We Make Things *Happen!*

PROSPECTUS

pbs

We Make Things *Happen!*

PROSPECTUS

Dated *July 27, 2022*

A copy of this Prospectus was filed with the Financial Services Commission of Barbados (the "Barbados FSC") and a receipt issued on July 29, 2022. The Financial Services Commission of Barbados has not in any way evaluated the merits of the securities offered hereunder and any representation to the contrary is an offence.

INVITATION TO THE PUBLIC FOR SUBSCRIPTION
OF
***1,000,000* Perpetual Cumulative Redeemable 9.25% Fixed Rate US$ Preference Shares**
with no par value at a fixed price of
US $10.00 per Perpetual Cumulative Redeemable 9.25% Fixed Rate US$ Preference Share (subject to the ability of the Company to upsize by an additional 500,000 Perpetual Cumulative Redeemable 9.25% Fixed Rate US$ Preference Shares)

AND

***150,000* Perpetual Cumulative Redeemable 10.50%. Fixed Rate J$ Preference Shares**
with no par value at a fixed price of
J$1,000.00 per Perpetual Cumulative Redeemable 10.50% Fixed Rate J$ Preference Share (subject to the ability of the Company to upsize by an additional 150,000 Perpetual Cumulative Redeemable 10.50% Fixed Rate J$ Preference Shares)
Payable in full on Application
JCSD Processing Fees of J$172.50 or US$1.50 apply

Preference Shares

	US$ Tranche		J$ Tranche	
	Reserved Pool	General Public	Reserved Pool	General Public
Interest Rate	*9.25%*	*9.25%*	*10.50%*	*10.50%*
Price	*US$10.00*	*US$10.00*	*J$1,000.00*	*J$1,000.00*
Shares on offer	*700,000*	*300,000 subject to upsize by an additional 500,000 Shares*	Nil	*150,000 subject to upsize by an additional 150,000 Shares*

INVITATION OPENS: *August 12, 2022* AT 9:00 a.m.
INVITATION CLOSES: *September 9, 2022* AT 3:30 p.m.
ISSUE DATE OF PROSPECTUS: *July 27, 2022*

A copy of this Prospectus was delivered to the Companies Office of Jamaica pursuant to Section 40(2) of the Companies Act of Jamaica and was registered by the Companies Office of Jamaica on July 27, 2022. The Companies Office of Jamaica accepts no responsibility whatsoever for the contents of this Prospectus.

The Company has been registered with the Financial Services Commission of Jamaica (the "Jamaica FSC") with respect to the Preference Shares pursuant to Section 26 of the Securities Act of Jamaica, and pursuant to such registration, a copy of this Prospectus was also delivered to the Jamaica FSC for registration, and it was so registered on July 27, 2022. The Jamaica FSC has neither approved the Preference Shares nor has the Jamaica FSC passed upon the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offence.

In accordance with the Companies Act, Chapter 308 of the Laws of Barbados, a copy of this Prospectus was registered with the Registrar of Corporate Affairs and Intellectual Property Office (the "Registrar of Companies of Barbados") on July 29, 2022. However, the Registrar of Companies of Barbados and the Barbados FSC accept no responsibility as to the validity or the veracity of the contents of this Prospectus.

THIS PROSPECTUS IS DATED JULY 27, 2022 AND IS ISSUED BY PRODUCTIVE BUSINESS SOLUTIONS LIMITED, A COMPANY INCORPORATED UNDER THE LAWS OF BARBADOS (THE "COMPANY" OR "PBS"). THIS PROSPECTUS IS ISSUED BY THE COMPANY TO PERSONS IN JAMAICA ONLY (AND NOT WITHIN BARBADOS) AND IS NOT TO BE CONSTRUED AS MAKING AN INVITATION OR OFFER TO PERSONS IN BARBADOS OR OTHERWISE OUTSIDE OF JAMAICA TO SUBSCRIBE FOR SHARES OR OTHER SECURITIES. FOREIGN LAWS MAY PROHIBIT THE DISTRIBUTION OR PUBLICATION OF THIS PROSPECTUS AND THE MAKING OF THE INVITATION OUTSIDE OF JAMAICA.

(a) Important Listing Information – Jamaica

It is the intention of the Company to apply to the Jamaica Stock Exchange for all of the Shares to be listed on the JSE. The application will be made as soon as conveniently possible following the closing of the offer and the allocation of the Shares. However, this statement is not to be construed to be a guarantee that the Shares will be listed.

(b) Important Listing Information – Barbados

It is the intention of the Company to apply to the Barbados Stock Exchange for the secondary listing of the securities referred to in this offer on its International Securities Market (ISM) following the listing of the Shares on the JSE.

The directors of the Company collectively and individually accept full responsibility for the accuracy of the information contained in this listing document and confirm, having made reasonable enquiry that to the best of their knowledge and belief there are no facts the omission of which would make any statement in this listing document misleading. All relevant material facts required to be disclosed under the laws of Barbados and Jamaica have been disclosed in this Prospectus. Neither the JSE nor the BSE takes any responsibility for the contents of this document, neither makes any representations as to its accuracy or completeness, and each expressly disclaims any liability whatsoever for any loss arising from or in reliance upon any part of this document.

Primary Regulation

The primary regulators of the Company and the securities referred to in this document will be the Jamaica FSC and the Barbados FSC.

The Directors whose names appear in Section 4 of this Prospectus (*Board of Directors and Corporate Secretary*) have seen and approved this Prospectus and accept full responsibility, collectively and individually, for the accuracy of the information given and confirm that, after having made all reasonable enquiries, and to the best of their knowledge and belief, there are no false or misleading statements or other facts the omission of which would make any statement herein false or misleading.

No person is authorised to provide information or to make any representation whatsoever in connection with this Prospectus, which is not contained in this Prospectus.

This Prospectus contains important information for prospective investors in the Company. All prospective investors should read this Prospectus carefully in its entirety before submitting an Application.

The Application Lists, with respect to the Cumulative Redeemable 9.25% Fixed Rate US$ Preference Shares and the Cumulative Redeemable 10.50% Fixed Rate J$ Preference Shares (together "the 2022 Preference Shares"), will open at 9:00 a.m. on August 12, 2022 (the "Opening Date") and will close on September 9, 2022 at 3:30 p.m. or such other date as may be fixed by the Board (the "Closing Date").

Applications submitted prior to the Opening Date will be received, but not processed until the Opening Date. Funds received with applications will be held in an escrow account with the Lead Broker until the allotment of shares has been completed. Allotments will be made within 10 days of the Closing Date. The Company reserves the right to: (i) close any Application List at any time without prior notice if Applications have been received prior to the Closing Date for the full amount of the respective Preference Shares offered; or (ii) suspend the acceptance of Applications at any time without prior notice after the opening of the Application List for such period as the Directors shall determine; or (iii) withdraw the Invitation in respect of either or both classes of Preference Shares at any time without prior notice after the opening of the respective Application List and close such Application List(s) without accepting any Applications, in which event any amounts paid by Applicants in respect of the Invitation Price shall be refunded in full to Applicants in accordance with applicable JSE rules (iv) extend the closing of any Application List beyond the above mentioned date provided that no shares will be allotted later than three (3) months after the issue date of the Prospectus for the purposes of section 291 of the Barbados Companies Act; and/or (v) offer Preference Shares greater in number than originally offered in respect of the Perpetual Cumulative Redeemable 10.50% Fixed Rate J$Preference Shares up to an additional 150,000 Preference Shares and/or up to 500,000 additional Cumulative Redeemable 9.25% Fixed Rate US$ Preference Shares, bringing the maximum size of the Invitation to 300,000 Cumulative Redeemable 10.50% Fixed Rate J$ Preference Shares and 1,500,000 Cumulative Redeemable 9.25% Fixed Rate US$ Preference Shares (the "**Upsize Cap**"). In addition, if the Company receives Applications for Preference Shares in excess of the Upsize Cap, the Company will if it decides to proceed with the upsize apply to the Barbados FSC and the Jamaica FSC for registration of additional Preference Shares in either or both classes in excess of the Upsize Cap. If such additional registration is submitted and obtained, the Company may, but shall not be obliged to, issue and allot additional Preference Shares in either or both classes in an amount not exceeding the limit of such additional registration.

The minimum amount to be raised from the offer is US$5,000,000 or its equivalent in Jamaican Dollars as determined on the Closing Date. If however the Company does not raise the desired minimum amount within forty (40) days after the issue date of the Prospectus, this offer will cease and the Company will not make the application for listing of the Preference Shares and all payments received for the Preference Shares will be returned to the Applicants without interest. Further if the Company raises the required minimum but does not meet the criteria for listing on the JSE and the ISM, all payments for the Preference Shares will be returned to the Applicants without interest.

Applications for Preference Shares should be made using the procedures stated in Section 20 of this Prospectus (*Application Procedures & Conditions of Invitation*).

Each Application for the Perpetual Cumulative Redeemable 9.25% Fixed Rate US$ Preference Shares must be for multiples of 10 such Preference Shares, subject to a minimum of 50 Preference Shares and for the Perpetual Cumulative Redeemable 10.50% Fixed Rate J$ Preference Shares must be for multiples of 50 such Preference Shares, subject to a minimum of 100 Preference Shares.

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CHAIRMAN'S LETTER TO PROSPECTIVE INVESTORS

Productive Business Solutions Limited ("PBS") is pleased to invite you to subscribe for 1,000,000 Perpetual Cumulative Redeemable 9.25% Fixed Rate US$ Preference Shares (700,000 of the Perpetual Cumulative Redeemable 9.25% Fixed Rate US$ Preference Shares are reserved for Reserved Share and/or Applicants), 150,000 Perpetual Cumulative Redeemable 10.50% Fixed Rate J$ Preference Shares in the capital of the Company on the terms set out in this Prospectus .

The Company

PBS is the leading enterprise technology company in the Caribbean and Central America. PBS operates in 19 countries, employs over 2,000 information technology professionals and generates revenue in excess of US$220 million.

