

**BERGER PAINTS JAMAICA LIMITED**  
**2021 AUDITED FINANCIAL STATEMENTS**  
**DIRECTORS' STATEMENT**

**Financial Performance**

Berger Paints Jamaica Limited (BPJL) completed 2021 with a strong performance and recorded revenues of \$3,108M. This represents a 31% increase over prior year 2020 and is indicative of the market's continued confidence in the Berger brand. BPJL's rebranding focus throughout 2021 was successfully demonstrated through our **BOLDLY BERGER** campaign, giving the market a revitalized and reenergized brand with a fresh look and feel, but keeping with the qualities that you have come to know and trust over years of service.

Supply Chain and logistic challenges continued as global supplies remained unpredictable because of the ongoing COVID-19 pandemic and other macro-economic factors. Raw Material prices incurred significant and frequent increases and reliability of supply was and continues to be under constant threat. BPJL Management made prudent decisions to manage costs and focused on driving operational efficiency levels to absorb these increases. However, with price increases ranging from 50% to 80% and in some cases, doubling, we unavoidably took price adjustments. To our loyal customers, we thank you for understanding and bearing with these adjustments and we assure you that we remain committed to managing this as judiciously as possible. Costs of Goods sold for 2021 totaled \$1,647M, an increase of \$428M or 35% above the \$1,218M recorded in 2020.

Operating expenses for 2021 totaled \$1,340M above the \$1,161M for 2020, or an increase of \$179M or 15.4%. Increases in operating expenses resulted mainly from execution of planned investments in the **BOLDLY BERGER** campaign and focus on building a sustainable platform for continued growth. In addition, to support 2021's revenue growth, our production output was improved and increased by 31% over 2020 and would have incurred additional costs in manufacturing expenses.

With our focus on continued improvements in operational efficiencies, investment geared to driving revenue growth all while balancing the ongoing challenges and impact of the Covid-19 pandemic thus far, BPJL recorded Profit Before Tax (PBT) of \$159.7M for 2021, an increase of \$147.9M or 1,254% over the PBT of \$11.8M recorded in 2020.

A strong Statement of Financial Position supports our growth agenda.

**Outlook**

We continue to proactively manage the present-day risks and challenges to the business and remain optimistic as the economy continues to show signs of recovery and we stand ready to support our stakeholders. Our focus remains on delivery of our long-term strategies, and this has been cascaded down throughout the organization.

We are extremely grateful for the strong product demand and extend our thanks to you our customers and shareholders for your continued confidence. Our dedicated focus and commitment to the health and wellbeing of our employees, their families, our customers, and the wider community remains paramount as we look ahead to a brighter 2022. On behalf of the Board of Directors and Management of Berger Paints Jamaica Limited, a heartfelt thank you to our team, suppliers, and all stakeholders for your ongoing and continued support.

On behalf of the Board

  
**Adam N. Sabga**  
Chairman