

SEPROD LIMITED

Interim Report

Year Ended 31 December 2019



Interim Report to the Stockholders

Overview of our 2019 results

For the year ended 31 December 2019, the Seprod Group achieved revenues from continuing operations of J\$34.35 billion, an increase of J\$11.85 billion or 53% over 2018. This was driven primarily by the acquisition of the Facey Consumer Division in Q4 2018 and by an increase in the export business.

Net profit from continuing operations for the year was J\$1.99 billion, an increase of J\$510 million or 34% over 2018. The increase in profits from continuing operations was due in large part to efficiencies gained from internal reorganizations of the ingredients and the distribution businesses, and from the consolidation of the dairy business.

During 2019, Management executed on its previously communicated decision to close the sugar factory and, in so doing, curtail the ten (10) years of operational losses from sugar manufacturing. This move will positively impact the Group's return on equity and its cashflows in the future. The losses from this discontinued operation (inclusive of redundancy payments and estimated impairment losses) amounted to J\$814 million.

The resulting net profit for the year was J\$1.18 billion, an increase of J\$119 million or 11% over 2018. As previously mentioned, this result was impacted by several one-off costs related to the Golden Grove closure and to the dairy consolidation.

2019 has been a year of consolidation for the Seprod Group. The difficult decisions taken has placed the Group in a very good position to generate sustainable value creation for 2020 and beyond.

Thanks to all our valued partners, customers, consumers, employees and shareholders for your continued support of the Seprod Group. We are committed to making you proud in everything that we do.

P. B. Scott

P. B. Scott Chairman February 14, 2020

R. R. Pandohie Chief Executive Officer



Shareholders' Profile as at 31 December 2019

Ten Largest Shareholders

1.	Musson (Jamaica) Limited	233,747,988
2.	Coconut Industry Board	163,420,345
3.	JCSD Trustee Services Limited – Facey Group Limited	125,234,043
4.	Grace Kennedy Limited Pension Scheme	21,955,904
5.	National Insurance Fund	15,443,045
6.	Scotia Jamaica Investment Management - A/C 3119	9,074,455
7.	ATL Group Pension Fund Trustee Nominee Limited	6,424,347
8.	VM Wealth Equity Fund	5,786,571
9.	NCB Insurance Company Limited - A/C 109	5,648,346
10	. Richard Pandohie	3,959,381

Shareholding of Directors, along with their connected persons

	-
1. Paul B. Scott (Chairman)	Nil
- connected persons	358,982,031
2. Peter J. Thwaites (Vice Chairman)	5,000
3. Richard R. Pandohie (Chief Executive Officer)	3,959,381
4. Byron E. Thompson	1,220,668
5. Melanie Subratie	Nil
- connected persons	358,982,031
6. Michael J. Subratie	Nil
7. Nicholas Scott	Nil
- connected persons	1,206,768
8. Christopher Gentles	Nil
9. Hugh Gentles	Nil
- connected person	500,000
10. Patrick Scott	3,000,000
11. Nicholas Jones	Nil



Shareholding of Management

1. Marilyn Anderson	25,000
2. Carol Andrade	13,000
3. Dr. Gavin Bellamy	41,600
4. Angela Cooper	38,854
5. Damion Dodd	300,000
6. Roger Drinkall	200,000
7. Chana Hay	1,375,500
8. Tricia Hill	Nil
9. Kerrian Johnson	25,000
10. Efrain Lara	Nil
11. Roger Lewis	75,300
12. Milton Maragh	Nil
13. Jeffrey Moss-Solomon	201,900
14. Richard Pandohie	3,959,381
15. Patrick Scott	3,000,000
16. Dr. Patrick Sterling	20,700
17. Dave Virtue	Nil
18. Amanda Watson *	460,000
19. Basil Watson *	460,000

* held jointly



Interim Financial Statements (Unaudited)

12 months ended 31 December 2019

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SEPROD LIMITED

Consolidated Statement of Comprehensive Income (Unaudited)

(expressed in Jamaican dollars unless otherwise indicated)

	3 months ended 31 December		12 months ended 31 December		
	2019	2018	2019	2018	
	\$'000	\$'000	\$'000	\$'000	
Revenue	9,549,494	7,797,896	34,347,060	22,499,784	
Direct expenses	(5,974,442)	(5,769,489)	(21,748,562)	(15,560,298)	
Gross Profit	3,575,052	2,028,407	12,598,498	6,939,486	
Other operating income	19,926	160,997	194,954	837,658	
Other operating expenses	(2,797,576)	(1,633,652)	(9,786,850)	(5,233,005)	
Operating Profit	797,402	555,752	3,006,602	2,544,139	
Finance costs	(508,037)	(304,001)	(1,374,697)	(737,983)	
Share of results of joint venture	54,789	40,505	100,301	57,930	
Profit before Taxation	344,154	292,256	1,732,206	1,864,086	
Taxation	486,551	(51,100)	262,737	(378,757)	
Net Profit from continuing operations	830,705	241,156	1,994,943	1,485,329	
Net loss from discontinued operations	(27,700)	(148,763)	(814,193)	(423,274)	
Net Profit	803,005	92,393	1,180,750	1,062,055	
Other comprehensive income, net of taxes	(53,688)	(18,032)	38,547	59,350	
Total Comprehensive Income	749,317	74,361	1,219,297	1,121,405	