PBS represents over 100 leading global technology brands seeking to do business in the Caribbean and Central America, including Apple, Akamai, Cisco, Dell, Fortinet, HP, IBM, Leidos, Microsoft, NCR, Oracle, Quadient and Xerox. Leading institutional clients throughout the region, including banks, retailers, telecoms, energy companies and governments trust PBS to provide mission critical enterprise information technology solutions. PBS offers these clients a range of information technology, networking, printing and security products and services. PBS generates revenues from these activities which are mostly in hard currency and diversified geographically and by product. In 2021, PBS recorded the highest revenues and net profit in its twenty year history.

The growth of enterprise technology globally is an enduring long-term trend. The Covid-19 pandemic has significantly accelerated digital adoption and the pace of technology investments by business and governments. As the largest enterprise technology company in the region, PBS is at the center of this development. As the only technology company listed on the Main Market of the JSE, PBS offers investors an opportunity to participate in growth of technology in the Caribbean and Central America.

Use of Proceeds

The proceeds of the Offer will be used to fund the Company's strategic growth objectives.

How to Make an Application for Shares

Prospective investors who are interested in subscribing for Preference Shares should read this Prospectus in its entirety, and then apply using the instructions laid out in Appendix 3.

We hope that prospective investors will join the Company in this exciting new phase of its development.
On behalf of the Board of the Company.

Paul B. Scott (Chairman)

DEFINITIONS

1. DEFINITIONS

In this Prospectus, the following words and phrases shall, unless the context otherwise requires, be read and construed as having the following meanings ascribed thereto:

Word of Phrase	Definition
"Act"	The Companies Act of Jamaica.
"Allotment"	The allocation and issuance of the Preference Shares to successful Applicants.
"Applicant" or "Applicants"	The Person by whom an Application is made.
"Application" or "Applications"	An application to subscribe for Preference Shares in the Invitation by following the steps set out in Section 20 of this Prospectus *(Application Procedures & Conditions of Invitation)*.
"Application Lists"	The application lists for the *1,000,000* Cumulative Redeemable 9.25% Fixed Rate US$ Preference Shares and the 150,000 Redeemable 10.50% Fixed Rate J$ Preference Shares with respect to the Invitation and "**Application List**" shall mean anyone (1) of the two (2) application lists in respect of the Invitation.
"Barbados FSC"	The Financial Services Commission of Barbados.
"Board"	The Board of Directors of the Company.
"Business Day"	Any day which is not a Saturday, a Sunday, or a public holiday in Jamaica or Barbados.
"Chairman"	The Chairman of the Board.
"Closing Date"	The date on which the Application Lists close, being 3:30 p.m. on the 9th day of September 2022, subject to the right of the Directors to shorten or extend the period as permitted by applicable law.
"Company"	Productive Business Solutions Limited.
"Director" or "Directors"	The person(s) who is(are) a member(s) of the Board.
"EMMA"	An Equity Money Market Account held with JMMB Securities Limited and which is needed in order for account holders to trade in equities using the Moneyline platform of Jamaica Money Market Brokers Limited.
"Executive Director"	A Director who is a member of the management team of the Company or any of its Subsidiaries or affiliates.
"Jamaica FSC"	The Financial Services Commission of Jamaica.
"Invitation"	The invitation for the subscription of Preference Shares on the terms and conditions set out in this Prospectus.
"Invitee"	A Person or entity who has properly received this Prospectus for the purpose of evaluating their participation in the Invitation.
"**$**" or "**J$**" or "**JMD**"	The lawful currency of Jamaica.
"JCSD"	The Jamaica Central Securities Depository Limited, a company incorporated in Jamaica (Company No. - 58658) with its registered and principal office at 40 Harbour Street, Kingston, Jamaica.
"JSE"	The Jamaica Stock Exchange.
"Lead Broker & Listing Agent"	JMMB Securities Limited.

	Preference Share.
"Moneyline"	The online platform operated by Jamaica Money Market Brokers Limited enabling Persons holding client accounts with certain companies within the JMMB Group of Companies to carry out a range of electronic transactions.
"Invitation Price"	US$*10.00* per Cumulative Redeemable 9.25% Fixed Rate U$ Preference Share. *J$1,000.00* per Cumulative Redeemable 10.50% Fixed Rate J$ Preference Share.
"Opening Date"	The date on which the Application Lists open, being 9:00 a.m. on the *12th* day of August 2022.
"PBS"	Productive Business Solutions Limited.
"Person"	Any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulatory body or agency, government or governmental agency, authority or entity however designated or constituted.
"Preference Share"	All or any of the following two (2) classes of preference shares, namely: • 1,000,000 of perpetual cumulative redeemable 9.25% Fixed Rate US$ preference shares (the "9.25% Fixed Rate US$ Preference Shares") up to an additional 500,000 9.25% Fixed Rate US$ Preference Shares. • 150,000 of perpetual cumulative redeemable 10.50% Fixed Rate J$ preference shares, (the "**10.50% Fixed Rate J$ Preference Shares**") up to an additional 150,000 10.50%Fixed Rate J$ Preference Shares. each without nominal or par value in the capital of PBS and including any preference stock units created on conversion of the Preference Shares.
"Registrar"	The Registrar whose name is set out in Section 3 of this Prospectus or such other Persons as may be appointed by the Company from time to time to provide the services of registrar for the Company in relation to the Invitation.
"Reserved Pool"	The pool of 700,000 Cumulative Redeemable 9.25% Fixed Rate US$ Preference Shares for the Reserved Share Applicants.
"Reserved Share Applicants"	Pension funds, collective investment schemes and other discretionary funds and portfolios for which JMMB Fund Managers Limited is the investment manager.
"Subsidiary"	A company or other artificial legal person over which Productive Business Solutions Limited has control and the term "**Subsidiaries**" shall have the corresponding meaning.
"**US$**" or "**USD**"	The lawful currency of the United States of America.

DISCLAIMER & NOTE ON FORWARD LOOKING STATEMENTS

2. DISCLAIMER & NOTE ON FORWARD LOOKING STATEMENTS

2.1 Neither the JSE, the Registrar of Companies of Barbados, the Registrar of Companies of Jamaica, Jamaica FSC or Barbados FSC, nor any governmental agency or regulatory authority in Jamaica or in Barbados or elsewhere has made any determination on the accuracy or adequacy of this Prospectus.

2.2 This Prospectus has been reviewed and approved by all of the members of the Board and they collectively and individually accept full responsibility for the accuracy of the information given herein and confirm that, after having made all reasonable enquiries, and to the best of their knowledge and belief:

(a) the information is true and accurate in all material respects and is not misleading in any material respect;

(b) any opinions, predictions or intentions expressed herein on the part of PBS are honestly held or made and are not deliberately misleading in any material respect;

(c) that insofar as reasonably possible, all proper inquiries have been made to ascertain and to verify the foregoing; and

(d) this Prospectus does not contain any untrue statement of a material fact or fail to state a material fact necessary in order to make the statements herein, in light of the circumstances under which they are made, not misleading.

2.3 By submitting an Application, each Applicant acknowledges and agrees that:

(a) he/she has received and has been afforded a meaningful opportunity to review all additional information considered by such Applicant to be necessary to verify the accuracy of the information contained in this Prospectus;

(b) he/she has not relied on PBS nor any Persons affiliated with PBS or the legal or other professional advisors to PBS in connection with his/her investigation of the accuracy of such information or his investment decision; and

(c) no Person has been authorised to give information or to make any representation concerning PBS or the Invitation or the Preference Shares as may be issued pursuant to this Prospectus or to provide information or to make any representation whatsoever in connection with this Prospectus other than as contained in this Prospectus and information given by duly authorised officers and employees of PBS in connection with the Applicants' verification of the information contained in this Prospectus and that, if given or made, such other information or representation should not be relied upon as having been authorised by PBS or any affiliate.

2.4 Neither the delivery of this Prospectus nor the invitation for allotment or issue of any Preference Shares hereunder shall, under any circumstances, imply that there has been no change in the business, results of operations, financial condition or prospects of PBS since the date of this Prospectus.

2.5 This Prospectus is not a recommendation by PBS that Invitees should submit Applications for Preference Shares. In making an investment decision, Applicants and Invitees are expected to make their own assessment of PBS and the terms of the

Invitation herein, including the merits and risks involved.

2.6 No representation or warranty, expressed or implied, is made by any Subsidiary or affiliate of PBS or by the legal or professional advisors to PBS as to the accuracy or completeness of the information set forth herein including, without limitation, information with respect to PBS, and nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation by such Persons, whether as to the past or future.

2.7 This Prospectus contains summaries believed by the Directors to be accurate with respect to certain terms of certain documents, but reference should be made to the actual documents (copies of which will be available to Invitees for inspection as described in Section 17 of this Prospectus (Documents Available for Inspection)) for complete information with respect thereto, and all such summaries are qualified in their entirety by such complete information. Applicants are not entitled to rely on parts of information contained in this Prospectus to the exclusion of other parts of this Prospectus.

2.8 Each Applicant should consult with his/her own advisors as to the legal, tax, business, financial and related aspects of subscribing for the Preference Shares. Neither PBS, nor any of its respective representatives, is making any representation to any Applicant or Invitee regarding legal, tax, business, financial or related aspects concerning subscription for Preference Shares, notwithstanding the inclusion in this Prospectus of such information in respect thereof as the Directors believe to be accurate, and Applicants and Invitees should not consider this Prospectus as a recommendation by PBS that he/she should subscribe for or purchase any Preference Shares. Each Applicant and Invitee must make his/her own investigation and evaluation of PBS and this Prospectus.

2.9 This Prospectus is intended for use in Jamaica only and is not to be construed as extending an invitation to Persons outside of Jamaica to subscribe for any of the Preference Shares. The distribution or publication of this Prospectus and the invitation for subscription for the Preference Shares outside of Jamaica is prohibited by law.

2.10 PBS requires that anyone who receives this Prospectus shall inform himself/herself about, and observe, such restrictions. This Prospectus does not constitute and may not be used for or in connection with, any offer to, or solicitation by, anyone in any jurisdiction other than Jamaica.

2.11 Except for the historical information concerning PBS contained in this Prospectus, certain matters discussed in this Prospectus, including without limitation, the discussions of future plans and financial projections of PBS or other entities or relationships or intended relationships, financial or otherwise, with such entities, contain forward-looking statements. Forward-looking statements are statements that are not about historical facts and speak only as of the date they are made. These statements are made based on assumptions or predictions of the future which may not necessarily come true. Although the Directors believe that in making any such statements, their expectations are based on reasonable assumptions, any such statement may be influenced by factors that could cause actual outcomes and results to be materially different from those projected. Applicants and Invitees are cautioned not to place undue reliance on these forward-looking statements, which speak only as of their dates. Future events or circumstances could cause actual results to differ materially from historical or anticipated results.

