



JAMAICA PRODUCERS GROUP LIMITED

AUDITED GROUP RESULTS

52 Weeks Ended December 31, 2021





JAMAICA PRODUCERS GROUP LIMITED
AUDITED GROUP RESULTS

52 WEEKS ENDED DECEMBER 31, 2021

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JAMAICA PRODUCERS GROUP LIMITED
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Performance Highlights

19% increase 
\$25bn

Growing Revenue

70% increase 
\$4.5bn

Improved Operating Profit

2x increase 
\$3.8bn

Increased Net Profits
(excluding one-off gains)

22% growth 
\$12bn

Strong Cash & Short-term Investments

11% increase 
\$18bn

Solid Shareholders' Equity

11.4%

Healthy Return On Equity



JAMAICA PRODUCERS GROUP LIMITED

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Chairman's Statement

The 2021 performance of Jamaica Producers Group ("JP" or the "Group") was strong. JP's overall financial results reflected a recovery from the challenges associated with the COVID-19 pandemic. Importantly, the results also demonstrate that the Group has emerged from the crisis with an even stronger and more resilient multinational business portfolio. In 2021, our Group of businesses earned consolidated profit of \$3.82 billion.

It is constructive for shareholders to compare the profit attributable to shareholders of JP for 2021 with the result achieved in 2019 – the last full financial year preceding the COVID-19 pandemic. Relative to 2019, JP increased profit attributable to shareholders by 53% to \$1.84 billion and benefitted from a 17% increase in revenues to \$25.02 billion. Relative to 2020, JP grew shareholder profits by 161% (after excluding the 2020 one-off gain on disposal of our associated company interest in SAJE Logistics Infrastructure Limited). JP's 2021 revenues were up 19% relative to the prior year.

JP Logistics & Infrastructure

The JP Logistics & Infrastructure Division (the "L&I Division") accounts for the major share of the Group's net assets and, in turn, its profits. In addition to Kingston Wharves Limited, the Division's largest subsidiary (which operates a multipurpose port and logistics hub), the L&I Division also includes JP Shipping Services Limited (which operates logistics and freight forwarding services between Caribbean ports and the United Kingdom). With effect from April 2021, the results for the L&I Division also reflect the Group's interest in Geest Line Limited, our joint venture shipping line operating between Europe and the Caribbean. Geest Line specializes in the transportation of refrigerated cargo to Europe and the movement of general cargo and vehicles to the Caribbean. The L&I Division generated 2021 year-to-date profit before finance cost and taxation of \$4.38 billion from revenues of \$10.25 billion. Divisional profits before finance cost and taxation are up 49% relative to the comparable period in 2020. The shipping and logistics industry is, in general, delivering attractive returns to shareholders under current economic conditions. This has prompted JP to leverage its longstanding experience in the sector to make selective investments and acquisitions that deepen our exposure to the industry. This strategy has served the Group very well in 2021.

JP Food & Drink

JP's Food & Drink Division (the "F&D Division") is the largest contributor to the revenues of the Group. The Division earned year-to-date revenues of \$14.75 billion, an increase of 16% relative to the prior year. Profits before finance cost and taxation for the Division were \$575 million, a more than 5-fold increase relative to the prior year. The F&D Division comprises our portfolio of subsidiaries that are engaged in farming, food processing, distribution and retail of food and drink, and has production facilities in Europe and the Caribbean, and operates a distribution centre in the United States. Our range of specialty food and drink products includes fresh juices, tropical snacks, fresh fruit, water products and Caribbean rum-based baked goods. A.L. Hoogesteger Fresh Specialist B.V. ("Hoogesteger") is the largest contributor to the revenues and profits of the Division. This business is a market leader in fresh juice in northern Europe and serves as a co-packer of juice for major supermarket and food service entities in the Netherlands, Belgium, Scandinavia, Switzerland and Italy.

During the third quarter of 2021, JP acquired a 50% interest in CoBeverage Lab S.L., an emerging fresh juice manufacturer operating in Spain. During the fourth quarter of 2021, JP acquired a joint venture interest in Grupo Alaska, S.A., a producer of bottled water and ice in the Dominican Republic, a leading consumer market in the Caribbean.