Net Profit from continuing operations is attributable to Stockholders of the Company Net Loss from discontinued operations is attributable to:

Net Loss from discontinued opera	ations is attributa	ible to:		
Stockholders of the Company	(27,700)	(107,907)	(720,093)	(303,304)
Non-controlling interest	-	(40,856)	(94,100)	(119,970)
	(27,700)	(148,763)	(814,193)	(423,274)
Total Comprehensive Income is a	ttributable to:			
Stockholders of the Company	749,317	115,217	1,125,197	1,241,375
Non-controlling interest	-	(40,856)	(94,100)	(119,970)
	749,317	74,361	1,219,297	1,121,405

Earnings per Stock Unit attributable to Stockholders of the Company

Continuing operations	\$1.13	\$0.33	\$2.72	\$2.60
Discontinued operations	\$(0.04)	\$(0.15)	\$(0.98)	\$(0.53)
Total	\$1.09	\$0.18	\$1.74	\$2.07



Consolidated Statement of Financial Position (Unaudited)

(expressed in Jamaican dollars unless otherwise indicated)

Non-current Assets 7,443,253 7,427,25 Property, plant and equipment 7,443,253 7,427,25 Intangible assets 9,414,737 9,657,76 Investments 1,452,992 1,414,44 Investment in joint venture 503,237 402,93 Long term receivables 558,075 703,77 Post-employment benefit asset 36,000 36,000 Biological assets 345,209 342,56 Deferred tax assets 21,069,821 20,687,51 Current Assets 2 20,687,51 Inventories 5,907,092 6,548,100 Biological assets 286,549 439,30 Receivables 286,549 439,30 Current portion of long term receivables - 372,00 Taxation recoverable 149,310 152,664 Current portion of long term liabilities - 1,850,784 2,055,33 Current portion of long term liabilities 7,135,028 8,565,25 3,662,29 14,610,85 Payables 7,135,028 8,565,25 3,1		31 December 2019 \$'000	31 December 2018 \$'000
Intangible assets 9,414,737 9,657,76 Investments 1,452,992 1,414,44 Investment in joint venture 503,237 402,93 Long term receivables 558,075 703,77 Post-employment benefit asset 36,000 36,000 Biological assets 345,209 342,56 Deferred tax assets 1,316,318 702,77 Current Assets 21,069,821 20,687,51 Inventories 5,907,092 6,548,10 Biological assets 286,549 439,30 Receivables 6,333,194 5,043,32 Current protion of long term receivables 14,526,929 14,610,85 Current Liabilities 78,428 2,055,33 Payables 6,336,600 6,373,83 Current Assets 7,391,901 6,045,59 Payables 7,315,028 6,366,00 Current Assets 7,391,901 6,045,59 Retained carnings 1,031,881 993,33 Retained carnings 1,031,881 993,33 Retained earnings 15,205,414 15,744,92 Non-control	Non-current Assets	·	
Investments 1,452,992 1,414,44 Investment in joint venture 503,237 402,93 Long term receivables 558,075 703,77 Post-employment benefit asset 36,000 36,000 Biological assets 345,209 344,56 Deferred tax assets 1,316,318 702,77 Current Assets 1,316,318 702,77 Receivables 286,549 439,300 Receivables 286,549 439,300 Current portion of long term receivables - 372,09 Taxation recoverable 1,452,6929 14,610,853 Current Liabilities - 372,09 Payables - 372,09 Current portion of long term liabilities - 372,09 Taxation payable - 14,526,929 14,610,85 Current portion of long term liabilities 7,913,001 6,045,59 2,051,66 Taxation payable - 13,973 37,091,901 6,045,59 Current Assets 7,135,028 8,565,25 5,768,558 5,768,55 2,673,31,00 Payables -	Property, plant and equipment	7,443,253	7,427,259
Investment in joint venture 503,237 402,93 Long term receivables 558,075 703,77 Post-employment benefit asset 36,000 36,000 Biological assets 345,209 342,56 Deferred tax assets 1,316,318 702,77 Current Assets 21,069,821 20,687,51 Inventories 5,907,092 6,548,10 Biological assets 5,907,092 6,548,10 Qurrent Assets - 372,09 Current portion of long term receivables - 372,09 Taxation recoverable 1,452,6929 14,610,85 Current Liabilities - 373,83 Payables 6,336,600 6,373,83 Current portion of long term liabilities 7,98,428 2,051,66 Taxation payable - 1,31,73 Net Current Assets 7,315,028 8,565,25 Net Current Assets 7,319,001 6,045,55 Capital reserves 1,031,881 993,33 Retained earnings 8,404,975 8,983,10	Intangible assets	9,414,737	9,657,764