2.12 Forward-looking statements are typically identified by words such as "believe", "expect", "foresee", "forecast", "anticipate", "intend", "estimate", "goal", "plan" and "project" and similar expressions of future or conditional verbs such as "will", "may", "should", "could" or "would". When used in this Prospectus, such words and similar expressions, as they relate to PBS, its businesses or actual or intended business relationships, are intended to identify those forward-looking statements. By their very nature, forward-looking statements require the maker to make assumptions and are subject to numerous inherent risks and uncertainties which give rise to the possibility that such predictions, forecasts, projections, expectations, or conclusions as contained in such statements will not prove to be accurate, that the assumptions relied on may not be correct and that these forward-looking statements will not be achieved.

2.13 In this Prospectus, PBS relies on and refers to information and statistics regarding market data of companies it has or proposes to have a business relationship with, including in certain cases through investment in such companies. It has obtained this information and industry data from market research, publicly available information, and the referenced companies. Such reports generally state that the information contained therein has been obtained from sources believed to be reliable, but the accuracy or completeness of such information is not guaranteed. Although PBS believes this information is reliable, neither PBS nor any of the Directors has independently verified or can guarantee the accuracy or completeness of that information and Applicants and Invitees should use appropriate caution in placing reliance on such information. Applicants and Invitees are urged to consult with professional advisers, financial, legal or otherwise, to seek advice as to such information and any implications in consideration of their own particular circumstances.

2.14 All aspects of PBS' businesses are subject to important uncertainties, risks and other influences, some of which are beyond the control of PBS, and which could cause actual results to differ materially from those in forward-looking statements. These factors include, without limitation, the following:

(a) economic, social and other conditions in Jamaica and any other jurisdiction in which PBS may operate, including actual rates of growth of such economies, local, regional or global instability, interest rate changes or exchange rate volatility;

(b) adverse climatic events and natural disasters and existing and adverse public health events, including future pandemics;

(c) unavailability of regulatory approval to launch new financial products, or unfavourable market receptiveness to new products;

(d) changes in regulatory policy adversely affecting the revenues or expenses of PBS or other companies within the PBS;

(e) delays in obtaining regulatory approvals where required;

(f) any other factor(s) negatively impacting on the realisation of the assumptions on which PBS's financial projections are based; and

(g) other factors identified in this Prospectus.

2.15 Applicants and Invitees are cautioned that the foregoing list should not be construed as exhaustive and should carefully consider the foregoing factors and other factors set forth in Section 15 of this Prospectus (Risk Factors and Risk Management Policies) before making an investment decision.

2.16 Other factors not set out above could also adversely affect the results of PBS. When relying on these forward-looking statements to make decisions with respect to PBS and this Invitation, Applicants and Invitees should carefully consider the foregoing factors and other uncertainties and potential events.

2.17 Once this Prospectus has been signed by or on behalf of PBS, neither PBS nor the Directors undertake any obligation to update publicly or revise any of the forward-looking statements in light of new information or future events, including changes in PBS's financial or regulatory position, or to reflect the occurrence of unanticipated events.

ADVISORY ON FORWARD-LOOKING STATEMENTS

The financial data for the year ending 31 December 2022 presented below are preliminary based on an initial review of PBS' operations for the above year and are subject to change. Actual results could differ from these preliminary results following the completion of the finalization of the audit, and such changes could be material. The financial data including preliminary results for the year ending 31 December 2022 and the forward-looking financial information presented below have been prepared by, and are the responsibility of, PBS' management. PBS' independent accountants, PricewaterhouseCoopers SRL, have not audited, reviewed, compiled, or applied agreed-upon procedures with respect to the preliminary financial data. Accordingly, PricewaterhouseCoopers SRL does not express an opinion or any other form of assurance with respect thereto. PBS' historical results are not necessarily indicative of the results that may be expected in the future.

PROFESSIONAL ADVISORS TO THE INVITATION

3. PROFESSIONAL ADVISORS TO THE INVITATION

LEGAL ADVISORS TO THE ISSUER

JAMAICA

DunnCox
Attorneys-at-Law
48 Duke Street
Kingston
Tel: 876 922 1500
Email: info@dunncox.com

BARBADOS

Fraser Law
Attorneys-at-Law
Upstairs "Ingleside" | Crn. 7th Ave. Belleville & Pine Road
St. Michael
Barbados
Tel: 246 427 4340
Fax: 246 427 4341
Email: debbie.fraser@dfraserlaw.com

LEGAL ADVISORS TO THE ARRANGERS

Hart Muirhead Fatta
Attorneys-at-Law
2nd Floor, The Victoria Mutual Building
53 Knutsford Boulevard
Kingston 5
Jamaica
Tel: 876 929 9677
Fax: 876 929 5755
Email: smgoffe@hmf.com.jm

BROKER

JMMB Securities Limited
6 Haughton Terrace
Kingston 10
Tel: 876 998 5662
Fax: 876 960 9546
Email: info@jmmb.com

Contact Person:
Karl Townsend
Chief Country Officer, Capital Markets
876 998 JMMB (5662)

AUDITOR

PricewaterhouseCoopers SRL
Chartered Accountants
The Financial Services Centre
Bishop's Court Hill
St. Michael BB 14004
Barbados

Tel: 246 626 6700
Fax: 246 436 1275

LISTING SPONSOR

ListAssist Services (Barbados) Ltd.
"Parker House'
Wildey Business Park
St. Michael BB14006
Barbados
Tel: 246 436 6287
Fax: 246 436 9812
Email: contact@clarkes.com.bb

REGISTRAR

Jamaica Central Securities Depository Limited
40 Harbour Street
Kingston
Tel: 876 967 3271

SELLING AGENTS

Jamaica Money Market Brokers Limited

6 Haughton Terrace
Kingston 10
Tel: 876 998 5662
Fax: 876 960 9546
Email: info@jmmb.com

Contact Person:
Fornia Young
General Manager- Client Partnership, Investments
(876) 998-JMMB (5662)
info@jmmb.com

BARITA INVESTMENTS LIMITED

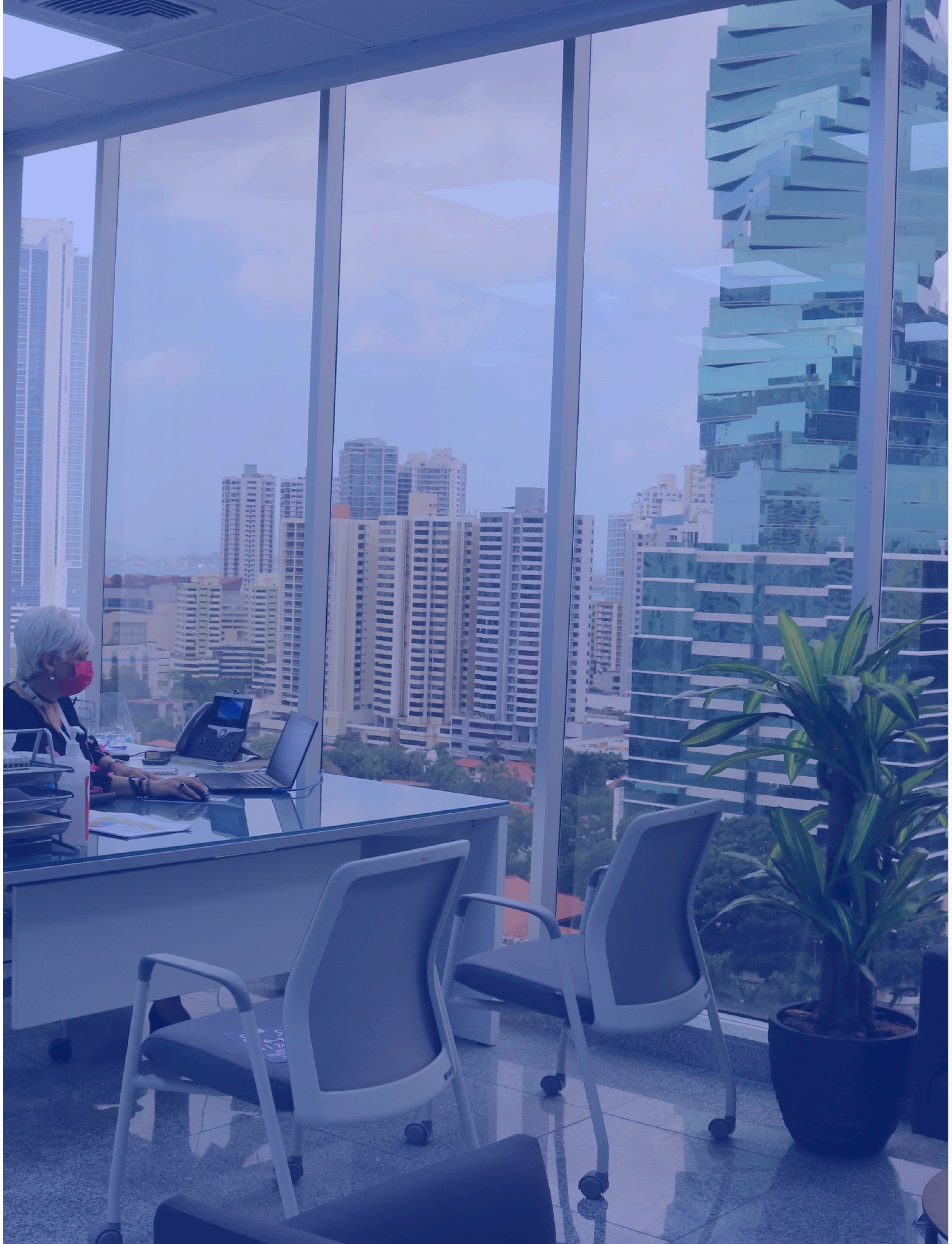
15 St. Lucia Way
Kingston 5
Website: www.barita.com
Tel: 876 926 2681
Fax: 876 929 8432

Primary Contacts
Ms. Terise Kettle
Email: t.kettle@barita.com
Ms. Kendese Nangle
Email: k.nangle@barita.com

STOCK EXCHANGES

Jamaica Stock Exchange
40 Harbour Street
P.O. Box 1084
Kingston
Tel: 876 967 3271
Fax: 876 924 9090

Barbados Stock Exchange
8th Avenue Belleville
St Michael, BB11114
Barbados
Tel: 246 436 9871
Fax: 246 429 8942
Email: info@bse.com.bb



BOARD OF DIRECTORS AND CORPORATE SECRETARY


pbs
2022
pbs
pbs

4. BOARD OF DIRECTORS AND CORPORATE SECRETARY

PAUL B. SCOTT
CHAIRMAN

Paul B. Scott is the Chairman, Chief Executive Officer and principal shareholder of the Musson Group. He joined the group in 1994 and became CEO in 2004. In 2009 he was appointed Chairman of the Board. He is responsible for the strategic direction, performance and overall operations of the Musson Group and all its subsidiaries, including Seprod Limited, Productive Business Solutions Limited, General Accident Insurance Company Limited, T. Geddes Grant (Distributors) Limited and Interlinc Group Limited. He also serves as Chairman of Eppley and Canopy Insurance. In addition to his responsibilities at Musson, he serves on several public boards and commissions. He is Chairman of the Development Bank of Jamaica, a Trustee of the American International School of Kingston and is the past President of the Private Sector Organization of Jamaica. He chairs the Executive and Compensation Committees.