The businesses within the F&D Division delivered improved results in 2021 but continue to have significant opportunities to rebuild and grow the trading relationships in food service, hospitality and travel retail that were disrupted due to the pandemic.



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Chairman's Statement Cont'd

Outlook

The current economic environment is affected by inflation and disruptions to global trade and supply chains. Our success was achieved despite these constraints. This gives us confidence in our decision to acquire, build and operate a diverse portfolio of Food & Drink and Logistics & Infrastructure businesses in Europe and the Caribbean, as well as in related markets in North America. Importantly, we have accomplished this while building a strong balance sheet and maintaining a high degree of liquidity. Our consolidated holdings of cash and marketable securities totaled \$12.01 billion at the end of 2021.

It is in this context that our board and management navigated through the challenges of COVID-19 while at the same time adopting a decisively opportunistic and aggressive growth posture. In each of our core market segments we have sought to identify and secure bold new platforms for long-term growth.

We acquired our joint venture interest in Geest Line Limited during the Second Quarter of 2021. Headquartered in the United Kingdom, Geest has an important role in the trade between the Eastern Caribbean, Colombia, the Dominican Republic and Europe. Through Kingston Wharves and JP Shipping Services, we have long participated in key aspects of Caribbean logistics and Geest offers an additional dimension to this activity. Moreover, we benefit from a structured partnership with a leading charterer of refrigerated vessels with a definite interest in securing the growth prospects for Caribbean shipping.

We acquired our 50% interest in CoBeverage during the 2021 Third Quarter. With this fresh juice manufacturer, we are able to utilise our market leading expertise in the manufacturing of fresh fruit and vegetable juice in a major new market with significant growth potential. We also benefit from our partnership with major Southern European interests in the production and sale of chilled food in Europe.

We acquired our joint venture interest in Grupo Alaska during the 2021 Fourth Quarter. This ice and bottled water business, based in the Dominican Republic, operates at the heart of the largest and fastest growing consumer market in the Caribbean. Along with our partner (who also holds 50% of Grupo Alaska), we are convinced that this market presents a major prospect for long-term regional growth in consumer goods and services. Our Tortuga International and JP Snacks businesses already have a strong engagement with the Caribbean consumer, and we are excited to add this new platform to our portfolio.

We have installed strong governance and financial controls to support our realization of the full potential of these acquisitions.

In 2022, our business development program will continue to boldly emphasise value-based acquisitions and investments in fresh juices (typically with a European nexus), specialty food and drink (typically with a Caribbean nexus), and global logistics (typically with a Caribbean nexus). Clearly we are mindful of the challenges presented by war in Europe, high inflation and supply chain challenges. We continue to believe that our strategy of maintaining diverse business lines, a diverse geographic footprint and a flexible balance sheet will continue to serve our shareholders well.

I thank our board, management and operating teams for their commitment to our business and our shared values, and our customers and partners for their continued support.

Chairman

C.H. Johnston



JAMAICA PRODUCERS GROUP LIMITED
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Group Balance Sheet