Long term receivables 558,075 703,77 Post-employment benefit asset 36,000 36,000 Biological assets 345,209 342,56 Deferred tax assets 1,316,318 702,77 Current Assets 21,069,821 20,687,51 Current Assets 5,907,092 6,548,10 Biological assets 5,907,092 6,548,10 Biological assets 286,549 439,30 Receivables 6,333,194 5,043,32 Current portion of long term receivables 14,9,310 152,66 Cash and bank balances 14,526,929 14,610,85 Payables 6,336,600 6,373,83 Current Liabilities 7,135,028 8,656,25 Payables 7,391,901 6,045,59 Current Assets 7,391,901 6,045,59 Capital reserves 10,31,881 993,33 Retained earnings 8,404,975 8,983,10 Mon-controlling Interest - (999,37 Non-courrent Liabilities 15,205,414 15,744,99	Investments	1,452,992	1,414,445
Post-employment benefit asset 36,000 36,000 Biological assets 345,209 342,56 Deferred tax assets 1,316,318 702,77 Current Assets 21,069,821 20,687,51 Inventories 5,907,092 6,548,10 Biological assets 286,549 439,300 Receivables 6,333,194 5,043,32 Current portion of long term receivables - 372,09 Taxation recoverable 1,850,784 2,055,33 Current Liabilities 14,526,929 14,610,85 Payables 6,336,600 6,373,83 Current portion of long term liabilities 7,135,028 8,565,25 Net Current Assets 7,391,901 6,045,59 Share capital 5,768,558 5,768,558 Capital reserves 1,031,881 993,33 Retained earnings 8,404,975 8,983,10 Non-current Liabilities - (999,37 Non-current Liabilities 136,200 136,200 Non-current Liabilities 136,200 136,200 Deferred tax liabilities 11,589,549 10,327,76	Investment in joint venture	503,237	402,936
Biological assets 345,209 342,56 Deferred tax assets 1,316,318 702,77 Current Assets 21,069,821 20,687,51 Inventories 5,907,092 6,548,10 Biological assets 286,549 439,30 Receivables 6,333,194 5,043,32 Current portion of long term receivables - 372,09 Taxation recoverable 1,850,784 2,055,33 Current Liabilities - 372,09 Payables 6,336,600 6,373,83 Current portion of long term liabilities 798,428 2,051,69 Taxation payable - 139,73 Net Current Assets 7,315,028 8,565,25 Net Current Assets 2,043,10 2,043,59 Share capital 5,768,558 5,768,558 Capital reserves 1,031,881 993,33 Retained earnings 8,404,975 8,983,10 Non-controlling Interest - (999,37 Post-employment benefit obligations 136,200 136,200 Long term liabilities 11,589,549 10,327,78	Long term receivables	558,075	703,774
Deferred tax assets $1,316,318$ $702,77$ Current Assets $21,069,821$ $20,687,51$ Inventories $5,907,092$ $6,548,10$ Biological assets $286,549$ $439,30$ Receivables $6,333,194$ $5,043,32$ Current portion of long term receivables $ 372,09$ Taxation recoverable $149,310$ $152,68$ Cash and bank balances $14,526,929$ $14,610,85$ Current Liabilities $798,428$ $2,051,69$ Taxation payable $7,135,028$ $8,565,25$ Current Assets $7,391,901$ $6,045,59$ Current Assets $7,391,901$ $6,045,59$ Total reserves $1,031,881$ $993,33$ Retained earnings $8,404,975$ $8,983,10$ Non-controlling Interest $ (999,37)$ Non-controlling Interest $ (999,37)$ Non-current Liabilities $136,200$ $136,200$ Long term liabilities $136,200$ $136,200$ Deferred tax liabilities $13256,308$ $11,987,48$			36,000
Current Assets $21,069,821$ $20,687,51$ Inventories $5,907,092$ $6,548,10$ Biological assets $286,549$ $439,30$ Receivables $6,333,194$ $5,043,32$ Current portion of long term receivables $ 372,09$ Taxation recoverable $149,310$ $152,68$ Cash and bank balances $1,850,784$ $2,055,33$ Current Liabilities $14,526,929$ $14,610,85$ Payables $6,336,600$ $6,373,83$ Current portion of long term liabilities $798,428$ $2,051,69$ Taxation payable $ 139,73$ Net Current Assets $7,391,901$ $6,045,59$ Equity attributable to Stockholders of the Company $8,461,722$ $26,733,10$ Share capital $5,768,558$ $5,768,558$ $5,768,558$ Capital reserves $8,404,975$ $8,983,33$ Retained earnings $8,404,975$ $8,983,33$ Non-controlling Interest-(999,37)Non-current Liabilities $136,200$ $136,200$ Long term liabilities $136,200$ $136,200$ Long term liabilities $136,200$ $136,200$ Long term liabilities $1,530,559$ $1,523,50$ Deferred tax liabilities $132,56,308$ $11,987,488$	0		342,564