PEDRO M. PARÍS
DIRECTOR, CHIEF EXECUTIVE OFFICER

Pedro París has been with PBS since 2003. Mr. París was appointed CEO at the end of 2009. He is responsible for the vision, strategy and execution of the day-to-day operations. He is also a member of the Executive Committee. Mr. París worked 18 years for IBM-GBM (an IBM alliance), where he held several senior management positions across the business. Mr. París studied Business Administration at the Universidad Autónoma Centro America, Costa Rica.

PATRICK A.W. SCOTT
INDEPENDENT DIRECTOR

Patrick Scott is a director of several companies within the Musson Group. He has worked within the Facey Group for a combined total of 40 years in various roles, including Managing Director, a position he held for 16 years. Mr. Scott attended Seneca College and Ryerson University in Toronto, Canada.

MELANIE SUBRATIE
DIRECTOR

Melanie Subratie is Chairman and CEO of Stanley Motta Ltd., Vice-Chairman of Musson (Jamaica) Limited and a Director of all its subsidiaries. She serves as the Vice-Chair of General Accident Insurance Company and T Geddes Grant (Distributors) Limited and is the Chair of the Seprod Foundation, Musson Foundation and Jamaica Girls Coding. She is also Fourth Vice-President of the Jamaica Chamber of Commerce, and is the current Chair of the Audit Committee. She is an honored graduate of London School of Economics.

RICARDO HUTCHINSON
NON-EXECUTIVE INDEPENDENT DIRECTOR

Ricardo Hutchinson currently works with Portland Private Equity as Vice President of Investments, with responsibility for leading investment transactions throughout the region. He has more than 13 years' experience in the regional finance industry working with several top financial institutions. Prior to joining Portland Private Equity, Ricardo held the role of Associate Director Investment Banking with a leading regional commercial bank. He holds a Master of Science degree in Economics from the University of the

DOUGLAS HEWSON
NON-EXECUTIVE INDEPENDENT DIRECTOR

Douglas Hewson is a Managing Partner of Portland Private Equity where he is a member of the Investment Committee and has primary responsibility for investor relations. He has been the lead partner for investments in InterEnergy Holdings Inc., IEH Panama, and Grupo IGA, serving on the board of directors of each company and on the related board committees. He is also on the board of Merqueo S.A.S., and is Chairman of Portland JSX Limited, a publicly listed company on the Jamaican stock exchange.

JOSÉ MISRAHI
DIRECTOR

José Misrahi is the Chief Financial Officer of Facey Group and a director of several companies within the Facey Group. Prior to joining Facey in 2006, he was Managing Director of a boutique Investment Bank from 2003 to 2006. He served as Vice President, Finance for the Cisneros group of companies from 1992 to 2002, a multinational with concentration in Media holdings. He has also held other board positions outside of Facey. Mr. Misrahi is a CPA and holds a Bachelor of Science Degree in Accounting from the University of Miami. He is member of the Executive and Audit Committees.

THOMAS AGNEW
NON-EXECUTIVE INDEPENDENT DIRECTOR

Thomas Agnew is an entrepreneur specializing in building content marketing, marketing technology and information services businesses. He founded Brafton Inc. and a group of subsidiary companies that are North America and Australia's leading content marketing entities. Brafton Inc. has been listed among the 5,000 fastest growing private companies four years in a row. He co-founded DeHavilland Information Services and Axonn Ltd in the UK. Originally from the UK, he moved to the U.S.A. in 2008. Mr. Agnew holds a degree in Politics from the University of Newcastle, UK.

EDWARD INCE
NON-EXECUTIVE INDEPENDENT DIRECTOR

Edward Ince is a Senior Partner/Co-Founder of Front light Ventures, a regional investment and consulting firm. He was Co-Founder and Managing Director of Prism Services, a regional payments and operations outsourcing company. He is a Non-Executive Director of Prism Services Holdings, Republic Bank Ltd, Cave Shepherd, Foster & Ince Cruise Services and the Barbados Sugar Industry Ltd. He is a graduate of York University, Canada and is a National Barbados Aubrey Collymore Scholarship recipient for sciences.

BLONDELL WALKER
DIRECTOR, GROUP CIO

Blondell Walker has been part of the Musson Group of Companies for over 20 years and is currently the ICT Director, a position she has held since 2000. She is also on the Board for T. Geddes Grant (Distributors) Limited and Musson Jamaica Limited. She was instrumental in the implementation of the Enterprise Resource Program (ERP) application across the Musson Group of Companies. Mrs. Walker studied Accounting and Systems Analysis at the University of the West Indies, Institute of Management and the Heriot Watt University of Edinburgh, Scotland. She is the Chairman for the Western United Basic School.

BRIAN WYNTER
NON-EXECUTIVE INDEPENDENT DIRECTOR

Brian Wynter has had a long and distinguished career in the Caribbean financial sector. He served as Governor of the Bank of Jamaica until August 2019. He is a graduate of the London School of Economics and Columbia University.

HARRIDYAL-SODHA & ASSOCIATES
COMPANY SECRETARY

Harridyal-Sodha & Associates (LizaLaw) is dedicated to servicing primarily high net worth clients requiring assistance in setting up structures in Barbados, as well as providing a range of other essential corporate services. LizaLaw is a medium size boutique law firm, and its specialty and expertise in international commercial law is equal to any international firm in the world. In 2022, LizaLaw is celebrating 20 years of excellent service to the corporate landscape, and an unwavering loyalty to Barbados.

Board Committees

Executive Committee:	Audit Committee:	Compensation Committee:
Paul B. Scott	Melanie Subratie	Paul B. Scott
Pedro M. Paris	Ricardo Hutchinson	Ricardo Hutchinson
Jose Misrahi	Thomas Agnew	Patrick Scott
	Jose Misrahi	Douglas Hewson

MANAGEMENT TEAM

ANDRES IBANEZ
CHIEF FINANCIAL OFFICER

Andres Ibanez joined the Company in October 2010. His work experience includes working with Fortune 500 companies such as Mobil Chemical and Federal Mogul. He worked as Vice President of International Finance at Cinemark Holding, Inc. as well as Chief Financial Officer for Puma Energy Latin America. He has a Master of Business Administration from the University of Illinois at Urbana Champaign and a Bachelor of Science.

WALTER SOLANO
CHIEF INFORMATION OFFICER

Walter Solano has held the role of Chief Information Officer since 2009. His professional career began as a developer of the Xlar, Xerox Latin America Regional Sub-Leger Systems, and System One enterprise resource planning systems. In 1997, he moved to the Netherland Antilles to work as the IT manager at Xerox Antilles (now PBS Antilles) for 6 years. He was then promoted to the IT Manager at PBS Costa Rica which he served for 5 years before becoming the Group CIO. He is a Systems Engineer and graduate of the National University of Costa Rica.

MARIO PONS
REGIONAL PROFESSIONAL SERVICES DIRECTOR

Mario Pons has been a key player for the Inkjet strategy the group has developed in Central America and has helped various PBS organizations in the development of high impact projects such as the printing of Electoral Ballots. He has also been key in the relationship with global partners, Entrust Datacard and Gemalto, for National ID projects in Guatemala, Jamaica and Costa Rica. He started working in Xerox Guatemala in 1994 and has developed his career within Xerox and PBS holding several positions in Sales, Service and Professional Services. He has a BSc in Computer Science from Louisiana State University, and a Diploma in Business Administration from Tayasal Business School.

LEONARDO VELÁSQUEZ
INFORMATION TECHNOLOGY/NETWORKING DIRECTOR

Leonardo Velásquez has been working with PBS since 2015. He oversees the sales relationship with vendors and distributors, such as: Cisco, Fortinet, HP, Dell, Tripplite, TechData, Intcomex, IngramMicro. Prior to PBS, he worked as a Regional Partner Account Manager at Cisco Systems for 6 years and has amassed a total of 25 years in the IT sector. He has an MBA in Enterprise Administration and is an Electronic Engineer.

SERGIO MOLINA
GROUP PLANNING DIRECTOR

Sergio Molina started at the company 20 years ago. Mr. Molina obtained a Degree in Business Administration from Universidad Rafael Landivar de Guatemala. He has held several positions at the Company. PBS Guatemala General Manager (7 Years), PBS Dominican Republic General Manager (1 Year), PBS Group Post-Sale Manager (1Year), PBS Group Sales Process Management, PBS Group Planning Manager (Current).