	<u>2021</u>	<u>2020</u>
	\$'000	\$'000
Current assets		
Cash and cash equivalents	1,282,048	1,127,084
Short-term investments	416,110	1,091,990
Securities purchased under resale agreements	10,319,916	7,645,526
Accounts receivable	3,147,428	2,894,684
Taxation recoverable	63,701	38,133
Inventories	1,173,633	979,484
Total current assets	16,402,836	13,776,901
Current liabilities		
Accounts payable	4,547,419	3,919,950
Taxation	283,775	135,508
Loans and borrowings	833,250	712,762
Lease liabilities	158,957	184,088
Total current liabilities	5,823,401	4,952,308
Working capital	10,579,435	8,824,593
Non-current assets		
Biological assets	101,779	55,880
Interest in associates and joint ventures	969,891	-
Investments	511,058	591,325
Intangible assets	1,425,692	1,466,364
Deferred tax assets	9,056	14,011
Property, plant and equipment	22,809,785	22,306,664
Investment property	552,783	560,701
Right-of-use assets	582,413	636,304
Employee benefit asset	1,698,874	1,549,850
Total non-current assets	28,661,331	27,181,099
Total assets less current liabilities	39,240,766	36,005,692
Equity		
Share capital	112,214	112,214
Reserves	17,841,243	16,019,886
Total equity attributable to equity holders of the parent	17,953,457	16,132,100
Non-controlling interest	16,219,005	14,799,759
Total equity	34,172,462	30,931,859
Non-current liabilities		
Deferred tax liabilities	1,293,498	1,313,920
Loans and borrowings	2,941,367	2,898,428
Lease liabilities	436,690	476,968
Employee benefit obligations	396,749	384,517
Total non-current liabilities	5,068,304	5,073,833
Total equity and non-current liabilities	39,240,766	36,005,692
Parent company stockholders' equity per ordinary stock unit:		
Based on stock units in issue	\$16.00	\$14.38
After exclusion of stock units held by ESOP	\$17.10	\$15.41



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Group Profit and Loss Account

	Notes	2021 \$'000	2020 \$'000
Gross operating revenue	3	25,020,595	20,998,982
Cost of operating revenue		(17,962,918)	(15,488,280)
Gross profit		7,057,677	5,510,702
Other income and expenses, net		872,301	382,821
Selling, administration and other operating expenses		(3,453,300)	(3,260,093)
Profit from operations		4,476,678	2,633,430
Share of profits in associates and joint ventures		256,309	4,084
Gain on disposal of associate	1	-	1,871,349
Profit before finance cost and taxation		4,732,987	4,508,863
Finance cost		(257,371)	(293,400)
Profit before taxation		4,475,616	4,215,463
Taxation charge		(655,964)	(478,050)
Profit for the year		3,819,652	3,737,413
Attributable to:			
Parent company stockholders		1,844,791	2,167,593
Non-controlling interest		1,974,861	1,569,820
		3,819,652	3,737,413
Profit per ordinary stock unit:	4		
Based on stock units in issue		164.40 ¢	193.17 ¢
Excluding stock units held by ESOP		176.12 ¢	207.11 ¢



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Group Statement of Profit or Loss and Other Comprehensive Income

	<u>2021</u>		<u>2020</u>
	\$'000		\$'000
Profit for the year	<u>3,819,652</u>		<u>3,737,413</u>
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Remeasurement of defined benefit asset and obligations	114,921	(616,284)
Deferred tax effect on remeasurement of defined benefit asset and obligations	(14,365)		77,036
Change of fair value through other comprehensive income (FVOCI) investments	(88,554)	(65,506)
Share of other comprehensive income of associates and joint ventures	127,288		-
Items that may be reclassified to profit or loss:			
Exchange gains on translating foreign operations	77,425		671,868
	<u>216,715</u>		<u>67,114</u>
Total comprehensive income for the year	<u><u>4,036,367</u></u>		<u><u>3,804,527</u></u>
Attributable to:			
Parent company stockholders	2,023,517		2,543,751
Non-controlling interest	2,012,850		1,260,776
	<u><u>4,036,367</u></u>		<u><u>3,804,527</u></u>



JAMAICA PRODUCERS GROUP LIMITED
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Group Statement of Changes in Equity

