.7 million relating to the J\$500 million bond offer placed at the end of June. Management intends to retire higher cost debt in the first quarter.

On March 8th, 2013 the Board of Directors declared an interim dividend of JA\$.045c per share or approximately US\$508,652, which was subsequently paid on March 28th, 2013 to its shareholders.

This represents the final dividend for the financial year ended June 30, 2013.