LUCIA VIELMAN
CORPORATE TREASURER

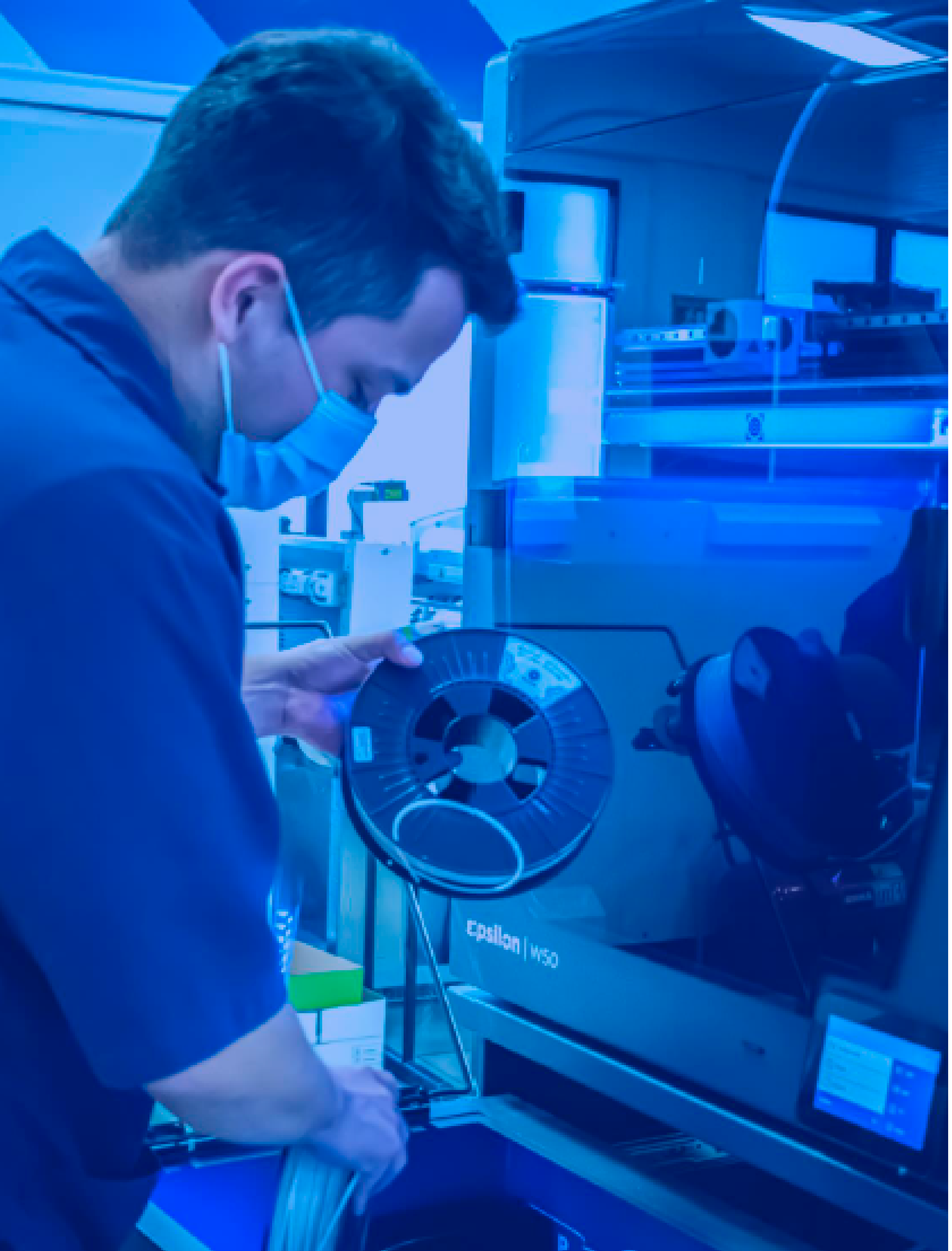
Mrs. Vielman Ruiz Graduated in Business Administration from Universidad Francisco Marroquin, Guatemala in 1998. She was Private Banking Manager at Mercom Bank and later appointed as General Manager. In 2009 Mrs. Vielman Ruiz Joined PBS as a Compliance Officer for the first syndicate loan and in 2010 she became the Corporate Treasurer, responsible for banking operations at the country level.

MAURICIO DUARTE
IT SALES MANAGER

Mauricio Duarte has 22 years of experience in the IT industry and started his tenure at PBS in 2006. Mr. Duarte was appointed General Manager in Guatemala in 2009, a position he held for 3 years while solidifying the PBS's ATM line of business. As an IT Regional Manager he maintained key relationships with principal brands such as HP, Cisco, NCR, Oracle and Apple. He has been involved in various important deals in the region. Mr. Duarte graduated from Universidad Rafael Landívar, Guatemala with a Marketing degree.

ALESIA PERSUAD
CHIEF FINANCIAL OFFICER
CARIBBEAN OPERATION

Alesia Persuad is currently the Chief Financial Officer of the Caribbean Operation of PBS Technology Group Limited (formerly Massy Technologies Limited). Prior to being appointed to her new role in May 2022, she was the Regional Finance Director of Massy Technologies (Trinidad) Ltd. from January 2019. She previously served 3 years as Finance Director and 5 years as Finance Manager at Massy Technologies Barbados. Mrs. Persaud holds a Graduate Certificate in Corporate Finance from University of Liverpool and an MBA from University of West Indies.



SUMMARY OF KEY INFORMATION

5. SUMMARY OF KEY INFORMATION

The following summary information is derived from and should be read in conjunction with, and is qualified in its entirety by, the full text of this Prospectus, including the Appendices.

You are advised to read this entire Prospectus carefully before making an investment decision about the Invitation. Your specific attention is drawn to the Risk Factors and Risk Management Policies in Section 15 of this Prospectus and the Disclaimer and Note on Forward-Looking Statements in Section 2 of this Prospectus.

If you have any questions arising out of this Prospectus or if you require any explanation, you should consult your stockbroker, licensed investment advisor, attorney-at-law, accountant or other professional advisor.

5.1 Expected Timetable Of Principal Events

Publication issue date and date of Prospectus	*July 27, 2022*
Invitation Opens at 9:00 A.M.	*August 12, 2022*
Invitation Closes at 3:30 P.M.	*September 9, 2022*
Allocation Announced By	within 7 days after the close of the Invitation
Refunds Credited To Accounts By	within 10 days after the close of the Invitation

The above timetable is indicative and will be implemented on a best-efforts basis, with the Directors reserving the right subject to applicable regulatory considerations and in consultation with the Lead Broker & Listing Agent, based on market conditions and other relevant factors, to:

(i) change the dates that the Invitation opens and closes; or
(ii) close the Invitation at any time if Applications have been received prior to the Closing Date for the full amount of the respective Preference Shares offered; or
(iii) suspend the acceptance of Applications at any time after the opening of the Invitation, for such period as the Directors shall determine; or
(iv) withdraw the Invitation in respect of either or both classes of Preference Shares at any time after the opening of the respective Application List and close such Application List(s) without accepting any Applications, in which event any amounts paid by Applicants in respect of the Invitation Price shall be refunded in full in full within 10 days to Applicants.

Notice of the occurrence of any of the above events will be given as soon as reasonably practicable via a press release in Jamaica and by posting a notice on the website of the JSE at https://www.jamstockex.com and the BSE at https://bse.com.bb.

5.2 Invitation To The Public

The Company is pleased to invite the public in Jamaica:

(i) To subscribe for up to 1,000,000 Perpetual Cumulative Redeemable 9.25% Fixed Rate US$ Preference Shares without nominal or par value (subject to the ability of the Company to upsize by a further 500,000 Perpetual Cumulative Redeemable 9.25% Fixed Rate US$ Preference Shares);

(ii) To subscribe for up to 150,000 Perpetual Cumulative Redeemable 10.50% Fixed Rate J$ Preference Shares (subject to the ability of the Company to upsize by a further additional 150,000 **10.50% Fixed Rate J$** Preference Shares).

9.25% Perpetual Cumulative Redeemable Fixed Rate US$ Preference Shares

Issuer:	Productive Business Solutions Limited
Security:	9.25% Perpetual Cumulative Redeemable Fixed Rate US$ Preference Shares without nominal or par value in the capital of Productive Business Solutions Limited
Invitation Price:	US$10 per Preference Share
Tenor:	Perpetual, subject to call option(s) at the discretion of the Issuer as defined hereinafter.
Optional Redemption Notice	The Issuer shall have the right, in its sole discretion to redeem on each Redemption Date (as defined hereinafter), all or some of the Preference Shares."Redemption Date" shall mean: i. for the first time, the last Business Day of the financial year during which falls immediately before the 15th anniversary of the issue date of the Preference Shares; ii. thereafter last Business Day of the financial year which falls immediately before every 3 years thereafter.
Redemption Call Option	To exercise its call option, the Issuer shall, at least 90 days prior to the Redemption Date, inform all holders of the Preference Shares of its firm and irrevocable intent to redeem all or some of the Preference Shares, as the case may be on the Redemption Date. Should the Issuer exercise this call option, the shares shall be redeemed and the Issuer shall pay the preference shareholders accordingly, on the relevant Redemption Date, a consideration equal to the then current market price or the Issue Price, whichever is higher of the 9.25% PERPETUAL Cumulative Redeemable Fixed Rate US$ Preference Shares at the date the Issuer issues the Redemption Notice (the "Redemption Price"), but without prejudice to the right of the holders to receive the distribution payments until the date the Redemption Call Option is exercised. Following the redemption of the Preference Shares, the redeemed Preference Shares will be cancelled.
No. of 9.25% Fixed Rate US$ Preference Shares Offered in the Invitation:	1,000,000 (Up to 1,500,000 in the event the Offer is upsized)
Offer Capitalisation:	US*$10,000,000.00 (Up to US$15,000,000.00 in the event the Offer is upsized)*
How Payable:	In full on Application in United States Dollars. See Section 20 of the Prospectus (*Application Procedure & Conditions of Invitation*).

Dividend Payment

Each class of the Preference Shares will be paid dividends at the respective Dividend Rate PROVIDED THAT:

i. The Board of Directors of the Company intends to consider and declare Dividends quarterly on the final Business Day of the Issuer's financial quarter end commencing the first quarter after the issue date of the Preference Shares;
ii. In the event that the Dividend Payment Date is not a Business Day, the dividend payment shall be made on the next succeeding Business Day;
iii. Dividends shall be paid from the distributable profits of the Company;
iv. Dividends shall be declared at the Dividend Rate at the discretion of the Board of Directors of the Company; and such date for payment shall follow declaration by the Board of Directors of the Company and processing by the Registrar engaged by the Company to attend to payments to registered holders.