	Share Capital \$'000	Share Premium \$'000	Capital Reserves \$'000	Fair Value Reserve \$'000	Reserve For Own Shares \$'000	Retained Profits \$'000	Parent Company Stockholders' Equity \$'000	Non- Controlling Interest \$'000	Total Equity \$'000
Balances at December 31, 2019	112,214	135,087	2,006,972	6,970	(66,392)	11,641,603	13,836,454	13,760,645	27,597,099
Changes in equity:									
Profit for the year	-	-	-	-	-	2,167,593	2,167,593	1,569,820	3,737,413
Other comprehensive (loss)/income									
Remeasurement of defined benefit asset and obligations	-	-	-	-	-	(258,839)	(258,839)	(357,445)	(616,284)
Deferred tax effect on remeasurement of defined benefit asset and obligations	-	-	-	-	-	32,355	32,355	44,681	77,036
Exchange gains arising on translation of foreign operations	-	-	634,788	-	-	-	634,788	37,080	671,868
Change of fair value through other comprehensive income (FVOCI) investments	-	-	-	(32,146)	-	-	(32,146)	(33,360)	(65,506)
Total other comprehensive income/(loss)	-	-	634,788	(32,146)	-	(226,484)	376,158	(309,044)	67,114
Total comprehensive income/(loss) for the year	-	-	634,788	(32,146)	-	1,941,109	2,543,751	1,260,776	3,804,527
Other reserve movements									
Reclassification of capital gains to capital reserves	-	-	2,233,168	-	-	(2,233,168)	-	-	-
Other transfer to capital reserve	-	-	12,742	-	-	(12,742)	-	-	-
Total other reserve movements	-	-	2,245,910	-	-	(2,245,910)	-	-	-
Transactions with owners recorded directly in equity									
Own shares sold by ESOP	-	-	-	-	16,116	-	16,116	-	16,116
Distributions to non-controlling interests	-	-	-	-	-	-	-	(447,939)	(447,939)
Distributions to stockholders	-	-	(209,373)	-	-	-	(209,373)	-	(209,373)
Unclaimed distribution to stockholders	-	-	6,842	-	-	-	6,842	-	6,842
Acquisition of shares in subsidiary from non-controlling interests	-	-	-	-	-	(61,690)	(61,690)	226,277	164,587
Total transactions with owners recorded directly in equity	-	-	(202,531)	-	16,116	(61,690)	(248,105)	(221,662)	(469,767)
Balances at December 31, 2020	112,214	135,087	4,685,139	(25,176)	(50,276)	11,275,112	16,132,100	14,799,759	30,931,859
Retained in the financial statements of:									
The company	112,214	135,087	1,816,728	(1,018)	-	1,999,292	4,062,303		
Subsidiary companies	-	-	2,868,411	(24,158)	(50,276)	9,280,697	12,074,674		
Associate companies	-	-	-	-	-	(4,877)	(4,877)		
Balances at December 31, 2020	112,214	135,087	4,685,139	(25,176)	(50,276)	11,275,112	16,132,100		



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Group Statement of Changes in Equity Cont'd

	Share Capital \$'000	Share Premium \$'000	Capital Reserves \$'000	Fair Value Reserve \$'000	Reserve For Own Shares \$'000	Retained Profits \$'000	Parent Company Stockholders' Equity \$'000	Non- Controlling Interest \$'000	Total Equity \$'000
Balances at December 31, 2020	112,214	135,087	4,685,139	(25,176)	(50,276)	11,275,112	16,132,100	14,799,759	30,931,859
Changes in equity:									
Profit for the period	-	-	-	-	-	1,844,791	1,844,791	1,974,861	3,819,652
Other comprehensive income/(loss)									
Remeasurement of defined benefit asset and obligations	-	-	-	-	-	48,266	48,266	66,655	114,921
Deferred tax effect on remeasurement of defined benefit asset and obligations	-	-	-	-	-	(6,032)	(6,032)	(8,333)	(14,365)
Exchange gains arising on retranslation of foreign operations	-	-	47,011	-	-	-	47,011	30,414	77,425
Share of other comprehensive income of associate companies and joint ventures	-	-	-	-	-	127,288	127,288	-	127,288
Change of fair value through other comprehensive income (FVOCI) investments	-	-	-	(37,807)	-	-	(37,807)	(50,747)	(88,554)
Total other comprehensive income/(loss)	-	-	47,011	(37,807)	-	169,522	178,726	37,989	216,715
Total comprehensive income/(loss) for the period	-	-	47,011	(37,807)	-	2,014,313	2,023,517	2,012,850	4,036,367
Other reserve movements									
Other transfer to capital reserve	-	-	12,842	-	-	(12,842)	-	-	-
Transactions with owners recorded directly in equity									
Own shares sold by ESOP	-	-	-	-	50,212	-	50,212	-	50,212
Distributions to stockholders	-	-	(262,424)	-	-	-	(262,424)	-	(262,424)
Net movement in subsidiary ESOP	-	-	-	-	-	-	-	(73,516)	(73,516)
Distributions to non-controlling interests	-	-	-	-	-	-	-	(497,724)	(497,724)
Acquisition of shares in subsidiary from non-controlling interests	-	-	-	-	-	-	-	(22,364)	(22,364)
Unclaimed distributions to stockholders	-	-	10,052	-	-	-	10,052	-	10,052
Total transactions with owners recorded directly in equity	-	-	(252,372)	-	50,212	-	(202,160)	(593,604)	(795,764)
Balances at December 31, 2021	112,214	135,087	4,492,620	(62,983)	(64)	13,276,583	17,953,457	16,219,005	34,172,462
Retained in the financial statements of:									
The company	112,214	135,087	1,546,244	(2,077)	-	2,007,462	3,798,930		
Subsidiary companies	-	-	2,946,376	(60,906)	(64)	10,865,898	13,751,304		
Associate companies and joint ventures	-	-	-	-	-	403,223	403,223		
Balances at December 31, 2021	112,214	135,087	4,492,620	(62,983)	(64)	13,276,583	17,953,457		