Current Assets 5,907,092 6,548,10 Biological assets 286,549 439,30 Receivables 6,333,194 5,043,32 Current portion of long term receivables 372,09 Taxation recoverable 149,310 152,66 Cash and bank balances 1,850,784 2,055,33 Current Liabilities 14,526,929 14,610,85 Payables 6,336,600 6,373,83 Current portion of long term liabilities 798,428 2,051,69 Taxation payable - 139,73 Current Assets 7,35,028 8,565,25 Net Current Assets 7,391,901 6,045,59 Share capital 5,768,558 5,768,558 Capital reserves 1,031,881 993,33 Retained earnings 8,404,975 8,983,10 Non-current Liabilities - (999,37 Non-current Liabilities 136,200 136,200 Non-current Liabilities 136,200 136,200 Post-employment benefit obligations 136,200 136,200	Deferred tax assets	1,316,318	702,772
Inventories $5,907,092$ $6,548,10$ Biological assets $286,549$ $439,30$ Receivables $6,333,194$ $5,043,32$ Current portion of long term receivables $ 372,09$ Taxation recoverable $149,310$ $152,682$ Cash and bank balances $1,850,784$ $2,055,333$ Current Liabilities $6,336,600$ $6,373,833$ Payables $6,336,600$ $6,373,833$ Current portion of long term liabilities $798,428$ $2,055,333$ Taxation payable $ 139,733$ Taxation payable $ 139,733$ Receipt attributable to Stockholders of the Company $5,768,558$ $5,768,558$ Nare capital $5,768,558$ $5,768,558$ $5,768,558$ Capital reserves $1,031,881$ $993,33$ Retained earnings $8,404,975$ $8,983,10$ Non-current Liabilities $15,205,414$ $14,745,62$ Non-current Liabilities $136,200$ $136,200$ $136,200$ Deferred tax liabilities <t< td=""><td></td><td>21,069,821</td><td>20,687,514</td></t<>		21,069,821	20,687,514
Biological assets 286,549 439,30 Receivables 6,333,194 5,043,32 Current portion of long term receivables 149,310 152,68 Cash and bank balances 1,850,784 2,055,33 Current Liabilities 14,526,929 14,610,85 Payables 6,336,600 6,373,83 Current portion of long term liabilities 798,428 2,051,69 Taxation payable - 139,73 Current Assets 7,391,901 6,045,59 Net Current Assets 7,391,901 6,045,59 Share capital 5,768,558 5,768,55 Capital reserves 1,031,881 993,33 Retained earnings 8,404,975 8,983,10 Non-controlling Interest - (999,37 Post-employment benefit obligations 136,200 136,200 Long term liabilities 11,589,549 10,327,78 Deferred tax liabilities 1,530,559 1,523,50	Current Assets		
Receivables 6,333,194 5,043,32 Current portion of long term receivables 149,310 152,68 Taxation recoverable 149,310 152,68 Cash and bank balances 14,526,929 14,610,85 Current Liabilities 14,526,929 14,610,85 Payables 6,336,600 6,373,83 Current portion of long term liabilities 798,428 2,051,69 Taxation payable - 139,73 Surrent Assets 7,35,028 8,565,25 Net Current Assets 7,391,901 6,045,59 Share capital 5,768,558 5,768,558 Capital reserves 1,031,881 993,33 Retained earnings 8,404,975 8,983,10 Non-controlling Interest - (999,37 Post-employment benefit obligations 136,200 136,200 Long term liabilities 11,589,549 10,327,78 Deferred tax liabilities 11,589,549 10,327,78 Deferred tax liabilities 13,256,308 11,987,48	Inventories	5,907,092	6,548,105
Current portion of long term receivables 372,09 Taxation recoverable 149,310 152,68 Cash and bank balances 1,850,784 2,055,33 Current Liabilities 14,526,929 14,610,85 Payables 6,336,600 6,373,83 Current portion of long term liabilities 798,428 2,051,69 Taxation payable 7,135,028 8,565,25 Net Current Assets 7,391,901 6,045,59 Zequity attributable to Stockholders of the Company 5,768,558 5,768,558 Share capital 5,768,558 5,768,558 5,768,558 Capital reserves 1,031,881 993,33 8etained earnings 8,404,975 8,983,10 Non-controlling Interest - (999,37) 15,205,414 15,744,99 Post-employment benefit obligations 136,200 136,200 136,200 Long term liabilities 11,589,549 10,327,78 Deferred tax liabilities 11,520,5414 14,745,62	Biological assets	286,549	439,303
Taxation recoverable 149,310 152,68 Cash and bank balances 1,850,784 2,055,33 Current Liabilities 14,526,929 14,610,85 Payables 6,336,600 6,373,83 Current portion of long term liabilities 798,428 2,051,69 Taxation payable - 139,73 Taxation payable - 139,73 Net Current Assets 7,391,901 6,045,59 Z8,461,722 26,733,10 6,045,558 Capital reserves 1,031,881 993,33 Retained earnings 8,404,975 8,983,10 Non-controlling Interest - (999,37 Post-employment benefit obligations 136,200 136,200 Long term liabilities 11,589,549 10,327,78 Deferred tax liabilities 1,530,559 1,523,50 13,2256,308 11,987,48	Receivables	6,333,194	5,043,326