The Directors intend to consider the payment of dividends in the first instance for the period commencing on the issue date of the Preference Shares and ending September 30, 2022 and thereafter each three (3) month period expiring on September 30, December 31, March 31 and July 30 in each year ("Dividend Frequency"). In the event that such date for payment is not a Business Day, the dividend payment shall be made on the next succeeding Business Day in the respective month.

Dividends on the 9.25% Fixed Rate US$ Preference Shares will be paid in US$.

Significant Terms And Conditions Of 9.25% Fixed Rate US$ Preference Shares:

The Company shall not pay any interim dividends on the Common Shares of the Company if the Company has not paid dividends on the Preference Shares in accordance with the Dividend Rate and Dividend Frequency with respect to any single payment period or cumulatively for any number of payment periods.

The Preference Shares shall rank *pari passu* to the preference shares issued by the Company prior to the Issue Date (the **"2017 J$ Preference Shares"**) and future preference shares to be issued by the Company in respect of the right to receive dividends.

The 2022 Preference Shares shall rank senior to the Common Shares and rank subordinated to the Company's secured creditors.

Variation of the terms of issue for each or any class of the 2022 Preference Share will require the consent in writing of the holders of 75% of the Preference Shares or the sanction of an Extraordinary Resolution (being a resolution passed by a majority of not less than 75% of holders of the Preference Shares voting in person or by proxy) passed at a separate meeting of the class of the Preference Shareholders, but not otherwise.

Each Application for the 9.25% Fixed Rate US$ Preference Shares must be for multiples of 10 of such Preference Shares subject to a minimum of 50 of such Preference Shares.

Basis of allotment of 9.25% Fixed Rate US$ Preference Shares

In the allocation process 9.25% Fixed Rate US$ Preference Shares will be allotted, on a first come first served basis, in the following order of priority:

i. firstly, to Reserved Share Applicants,

ii. secondly to the general public (including Reserve Share Applicants whose subscriptions were not fulfilled from the Reserve Pool).

If any Reserved Shares remain unsubscribed, then those Shares shall be available for subscription by the general public. A Reserved Share Applicant will, in respect of excess subscriptions not fulfilled by allotment from the Reserved Pool, as respects such excess subscription, be treated as part of the general public and may be allotted Shares in the same manner as other applicants forming part of the general pool accordingly.

Notwithstanding the Directors intention to allot the Shares on the abovementioned basis, they reserve the right, for convenience of operation and to facilitate early listing, to modify the allotment to Applicants on a basis to be determined by them in their sole discretion.

10.50% PERPETUAL CUMULATIVE REDEEMABLE FIXED RATE J$ PREFERENCE SHARES

Issuer:	Productive Business Solutions Limited
Security:	10.50% Perpetual Cumulative Redeemable Fixed Rate J$ Preference Shares without nominal or par value in the capital of Productive Business Solutions Limited
Invitation Price:	J$1,000 per Preference Share
Tenor:	Perpetual, subject to call option(s) at the discretion of the Issuer as defined hereinafter.
Optional Redemption Notice	Perpetual, subject to call option(s) at the discretion of the Issuer as defined hereinafter. The Issuer shall have the right, in its sole discretion to redeem on each Redemption Date (as defined hereinafter), all or some of the Preference Shares. "Redemption Date" shall mean: i. for the first time, the last Business Day of the financial year during which falls immediately before the 15th anniversary of the issue date of the Preference Shares; and ii. thereafter last Business Day of the financial year which falls immediately before every 3 years thereafter.
Redemption Call Option	To exercise its Redemption Call Option, the Issuer shall, at least 90 days prior to the Redemption Date, inform all holders of the 10.50% Cumulative Redeemable Fixed Rate J$ Preference Shares of its firm and irrevocable intent to redeem all or some of the 10.50% Cumulative Redeemable Fixed Rate J$ Preference Shares, as the case may be on the Redemption Date. Should the Issuer exercise the Redemption Call Option, the shares shall be redeemed and the Issuer shall pay the preference shareholders accordingly, on the relevant Redemption Date, a consideration equal to the then current market price or the Issue Price, whichever is higher, of the 10.50% Cumulative Redeemable Fixed Rate J$ Preference Shares at the date the Issuer issues the Redemption Notice (the "Redemption Price"), but without prejudice to the right of the 10.50% Cumulative Redeemable Fixed Rate J$ Preference Shares to receive the distribution payments until the date the Redemption Call Option is exercised. Following the redemption of the 10.50% Cumulative Redeemable Fixed Rate J$ Preference Shares, the redeemed 10.50% Cumulative Redeemable Fixed Rate J$ Preference Shares will be cancelled.
No. Of 10.50% Fixed Rate J$ Preference Shares OFFERED in the Invitation:	150,000 (Up to 300,000 in the event the Offer is upsized) .

OFFER Capitalisation:	J $150,000,000.00 (Up to J$300,000,000.00 in the event the Offer is upsized).
How Payable:	In full on application in Jamaican Dollars. See Appendix 3 of the Prospectus.
Dividend Payment	Each class of the Preference Shares will be paid dividends at the respective Dividend Rate PROVIDED THAT: i. The Board of Directors of the Company intends to consider and declare Dividends quarterly on the final Business Day of the Issuer's financial quarter end commencing the first quarter after the issue date of the Preference Share; ii. In the event that the Dividend Payment Date is not a Business Day, the dividend payment shall be made on the next succeeding Business Day; iii. Dividends shall be paid from the distributable profits of the Company; iv. Dividends shall be declared at the Dividend Rate at the discretion of the Board of Directors of the Company; and such date for payment shall follow declaration by the Board of Directors of the Company and processing by the Registrar engaged by the Company to attend to payments to registered holders]. The Directors intend to consider the payment of dividends in the first instance for the period commencing on the issue date of the Preference Shares and ending September 30, 2022 and thereafter each three (3) month period expiring on September 30, December 31, March 31 and July 30 in each year ("Dividend Frequency"). In the event that such date for payment is not a Business Day, the dividend payment shall be made on the next succeeding Business Day in the respective month. Dividends on the 10.50% Fixed Rate J$ Preference Shares will be paid in J$.

Significant Terms And Conditions Of 10.50% Fixed Rate J$ Preference Shares:	The Company shall not pay any interim dividends on the Common Shares of the Company if the Company has not paid dividends on the Preference Shares in accordance with the Dividend Rate and Dividend Frequency with respect to any single payment period or cumulatively for any number of payment periods. The Preference Shares shall rank *pari passu* to the **2017 J$ Preference Shares** and future preference shares to be issued by the Company in respect of the right to receive dividends. The 2022 Preference Shares shall rank senior to the Common Shares and rank subordinated to the Company's secured creditors. Variation of the terms of issue for each or any class of the 2022 Preference Share will require the consent in writing of the holders of 75% of the Preference Shares or the sanction of an Extraordinary Resolution (being a resolution passed by a majority of not less than 75% of holders of the Preference Shares voting in person or by proxy) passed at a separate meeting of the class of the Preference Shareholders, but not otherwise. Each Application for the 10.50% Fixed Rate J$ Preference
Basis of allotment of 10.5% Fixed Rate J$ Preference Shares	In the allocation process 10.5% Fixed Rate J$ Preference Shares will be allotted, on a first come first served basis to the general public.Notwithstanding the Directors intention to allot the Shares on the abovementioned basis, they reserve the right, for convenience of operation and to facilitate early listing, to modify the allotment to Applicants on a basis to be determined by them in their sole discretion.

5.3 INTENTION TO LIST ON JSE AND THE ISM OF THE BSE

PBS intends, immediately following the closing of the Invitation but no later than fifteen (15) days after Allotment, to make an application to the JSE to list the 9.25% Fixed Rate US$ Preference Shares and the 10.50% Fixed Rate J$ Preference Shares issued pursuant to the Invitation on the Main Market of the JSE and to list the Preference Shares within five (5) business days after approval by the JSE, to facilitate the trading of each of the said Preference Shares over the Main Market of the JSE. This statement is not to be construed as a guarantee that all or any of the said Preference Shares will be listed. It is the intention of the Company to apply to the BSE for the secondary listing of the Preference Shares on the ISM following the listing of the Preference Shares on the JSE.

REASONS FOR INVITATION AND USE OF PROCEEDS

6. REASONS FOR INVITATION AND USE OF PROCEEDS

6.1 The net proceeds from the Invitation derived by the Company will be used to fund the Company's strategic growth objectives and opportunities including acquisitions and expansions into new territories.

6.2 The Company estimates that the net proceeds of the Invitation will be approximately US$10,000,000 (US$15,000,000.00 in the event the Offer is upsized to the maximum amount) and J$50,000,000, (J$142,500,000.00 in the event the Offer is upsized to the maximum amount) after deducting the following expenses incurred in connection with the Invitation in the aggregate sum of approximately J$100,000,000.00 (J$157,500,000 in the event the Offer is upsized to the maximum amount):

(a) Fees payable to professional advisers;

(b) Brokerage fees;

(c) Registration and filing fees in Jamaica and Barbados;

(d) Fees payable to the JSE, BSE and the JCSD;

(e) The listing sponsor's fee in Barbados;

(f) Selling Agent Fees; and

(g) Marketing Expenses.