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Group Statement of Cash Flows

	<u>2021</u>	<u>2020</u>
	<u>\$'000</u>	<u>\$'000</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	3,819,652	3,737,413
Adjustments for items not affecting cash:		
Depreciation and amortisation	1,470,262	1,545,772
Share of profits in associate companies and joint ventures	(256,309)	(4,084)
Gains on disposal of fixed assets and investments	(2,324)	(12,102)
Exchange movement	8,874	44,737
Taxation charge	655,964	478,050
Net interest (income)/expense	(78,683)	47,402
Gain on disposal of interest in associate	-	(1,871,349)
Other items	(21,127)	(13,676)
	<u>5,596,309</u>	<u>3,952,163</u>
(Increase)/ Decrease in current assets	(471,746)	108,917
Decrease in current liabilities	(82,805)	(594,807)
CASH PROVIDED BY OPERATING ACTIVITIES	<u>5,041,758</u>	<u>3,466,273</u>
CASH FLOWS FROM INVESTMENT ACTIVITIES		
Additions to property, plant, equipment, intangible assets and biological assets	(1,757,799)	(1,190,394)
Proceeds from disposal of property, plant and equipment and investments	2,324	24,051
Proceeds from disposal of shares in associate	-	1,900,000
Movement in short term investments and repos	(1,998,510)	(3,117,709)
Net movement in interest in associates	(254,221)	115,455
Net movement in own shares held by group ESOPs	(23,304)	16,116
Acquisition of shares in subsidiary	(22,364)	-
Acquisition of associates and joint ventures	(296,216)	-
Interest received	335,339	176,631
CASH USED BY INVESTMENT ACTIVITIES	<u>(4,014,751)</u>	<u>(2,075,850)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net movement in loans	131,325	(804,490)
Net movement in right-of-use liabilities	(182,018)	(150,786)
Interest paid	(180,435)	(243,428)
Distributions to non-controlling interest	(472,839)	(423,046)
Distributions to stockholders, net	(199,321)	(150,009)
CASH USED BY FINANCING ACTIVITIES	<u>(903,288)</u>	<u>(1,771,759)</u>
Net increase/(decrease) in cash and cash equivalents	123,719	(381,336)
Cash at beginning of the year	1,127,084	1,407,847
Exchange gain on foreign currency cash and cash equivalents	31,245	100,573
Cash at end of the year	<u>1,282,048</u>	<u>1,127,084</u>



JAMAICA PRODUCERS GROUP LIMITED

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Notes to the Financial Statements

1. Group's Operations and Activities

Jamaica Producers Group Limited ("the company") is incorporated and domiciled in Jamaica. The company's registered office is located at 4 Fourth Avenue, Newport West, Kingston 13, Jamaica.

The main activities of the company, its subsidiaries (collectively, "group"), joint ventures and associates are port terminal operations; shipping and logistics; the cultivation, marketing and distribution of fresh produce; food and drink manufacturing; land management and the holding of investments.