Cash and bank balances 1,850,784 2,055,33 Current Liabilities 14,526,929 14,610,85 Payables 6,336,600 6,373,83 Current portion of long term liabilities 798,428 2,051,69 Taxation payable - 139,73 Payables 7,391,901 6,045,59 Capital reserves 1,031,881 993,33 Retained earnings 8,404,975 8,983,10 Non-controlling Interest - (999,37 Tb,205,414 14,745,62 14,745,62 Non-current Liabilities 136,200 136,200 Post-employ	Current portion of long term receivables	-	372,096
Current Liabilities $14,526,929$ $14,610,85$ Payables $6,336,600$ $6,373,83$ Current portion of long term liabilities $798,428$ $2,051,69$ Taxation payable $ 139,73$ Net Current Assets $7,35,028$ $8,565,25$ Net Current Assets $7,391,901$ $6,045,59$ Equity attributable to Stockholders of the Company $28,461,722$ $26,733,10$ Share capital $5,768,558$ $5,768,558$ Capital reserves $1,031,881$ $993,33$ Retained earnings $8,404,975$ $8,983,10$ Non-controlling Interest $ (999,37)$ Tis,205,414 $14,745,62$ $136,200$ Non-current Liabilities $136,200$ $136,200$ Post-employment benefit obligations $136,200$ $136,200$ Long term liabilities $1,530,559$ $1,523,50$ Deferred tax liabilities $1,530,559$ $1,523,50$ 13,256,308 $11,987,48$	Taxation recoverable	149,310	152,685
Current Liabilities 6,336,600 6,373,83 Payables 6,336,600 6,373,83 Current portion of long term liabilities 798,428 2,051,69 Taxation payable - 139,73 Taxation payable - 139,73 Net Current Assets 7,391,901 6,045,59 Z8,461,722 26,733,10 Equity attributable to Stockholders of the Company 5,768,558 5,768,558 Share capital 5,768,558 5,768,558 5,768,555 Capital reserves 1,031,881 993,33 Retained earnings 8,404,975 8,983,10 Non-controlling Interest - (999,37 15,205,414 15,744,99 15,205,414 14,745,62 Non-current Liabilities - (999,37 Post-employment benefit obligations 136,200 136,200 Long term liabilities 11,589,549 10,327,78 Deferred tax liabilities 1,530,559 1,523,50 13,226,308 11,987,48	Cash and bank balances	1,850,784	2,055,335
Payables 6,336,600 6,373,83 Current portion of long term liabilities 798,428 2,051,69 Taxation payable - 139,73 Net Current Assets 7,135,028 8,565,25 Net Current Assets 7,391,901 6,045,59 Z8,461,722 26,733,10 Equity attributable to Stockholders of the Company 5,768,558 5,768,558 Share capital 5,768,558 5,768,558 Capital reserves 1,031,881 993,33 Retained earnings 8,404,975 8,983,10 Non-controlling Interest - (999,37) Post-employment benefit obligations 136,200 136,200 Long term liabilities 11,589,549 10,327,78 Deferred tax liabilities 1,530,559 1,523,50 13,256,308 11,987,48		14,526,929	14,610,850
Current portion of long term liabilities 798,428 2,051,69 Taxation payable - 139,73 7,135,028 8,565,25 7,391,901 6,045,59 28,461,722 26,733,10 26,733,10 Equity attributable to Stockholders of the Company Share capital 5,768,558 5,768,558 Capital reserves 1,031,881 993,33 Retained earnings 8,404,975 8,983,10 Non-controlling Interest - (999,37) Non-current Liabilities - (999,37) Post-employment benefit obligations 136,200 136,200 Long term liabilities 11,589,549 10,327,78) Deferred tax liabilities 1,530,559 1,523,500 13,256,308 11,987,48			
Taxation payable - 139,73 Net Current Assets 7,135,028 8,565,25 7,391,901 6,045,59 28,461,722 26,733,10 Equity attributable to Stockholders of the Company 28,461,722 26,733,10 Share capital 5,768,558 5,768,558 5,768,558 Capital reserves 1,031,881 993,33 Retained earnings 8,404,975 8,983,10 Non-controlling Interest - (999,37) 15,205,414 15,744,99 14,745,62 Non-current Liabilities - (999,37) Post-employment benefit obligations 136,200 136,200 Long term liabilities 11,589,549 10,327,78 Deferred tax liabilities 1,530,559 1,523,50 13,256,308 11,987,48			6,373,833
Net Current Assets 7,135,028 8,565,25 Net Current Assets 7,391,901 6,045,59 28,461,722 26,733,10 Equity attributable to Stockholders of the Company 5,768,558 5,768,558 Share capital 5,768,558 5,768,558 Capital reserves 1,031,881 993,33 Retained earnings 8,404,975 8,983,10 Non-controlling Interest - (999,37) Non-current Liabilities - (999,37) Post-employment benefit obligations 136,200 136,200 Long term liabilities 11,589,549 10,327,78) Deferred tax liabilities 1,530,559 1,523,50 13,256,308 11,987,48		798,428	2,051,691