INDUSTRY AND MARKET OVERVIEW

7. INDUSTRY AND MARKET OVERVIEW

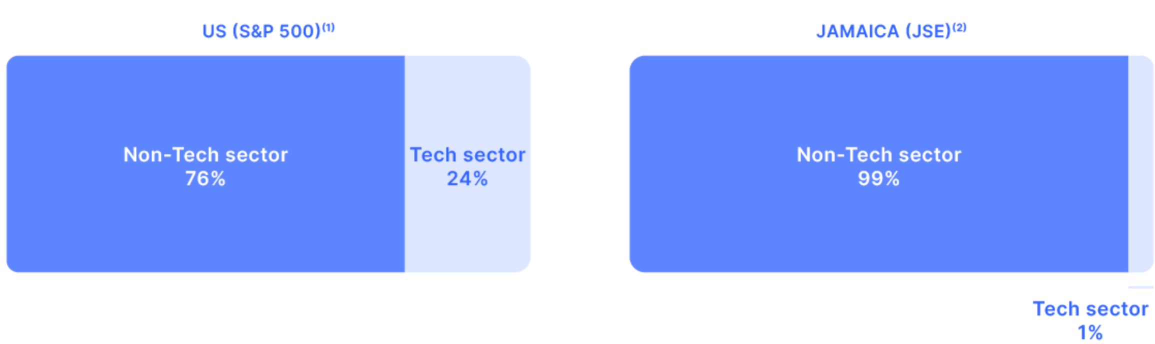
U.S. Technology Sector [1]

US$9 Trillion Market Cap	The total market capitalization of U.S. technology stocks is US$9 trillion, and by comparison exceed the valuation of the entire European stock market.
24% of the S&P 500	The 5 biggest U.S. technology companies - Apple, Microsoft, Amazon, Alphabet and Facebook - account for 24% of the S&P 500.
Technology is the largest sector in U.S.	Technology has been the largest sector in the U.S. and in the world, and it has grown significantly year-to-date.
COVID-19 accelerates technology sector growth	COVID-19 accelerated U.S. technology sector growth in 2020, Notably, technology sector stocks outperformed the broader market for much of 2020.
Technology sector viewed as safe haven for investors	Many investors have viewed the technology sector as a safe haven despite uncertainty over the COVID-19 pandemic.

(1) https://www.forbes.com/sites/sergeiklebnikov/2020/08/28/us-tech-stocks-are-now-worth-more-than-9-trillion-eclipsing-the-entire-european-stock-market/?sh=50821303e61

PBS Technology Sector – U.S. vs Jamaica

Caribbean institutional investors are potentially underwight technology, tha largest and fastest growing sector in the other capital markets.



(1) https://www.forbes.com/sites/sergeiklebnikov/2020/08/28/us-tech-stocks-are-now-worth-more-than-9-trillion-eclipsing-the-entire-european-stock-market/?sh=50821303e61
(2) J$ Equivalent of JSE market value of shares outstanding as at september30, 2021 for PBS and TTECH

Caribbean & Central America Technology Opportunity

COVID-19 has highlighted the opportunity for Caribbean & Central America economies to converge to the technology investment levels of their global peers.

The network readiness index (NRI) is a metric used to asses countries' ability to capitalie on the technology revolution.

The Caribbean & Central America's relatively low NRI rankings draw attention to the opportunity for these countries to improve technology development and invest in technology infrastructe.

This presents a unique opportunity for PBS to target NRI demand as a growth business line by assisting the public and provate sectors to deliver this completely required technological transformation.

NRI Rank (out of 134 countries)[1]	Country
8	U.S.
54	Costa Rica
70	Jamaica
75	Dominican Republic
81	Trinidad and Tobago
95	El Salvador

(1) https://networkreadinessindex.org/wp-content/uploads/2020/10/NRI-2020-Final-Report-October2020.pdf

PBS Competitive Position

PBS operates one of the only integrated information technology sales platform across both Central America and the Caribbean and offers a full range of IT and communication solutions.

Competitors	Profesional Services and Consulting	Enterprise IT Solutions	Technical Support Services	Enterprise Communication Solutions	Business Products
Productive Business Solutions (Regional)	●	●	●	●	●
Adjoined Business Solutions (Jamaica)	●	●	●		
Amaranth Business Solutions (Trinidad and Tobago)		●	●		●
Cable & Wireless Communications (Regional)		●		●	
Caribel Ltd. (Trinidad and Tobago)				●	
Computers and Control Ltd. (Trinidad and Tobago)			●	●	
Davyn (Trinidad and Tobago)	●	●			
Digicel Business (Regional)		●		●	
Digidata (Trinidad and Tobago)	●	●	●		
Fujitsu Cariubbean (Regional)	●	●	●	●	●
IBM (Regional)	●	●	●		
Infotech Caribbean (Trinidad and Tobago)	●	●			
Jen-Mar Business Machines (Trinidad and Tobago)		●	●		●
McEneamy Business Machines (MBM)		●	●		●
Memory Bank Computers (Trinidad and Tobago)		●	●		●
Promotech (Barbados)		●	●	●	●
TSTT (Trinidad and Tobago)		●		●	
TSL Group (Reginonal)	●	●	●	●	●

*This table was prepared internally by PBS management.

INFORMATION ABOUT THE COMPANY

8. INFORMATION ABOUT THE COMPANY

Productive Business Solutions Limited is a company incorporated in Barbados under the Companies Act, Cap. 308 of the laws of Barbados on December 16, 2010. The registered office of the Company is #42 Warrens Industrial Park, Warrens, St. Michael, Barbados.

The Company is capitalized by Common Shares and Preference Shares and is a subsidiary of Facey Group Limited, a company incorporated in Barbados under the Companies Act, Cap. 308 of the laws of Barbados ("Facey Group").

The Company is a member of the Musson Group, a privately-owned Jamaican holding company controlled by Paul B. Scott and his family.

(a) Company Overview

PBS represents over 100 leading global technology brands seeking to do business in the Caribbean and Central America, including Apple, Akamai, Cisco, Dell, Fortinet, HP, IBM, Leidos, Microsoft, NCR, Oracle, Quadient and Xerox. Leading institutional clients throughout the region, including banks, retailers, telecoms, energy companies and governments trust PBS to provide mission critical enterprise information technology solutions. PBS offers these clients a range of information technology, networking, printing and security products and services. PBS generates revenues from these activities that are mostly in hard currency and diversified geographically and by product. In 2021, PBS recorded the highest revenues and net profit in its twenty-year history.

PBS provides a wide range of mission critical solutions to the leading governments and businesses in the Caribbean and Central America. Selected examples of diverse business activities include:

- Maintenance of a network of over 3,200 ATMs across the Caribbean and Central America for leading financial institutions.
- Management of over 75,000 devices across over 850 stores for a Fortune 100 retailer operating in Central America.
- Maintenance of over 33,000 installed printers across the Caribbean and Central America.
- Operation of a two-way radio platform for the oil and gas industry in Trinidad.
- Management of electronic bank statement delivery for a leading regional bank in the English-speaking Caribbean.
- Implementation of National ID card systems in Jamaica and Barbados.
- Ownership of Surepay, the largest electronic bill payment platform in Barbados.
- Design of tax collection platform in El Salvador and facial recognition software for Honduras' Register of Persons.
- Support for airport scanning units in Jamaica, the Dominican Republic, Honduras and Guatemala.
- Support for container scanning units in Guatemala and Costa Rica.

(b) Brand Partners and Suppliers

The Company represents over 100 leading global technology brands seeking to do business in the Caribbean and Central America. A selection of PBS suppliers and brand partners is below.

(c) Products & Services

The Company offers a wide range of products and services on behalf of its brand partners and suppliers to its customers across: information technology, networking, printing, security systems and advanced services. PBS both sells products and services outright as well as increasingly provides ongoing services and other forms of recurring revenue.

Table 2: Products & Services

Products & Services

The Company offers a wide range of products and services on behalf of its brand partners and suppliers to its customers across: information technology, networking, printing, security systems and advanced services. PBS both sells products and services outright as well as increasingly provides ongoing services and other forms of recurring revenue.

Information Technology	Software, Servers, Cloud Services, Laptops and Infrastructure.	DELL, NCR, ORACLE, Lenovo, hp
Networking	Switches, Routers, Gateways, Access Points, Collaboration and Security.	CISCO, FORTINET, Akamai
Maintenance & Services	End point Maintenance, ATMs, POS, Graphic Arts, and other services.	pbs
Advanced Services	Office and graphics art equipment, supplies, paper, finishing, labels.	Hightech, quadient
Printing	Software engineering and Development factory, training, consulting, IT support, help desk, performance analysis and monitoring.	xerox, quadient
Security Systems	Checkpoints, X-Ray systems, Explosive detection systems, Cavities images, Drugs, Identification Cards, Software.	Entrust Datacard, THALES, leidos

Leading institutional clients throughout the Caribbean and Central America trust PBS to provide critical enterprise information technology products and services. The Company offers document and information technology products and services to leading companies and governmental agencies in the Caribbean and Central American regions. The Company positions itself as a trusted advisor that enables its customers to focus on their core businesses, while supporting innovative development through its strategic business partners. This business model has allowed PBS to generate a stable revenue base business from recurring supply purchases, equipment rental and maintenance contracts.

(d) Geographic Footprint

PBS operates a fully integrated sales platform across 19 countries through the region. The Company's scale and scope offers a compelling value proposition to global technology brands seeking to do business in our region. It also allows PBS to better serve the largest customers who have a presence in multiple territories.

Where Does PBS Operate?

PBS has 24 offices operating in 19 countries throughout the Caribbean and Central America

1 Antigua & Barbuda
2 Aruba
3 Barbados
4 Belize
5 Cayman Islands
6 Colombia
7 Costa Rica
8 Curaçao
9 Dominican Republic
10 El Salvador
11 Miami, FL, USA
12 Guatemala
13 Guyana
14 Honduras
15 Jamaica
16 Montego Bay
17 Nicaragua
18 Panama
19 Suriname
20 Trinidad and Tobago

PBS has a team and a physical presence in each of these 19 countries. Purchasing and treasury functions across majority of these domiciles are centralized via a shared services platform that is managed out of Central America.

(e) Customer Base

The Company has a large and diverse customer base of more than 12,000 accounts in Central America and the Caribbean. PBS has particularly strong relationships with governments and the leading firms operating in each territory in banking, telecommunications, energy, retail and distribution.

Below is a list of select PBS clients by industry.

(f) Revenue Diversification

The Company is geographically diversified across the Caribbean and Central America.

Revenue Diversification

The Company is geographically diversified across the Caribbean and Central America.