During the current year, on April 9, 2021, the group acquired a 50% shareholding in Geest Line Limited ("Geest"). Geest, based in the UK, operates a shipping line connecting Europe and the Caribbean.

On September 1, 2021, the group acquired a 50% shareholding in CoBeverage Lab S.L. ("CBL"). CBL is a producer of fruit and vegetable juices based in Barcelona, Spain.

On October 16, 2021, the company acquired a 50% shareholding in Grupo Frontera Limited ("GFL"), a joint venture holding company, by subscription of shares and through a long-term loan. On the same date a subsidiary of GFL acquired the assets of Grupo Alaska, an ice and bottled water producer and distributor in the Dominican Republic.

During the prior year, on August 13, 2020, the group concluded an agreement to sell part of its interest in SAJE Logistics Infrastructure Limited ("SAJE"), representing 22.1% of the issued share capital of SAJE, for consideration of \$1.90 billion, resulting in a gain of \$1.87 billion before transaction costs. The group retains an investment representing 9.5% of the issued share capital of SAJE through Kingston Wharves Limited, and accounts for this remaining investment on the basis of fair value through other comprehensive income ("FVOCI").

Also during the prior year, as part of a programme of corporate simplification and administrative cost saving, the group acquired the equity and debt interests owned by a Non-Controlling Interest ("NCI") in a non-trading subsidiary of the group, Four Rivers Mining Company Limited ("FRM"). FRM closed its operations in 2016 and has been winding down its operations since then. The group acquired the 49% equity holdings of the NCI and the rights to amounts due by FRM to the NCI of \$164,588,000 for consideration of \$2. The transaction resulted in the elimination of NCI and intercompany amounts on the Balance Sheet that had a net effect of \$61,690,000 recognised directly in equity.

2. Basis of Presentation

The financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and their interpretations, issued by the International Accounting Standards Board (IASB) and comply with the provisions of the Jamaican Companies Act.

The accounting policies and methods of computation used in these financial statements are consistent with the most recent annual report except where certain new, revised and amended standards and interpretations came into effect during the current financial year.

3. Gross operating revenue

Gross operating revenue comprises investment income, the gross sales of goods and services of the group and commission earned by the group on consignment sales. This is shown after deducting returns, rebates, discounts and consumption taxes and eliminating sales within the group.



4. Profit per stock unit and stockholders' equity per stock unit

Profit per ordinary stock unit is calculated by dividing the profit attributable to the group for the year of \$1,844,791,000 by 1,122,144,036, being the total number of ordinary stock units in issue during the quarter and a weighted average number of ordinary stock units in issue (excluding those held by the ESOP) during the quarter. The weighted average number of ordinary stock units in issue (excluding those held by the ESOP) for the year ended December 31, 2021 was 1,047,462,490 (2020 - 1,046,583,532) stock units.

Stockholders' equity per ordinary stock unit is calculated by dividing the parent company stockholders' equity by 1,122,144,036 being the total number of ordinary stock units in issue at the end of the year and 1,049,696,706 (2020 - 1,046,865,148), representing the total number of ordinary stock units in issue for the year ended December 31, 2021 less those held by the ESOP at the same date.

5. Accounting Policies

The following accounting policies have been reflected in these financial statements in compliance with IFRS:

a. Business combinations

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the group. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

b. Subsidiaries

Subsidiaries are those entities controlled by the group. The group controls an investee when it is exposed to, or has rights to, variable returns from its involvement with the investee, and has the ability to affect those returns through its power over the investee entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The company and its subsidiaries are collectively referred to as "group".

c. Associates

Associates are those entities over which the group has significant influence, but not control, or joint control over the financial and operating policies, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method and are initially recognized at cost, including transaction costs.