Net Current Assets 7,391,901 6,045,59 28,461,722 26,733,10 Equity attributable to Stockholders of the Company 5,768,558 5,768,558 Share capital 5,768,558 5,768,558 Capital reserves 1,031,881 993,33 Retained earnings 8,404,975 8,983,10 Non-controlling Interest - (999,37) 15,205,414 15,744,99 Post-employment benefit obligations 136,200 136,200 Long term liabilities 11,589,549 10,327,78 Deferred tax liabilities 1,530,559 1,523,50 13,256,308 11,987,48	Taxation payable	-	139,731
Equity attributable to Stockholders of the Company 28,461,722 26,733,10 Share capital 5,768,558 5,768,558 5,768,558 Capital reserves 1,031,881 993,33 Retained earnings 8,404,975 8,983,10 Non-controlling Interest - (999,37) Non-current Liabilities - (999,37) Post-employment benefit obligations 136,200 136,200 Long term liabilities 11,589,549 10,327,78) Deferred tax liabilities 1,530,559 1,523,500 13,256,308 11,987,48		7,135,028	8,565,255
Equity attributable to Stockholders of the Company Share capital 5,768,558 5,768,555 Capital reserves 1,031,881 993,33 Retained earnings 8,404,975 8,983,10 Non-controlling Interest - (999,37) Non-current Liabilities - (999,37) Post-employment benefit obligations 136,200 136,200 Long term liabilities 11,589,549 10,327,78) Deferred tax liabilities 1,530,559 1,523,500 13,2256,308 11,987,48	Net Current Assets	7,391,901	6,045,595
Share capital 5,768,558 5,768,558 Capital reserves 1,031,881 993,33 Retained earnings 8,404,975 8,983,10 Non-controlling Interest - (999,37) Non-current Liabilities - (999,37) Post-employment benefit obligations 136,200 136,200 Long term liabilities 11,589,549 10,327,78) Deferred tax liabilities 13,256,308 11,987,48		28,461,722	26,733,109
Capital reserves 1,031,881 993,33 Retained earnings 8,404,975 8,983,10 Non-controlling Interest - (999,37) Non-current Liabilities - (999,37) Post-employment benefit obligations 136,200 136,200 Long term liabilities 11,589,549 10,327,78) Deferred tax liabilities 13,256,308 11,987,48	Equity attributable to Stockholders of the Company		
Retained earnings 8,404,975 8,983,10 Non-controlling Interest 15,205,414 15,744,99 Non-current Liabilities - (999,37 Post-employment benefit obligations 136,200 136,200 Long term liabilities 11,589,549 10,327,78 Deferred tax liabilities 13,256,308 11,987,48	Share capital	5,768,558	5,768,558
Non-controlling Interest 15,205,414 15,744,99 Non-controlling Interest - (999,37 15,205,414 14,745,62 Non-current Liabilities 136,200 136,200 Post-employment benefit obligations 136,200 136,200 Long term liabilities 11,589,549 10,327,78 Deferred tax liabilities 1,530,559 1,523,50 13,256,308 11,987,48		1,031,881	993,334
Non-controlling Interest - (999,37 15,205,414 14,745,62 Non-current Liabilities 136,200 136,200 Post-employment benefit obligations 11,589,549 10,327,78 Long term liabilities 1,530,559 1,523,500 Deferred tax liabilities 11,987,48	Retained earnings	8,404,975	8,983,102
Non-current Liabilities 15,205,414 14,745,62 Post-employment benefit obligations 136,200 136,200 Long term liabilities 11,589,549 10,327,78 Deferred tax liabilities 1,530,559 1,523,50 13,256,308 11,987,48		15,205,414	15,744,994
Non-current Liabilities 136,200 136,200 Post-employment benefit obligations 11,589,549 10,327,78 Long term liabilities 1,530,559 1,523,50 Deferred tax liabilities 13,256,308 11,987,48	Non-controlling Interest	· · ·	(999,372)
Non-current Liabilities 136,200 136,200 Post-employment benefit obligations 11,589,549 10,327,78 Long term liabilities 1,530,559 1,523,50 Deferred tax liabilities 13,256,308 11,987,48	-	15,205,414	14,745,622
Long term liabilities 11,589,549 10,327,78 Deferred tax liabilities 1,530,559 1,523,50 13,256,308 11,987,48	Non-current Liabilities		
Long term liabilities 11,589,549 10,327,78 Deferred tax liabilities 1,530,559 1,523,50 13,256,308 11,987,48	Post-employment benefit obligations	136,200	136,200
Deferred tax liabilities 1,530,559 1,523,50 13,256,308 11,987,48			10,327,786
13,256,308 11,987,48			1,523,501
			11,987,487
20,401./22 20./33.10		28,461,722	26,733,109