The group's investment is carried at the group's share of the fair value of net identifiable assets of the associate net of any impairment loss identified on acquisition. The group's share of its associates' post-acquisition profits or losses is recognised in the profit and loss account and its share of post-acquisition movements in reserves is recognized in other comprehensive income to the extent that the profits, losses or movements are consistent with the group's significant accounting policies. Should the group's share of losses in an associate equal or exceed its interest in the associate, including any other unsecured receivables, the group will not recognize further losses unless it has incurred obligations or made payments on behalf of the associate.



d. Joint ventures

A joint venture is a contractual arrangement in which the group has joint control and whereby the group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Joint ventures are recognised initially at cost, including transaction costs. Subsequent to initial recognition, the consolidated financial statements include the group's share of the profit or loss and other comprehensive income of joint ventures using the equity method, until the date on which joint control ceases. If the group's share of losses exceeds its interest in a joint venture the group's carrying amount is reduced to nil and recognition of further losses is discontinued, except to the extent that the group has incurred legal or constructive obligations or made payments on behalf of a joint venture. If the joint venture subsequently reports gains, the group resumes recognising its share of those gains only after its share of gains equals the share of losses not recognised.

e. Intangible assets and goodwill

(i) Goodwill

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses. Goodwill is allocated to cash-generating units and tested annually for impairment. In respect of equity accounted investees, the carrying amount of goodwill is including in the carrying amount of the equity accounted investee as a whole.

(ii) Other intangible assets

Other intangible assets that are acquired by the group and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses.

(iii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure including expenditure on internally generated goodwill and brands, is recognized in profit or loss as incurred.

(iv) Amortisation

Except for goodwill, intangible assets are amortised on a straight-line basis in profit or loss over their estimated useful lives, from the date that they are available for use.

The estimates of useful lives are as follows:

• brands and trademarks	25 years
• customer relationships	10 - 15 years
• other identified intangible assets	3 - 5 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

f. Segment reporting

Segment information is presented in respect of the group's strategic business segments. The identification of business segments is based on the group's management and internal reporting structure. Segment results, assets and liabilities include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis.



f. Segment reporting (cont'd)

The group's business segments reflect its current strategy and focus. The profit or loss before finance cost and taxation is used to measure the segment result. This has resulted in the recognition of three business segments:

- JP Food & Drink - This comprises businesses that are engaged in agriculture, processing, distribution and/or retail of food and drink.
- JP Logistics & Infrastructure - This comprises businesses that are engaged in logistics, transportation, port operations and related industries.
- Corporate Services - This comprises interest and investment income, net of the cost of corporate functions not directly charged to business units.

6. Segment Results

2021

	JP Food & Drink	JP Logistics & Infrastructure	Corporate Services	Group
	\$'000	\$'000	\$'000	\$'000
Gross revenue	14,747,409	10,254,245	137,040	25,138,694
Inter - segment revenue	(8,582)	-	(109,517)	(118,099)
Revenue from external sources	<u>14,738,827</u>	<u>10,254,245</u>	<u>27,523</u>	<u>25,020,595</u>
Profit/(loss) before finance cost and taxation	<u>575,392</u>	<u>4,382,137</u>	<u>(224,542)</u>	4,732,987
Finance cost				(257,371)
Profit before taxation				4,475,616
Taxation				(655,964)
Non-controlling interest				(1,974,861)
Net profit attributable to parent company stockholders				<u>1,844,791</u>

2020

	JP Food & Drink	JP Logistics & Infrastructure	Corporate Services	Group
	\$'000	\$'000	\$'000	\$'000
Gross revenue	12,719,236	8,282,808	86,647	21,088,691
Inter - segment revenue	(5,949)	-	(83,759)	(89,708)
Revenue from external sources	<u>12,713,287</u>	<u>8,282,808</u>	<u>2,888</u>	<u>20,998,983</u>
Profit before finance cost and taxation	<u>101,017</u>	<u>2,934,213</u>	<u>1,473,634</u>	4,508,863
Finance cost				(293,400)
Profit before taxation				4,215,463
Taxation				(478,050)
Non-controlling interest				(1,569,820)
Net profit attributable to parent company stockholders				<u>2,167,593</u>

7. Seasonal Variations

There are significant seasonal variations in some of the group's activities, and so the results for any period are not necessarily indicative of the results for the whole year.



8. Foreign Currency Translation

Overseas revenues and expenses have been translated at average exchange rates of J\$174.07 (2020: J\$156.59) to €1, J\$205.31 (2020: J\$178.22) to £1 and J\$149.97 (2020: J\$141.77) to US\$1.

Adjustments have been made for exchange gains and losses on foreign currency assets and liabilities as shown below:

	<u>J\$/€</u>	<u>J\$/£</u>	<u>J\$/US\$</u>
December 31, 2021	167.78	208.11	152.75
December 31, 2020	170.46	186.97	140.77

On behalf of the Board

February 25, 2021



JAMAICA PRODUCERS GROUP LIMITED
AUDITED GROUP RESULTS
52 WEEKS ENDED DECEMBER 31, 2021
Shareholdings

Top Ten Shareholders

McGowan Properties Limited	111,178,507
Sagicor Pooled Equity Fund	109,351,413
Lennox Portland Ltd. et al	105,155,263
Shareholder Services Trust J.P.	86,410,360
Shareholder Services Trust J.B.P.A.	86,233,210
Trustees - Jamaica Producers Group Limited ESOP	72,447,330
National Insurance Fund	54,166,633
David and Kathleen Moss	37,610,468
Jeffrey McGowan Hall	29,185,754
JMMB Pension Fund	13,416,244



Directors & Senior Officers, Breakdown Of Related Parties

DIRECTORS	PERSONAL SHAREHOLDINGS	SHAREHOLDINGS IN WHICH A DIRECTOR/OFFICER HAS A CONTROLL	NAME OF CONNECTED PARTY	TOTAL
Mr. A. Buckland	1,602,400	-	-	1,602,400
Mrs. P. R. Francis	-	-	-	-
Mrs. S. M. Goffe	-	-	-	-
Mr. J. McG. Hall	29,185,754	-	-	29,185,754
Dr. the Hon. M. McG. Hall	-	111,178,507	McGowan Properties Ltd.	111,178,507
Mr. C. H. Johnston	3,916,684	101,238,579	see schedule attached	105,155,263
Mrs. D. E. Kelly	1,269,198	-	-	1,269,198
Mrs. K.A.J. Moss	15,249,428	22,361,040	see schedule attached	37,610,468
Mr. G. St. J. Stephenson	-	-	-	-
Prof. A.G. Wint	49,368	-	-	49,368
<u>OFFICERS</u>				
Mr. D. Martin	542,738	-	-	542,738
Ms. S. M. Pearson	3,453	-	-	3,453
Ms. M. Walrond	-	-	-	-
<u>TRUSTEES</u>				
Jamaica Producers Group Limited ESOP	72,447,330	-	see schedule attached	72,447,330



JAMAICA PRODUCERS GROUP LIMITED
AUDITED GROUP RESULTS
52 WEEKS ENDED DECEMBER 31, 2021
Shareholdings Cont'd

Holdings of Charles Johnston & Related parties

NAMES	NUMBER OF SHARES HELD
Lennox Portland	51,274,890
Marine Management Services Ltd.	6,950,802
Jamaica Fruit and Shipping	36,128,689
Jamaica Freight and Shipping	900,000
Jamaica Freight and Shipping Pension Fund	1,444,016
C.E. Johnston Trust	666,558
Lisa McGregor- Johnston	31,026
Johnston Holdings Limited	3,842,598
Charles Johnston	<u>3,916,684</u>
Total	105,155,263

Trustees- Jamaica Producers Group Limited ESOP

NAMES	NUMBER OF SHARES HELD
Ja. Producers Group Ltd ESOP	68,156,046
J.P.G. Ltd ESOP Unused Pool	2,601,168
Ja. Producers Group Ltd ESOP Unused Pool	1,690,116
Total	72,447,330

Holdings of Kathleen Moss and Related parties

NAMES	NUMBER OF SHARES HELD
Kathleen Moss	173,862
David Moss + Kathleen Moss	15,075,566
Rebhan's Gases	13,515,048
Assurance Brokers Limited	8,845,992
Total	37,610,468



**JAMAICA PRODUCERS
GROUP LIMITED**

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For investor relations please contact:

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Lisa McG. Johnston, Corporate Affairs Manager
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