Approved for issue by the Board of Directors on	14 February 2020	and signed on its behalf by:
$\left(\left(\left$		NIC
Paul P Saott		1.

Paul B. Scott

Chairman

Richard R. Pandohie

Director



Consolidated Statement of Changes in Equity (Unaudited)

(expressed in Jamaican dollars unless otherwise indicated)

		12 months ended 31 December 2019				
	Att	Attributable to Stockholders of the Company			Non-	Total Equity
	Share Capital Capital Reserves		Retained Sub- Earnings Total		controlling Interests	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2019	5,768,558	993,334	8,983,102	15,744,994	(999,372)	14,745,622
Total comprehensive in	come:					
Profit for the period	-	-	1,274,850	1,274,850	(94,100)	1,180,750
Fair value gains on investments	-	38,547	-	38,547	-	38,547
	-		1,274,850	1,313,397	(94,100)	1,219,297
Dividends declared Acquisition of	-	-	(733,566)	(733,566)	-	(733,566)
shareholding of non- controlling interests	-	-	(1,119,411)	(1,119,411)	1,093,472	(25,939)
At 31 December 2019	5,768,558	1,031,881	8,404,975	15,205,414	-	15,205,414

	12 months ended 31 December 2018					
	Attributable to Stockholders of the Company			Non-	Total	
	Share Capital	Capital Reserves	Retained Earnings	Sub- Total	controlling Interests	Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At 1 January 2018	560,388	943,884	8,384,942	9,889,214	(879,402)	9,009,812
New accounting standards	-	-	(5,470)	(5,470)	-	(5,470)
Total comprehensive in	come:					
Profit for the period	-	-	1,182,025	1,182,025	(119,970)	1,062,055
Post-employment benefits	-	-	9,900	9,900	-	9,900
Currency translation gains	-	4,579	-	4,579	-	4,579
Fair value gains on investments	-	44,871	-	44,871	-	44,871
	-	49,450	1,191,125	1,241,375	(119,970)	1,121,405
Issue of ordinary shares	5,208,170	-		5,208,170	-	5,208,170
Dividends declared	-	-	(588,295)	(588,295)	-	(588,295)
At 31 December 2018	5,768,558	993,334	8,983,102	15,744,994	(999,372)	14,745,622



Consolidated Statement of Cash Flows (Unaudited)

(expressed in Jamaican dollars unless otherwise indicated)

	12 months ended	31 December
	2019	2018
	\$'000	\$'000
Cash Flows from Operating Activities		
Net profit	1,180,750	1,062,055
Items not affecting cash resources:		
Amortization of intangible assets	243,027	131,017
Depreciation	741,032	692,425
Interest income	(56,647)	(155,327)
Interest expense	1,215,423	775,852
Results of joint venture	(100,301)	(57,930)
Impairment charge on discontinued operations	(331,000)	-
Taxation	(262,737)	378,757
	3,291,547	2,826,849
Changes in operating assets and liabilities:		
Inventories	542,013	(875,138)
Receivables	(1,289,868)	4,882,162
Biological assets	100,109	19,506
Payables	(74,207)	(5,402,506)
	2,569,594	1,450,873
Taxation paid, net	(480,107)	(366,500)
Cash provided by operating activities	2,089,487	1,084,373
Cash Flows from Investing Activities		
Net purchase of property, plant and equipment	(807,026)	(1,359,442)
Long term receivables	372,177	796,675
Net cash outflow on business combinations	-	(1,194,342)
Acquisition of shareholding of non-controlling interests	(25,939)	-
Interest received	70,265	143,730
Cash used in investing activities	(390,523)	(1,613,379)
Cash Flows from Financing Activities		
Long term loans	48,910	2,726,214
Dividends paid	(696,592)	(258,486)
Interest paid	(1,255,833)	(734,792)
Cash (used in)/provided by financing activities	(1,903,515)	1,732,936
(Decrease)/increase in cash and cash equivalents	(204,551)	1,203,930
Cash and cash equivalents at beginning of year	2,055,335	851,405
CASH AND CASH EQUIVALENTS AT END OF PERIOD	1,850,784	2,055,335



Business Segments (Unaudited)

(expressed in Jamaican dollars unless otherwise indicated)

12 months ended 31 December 2019	Manufacturing	Distribution	Eliminations	Group
	\$'000	\$'000	\$'000	\$'000
External revenue	11,192,467	24,350,040	-	35,542,507
Inter-segment revenue	9,680,181	-	(9,680,181)	
Total revenue	20,872,648	24,350,040	(9,680,181)	35,542,507
Segment result	1,167,552	865,583		2,033,135
Unallocated income and expenses				186,070
Operating profit				2,219,205
Segment assets	16,270,649	15,753,686		32,024,335
Unallocated assets				3,572,415
Total assets				35,596,750
Segment liabilities	5,745,977	6,854,927	-	12,600,904
Unallocated liabilities				7,790,432
Total liabilities				20,391,336
Capital expenditure	166,547	287,198	-	453,745
Unallocated capital expenditure				353,281
Total capital expenditure				807,026
Depreciation	624,616	70,750		695,366
Unallocated depreciation				45,666
Total depreciation				741,032

12 months ended 31 December 2018	Manufacturing	Distribution	Eliminations	Group
_	\$'000	\$'000	\$'000	\$'000
External revenue	12,358,669	11,195,100	-	23,553,769
Inter-segment revenue	7,598,411	48,433	(7,646,844)	
Total revenue	19,957,080	11,243,533	(7,646,844)	23,553,769
Segment result	1,654,717	391,911	-	2,046,628
Unallocated income and expenses				125,280
Operating profit				2,171,908
Segment assets	12,317,938	7,841,549	-	20,159,487
Unallocated assets				15,138,877
Total assets				35,298,364
Segment liabilities	5,347,363	6,984,778	-	12332,141
Unallocated liabilities				8,220,601
Total liabilities				20,552,742
Capital expenditure	1,725,136	8,237	-	1,733,373
Unallocated capital expenditure				83,433
Total capital expenditure				1,816,806
Depreciation	626,824	28,191	-	655,015
Unallocated depreciation				37,410
Total depreciation				692,425

Total revenue for the period includes export sales of \$1,350,366,000 (2018 – \$1,252,349,000)



Notes to the Interim Financial Statements

(expressed in Jamaican dollars unless otherwise indicated)

Basis of preparation

These interim financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments and biological assets.

The accounting policies followed in these interim financial statements are consistent with those used in the audited financial statements for the year ended 31 December 2018.

These interim financial statements do not reflect adjustments for the re-measurement of post-employment benefits or for the fair value of investments (other than those resulting from changes in foreign exchange rates) as at 31 December 2019. Additionally, these interim financial statements do not reflect adjustments in respect of the adoption of IFRS 16, which became effective during the year. Such adjustments are made during our annual audit process based on independent valuations and will be reflected in our audited financial statements for the year ended 31 December 2019.

Earnings per stock unit attributable to stockholders of the Company

Earnings per stock unit for the 3 months ended 31 December 2019 and 31 December 2018, as well as for the year ended 31 December 2019, is calculated based on 733,488,000 units in issue for those periods.

Earnings per stock unit for the year ended 31 December 2018 is calculated based on a weighted average number of units of 570,626,000 (derived based on 516,339,000 units in issue for 9 months of the year and 733,488,000 units in issue for 3 months of the year).