Table 4: 2021 EBITDA Contribution by Country

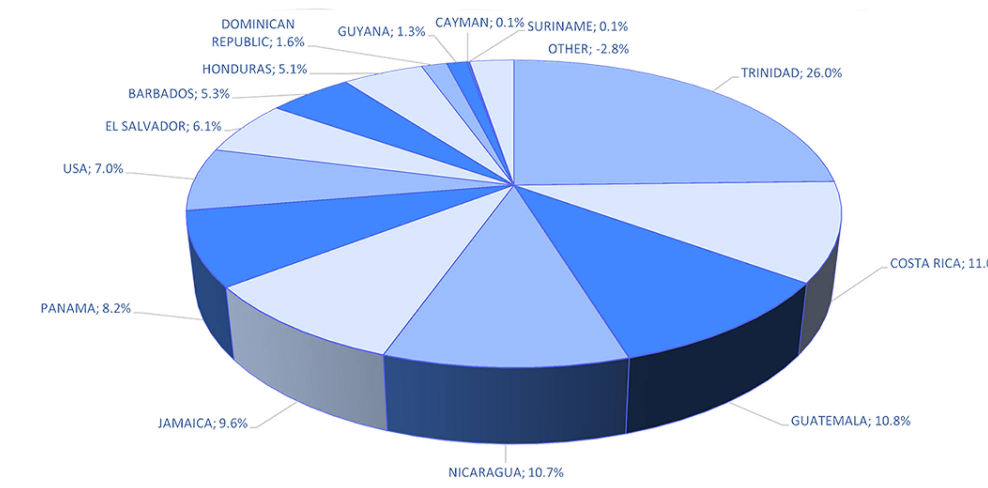
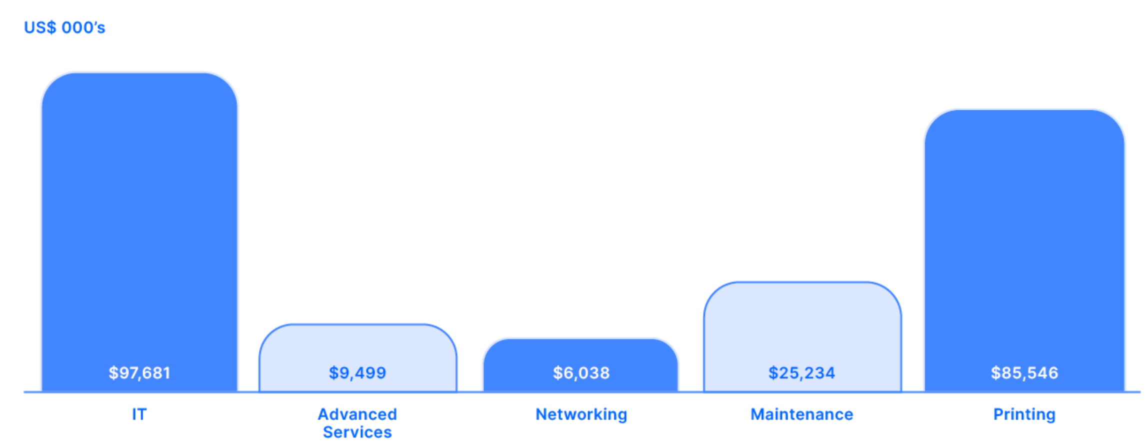
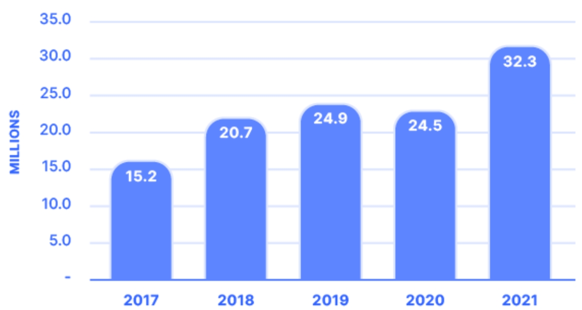


Table 5: 2021 Revenue by Product Line

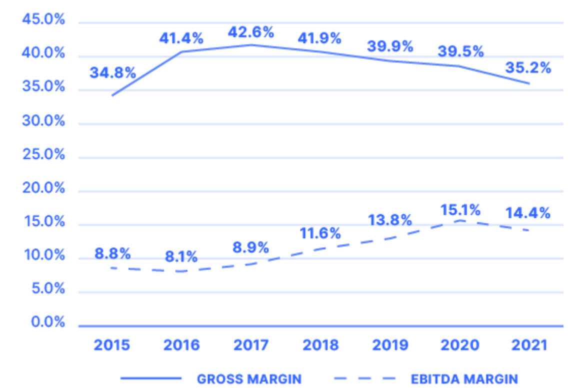


Historical Finacial Performance

PBS has grown its EBITDA by a CAGR of 20.6% since its JSE IPO in 2017



PBS has consistently maintained high gross margins with increasing EBITDA margins



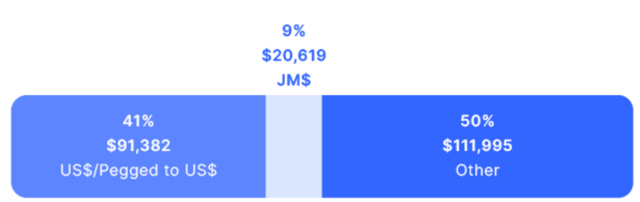
PBS generates strong free cash flow from its operating businesses

(US$ 000's)	2017	2018	2019	2020	2021
EBITDA	15,246	20,746	24,871	24,520	32,253
Taxation Paid	(2,304)	(2,819)	(1,444)	(377)	(2,066)
Interest Paid	(4,154)	(6,771)	(5,810)	(8,116)	(15,133)
Repayment of Lease Liabilities	-	-	(2,455)	(3,269)	(3,486)
Capital Expenditure	(5,422)	(2,945)	(3,206)	(6,399)	(5,065)
Free Cash Flow	3,366	8,211	11,956	6,359	6,503

Recurring Revenue
2021 Revenue in US$ Thousands

A significant portion of PBS' Revenue is recurring. It is derived from renting equipment, supplying parts, or paper and maintenance under multi-year contracts.

Hard Currency Revenue
2021 Currency Revenue Mix in US$ Thousands



Only 9% of PBS' revenues are in Jamaican dollars with the vast majority earned in hard currency.

(g) Recent Acquisition of PBS Technology Group Limited (formerly Massy Technologies Limited)

On September 1, 2021, PBS announced that it had entered into a definitive agreement to acquire PBS Technology Group Limited ("PBSTG") which was formerly known as Massy Technologies Limited. Through its subsidiaries, PBSTG, incorporated in St Lucia, operates in five countries: Trinidad and Tobago, Jamaica, Barbados, Guyana and Antigua and Barbuda. In its enterprise IT business, PBSTG provides solutions including software, infrastructure, and hybrid cloud computing. In its enterprise communications business, PBSTG provides networking solutions, communication infrastructure, network security, IP telephony, two-way radio and operates a network operation center. Additionally, PBSTG provides digital transformation consulting, managed services, technical support services, sells IT mission critical servers, desktops, laptops, multifunctional printers and offers advanced services such as omni-channel payment solutions. Through its subsidiaries in Barbados and Trinidad and Tobago, PBSTG also owns "Surepay," a leading e-billing platform in Barbados and Trinidad and Tobago. The acquisition solidified PBS as the leading information technology solutions provider across the Caribbean and Central America.

(h) History

PBS was founded in 2001 as a division of Musson to acquire the business and assets of Xerox Corporation in Jamaica. Through a joint venture between Musson and Seprod Limited ("Seprod "), PBS expanded to the Dominican Republic, Aruba , and Curacao in 2004 through the acquisition of subsidiaries of Xerox Corporation in those countries. These companies were renamed PBS Dominicana , PBS Aruba and PBS Curacao respectively, upon acquisition by PBS. In 2006 Facey Commodity Company Limited ("Facey"), a then 50% associate company of Musson, acquired 51% of Grupo Difoto, the exclusive distributor of Xerox products in Guatemala, El Salvador, Costa Rica and Panama and a distributor for NCR and Sony Medical imaging in Guatemala. In 2006, Facey also acquired Springer Clarke Business Machines Ltd., owner of Barbados Business Machines Limited ("BBM"), a technology distributor in Barbados that represented Xerox among other brands.

In 2007 Facey incorporated Global Products Alliance, Inc. ("GPA") in Miami, Florida in partnership with its subsidiary Grupo Difoto. GPA began the master distribution, on behalf of Xerox , of printing and technology equipment and parts from Miami into the Caribbean and Central American region through in-country sub-distributors , some of which included its affiliates. Also in 2007, Facey Group acquired from Musson Jamaica Limited and Seprod Limited their interests in Productive Business Solutions Limited – a company incorporated in Jamaica ("PBS Jamaica"), Productive Business Solutions Limited Dominicana S.A. ("PBS Dominicana"), Productive Business Solutions (Aruba) N.V. (" PBS Aruba") and Productive Business Solutions(Curacao) B.V. ("PBS Curacao") and began the process of integrating these with Grupo Difoto and BBM which it already held.

In 2008, Facey Group acquired from Xerox Corporation its subsidiary in Nicaragua, renaming it PBS Nicaragua, increased its ownership in Grupo Difoto from 51% to 59% and later that year acquired 40% of Cayman Business Machines Limited. In 2009, Facey acquired the outstanding minority interest in Grupo Difoto, increasing ownership to 100% and Grupo Difoto established a representative office in Belize in 2010.

In 2010, Facey Group restructured its operations to form three distinct arms each aligned to one of Facey Group's line of business and PBS was incorporated in Barbados as a subsidiary of Facey Group. PBS then began the process of acquiring Facey's business solutions and technology distribution businesses: Grupo Difoto (subsequently renamed PBS Central America), PBS Nicaragua, Barbados Business Machines, PBS Jamaica, PBS Aruba, PBS Curacao and Cayman Business Machines Limited, creating the largest business solutions provider in the Caribbean and Central America region.

In 2012, PBS Honduras was granted Xerox distribution rights as a consequence of negotiations made with the then current distributor, Corporación de Desarrollo Comercial (CDC). As part of such negotiation, a 25% participation in PBS Honduras was granted to CDC, which in turn ceded its rights to Antonio Tavel, current shareholder of PBS Honduras.

Between 2010 and 2012 PBS rebranded its Grupo Difoto operations in Central America and its Barbados Business Machines business in Barbados as "PBS", and for its 14 operations in the Caribbean and Central America PBS harmonized procedures, operations and systems while integrating back-office functions.

PBS then leveraged its combined collective strength, its regional presence in the Caribbean and Central America and its unique distribution platform to expand its portfolio to include regional distribution arrangements with Oracle in 2010, Cisco in 2011, Tripp-Lite and Engatel in 2013, GMC in 2016 and L3 security systems in 2016.

(i) List of Subsidiaries

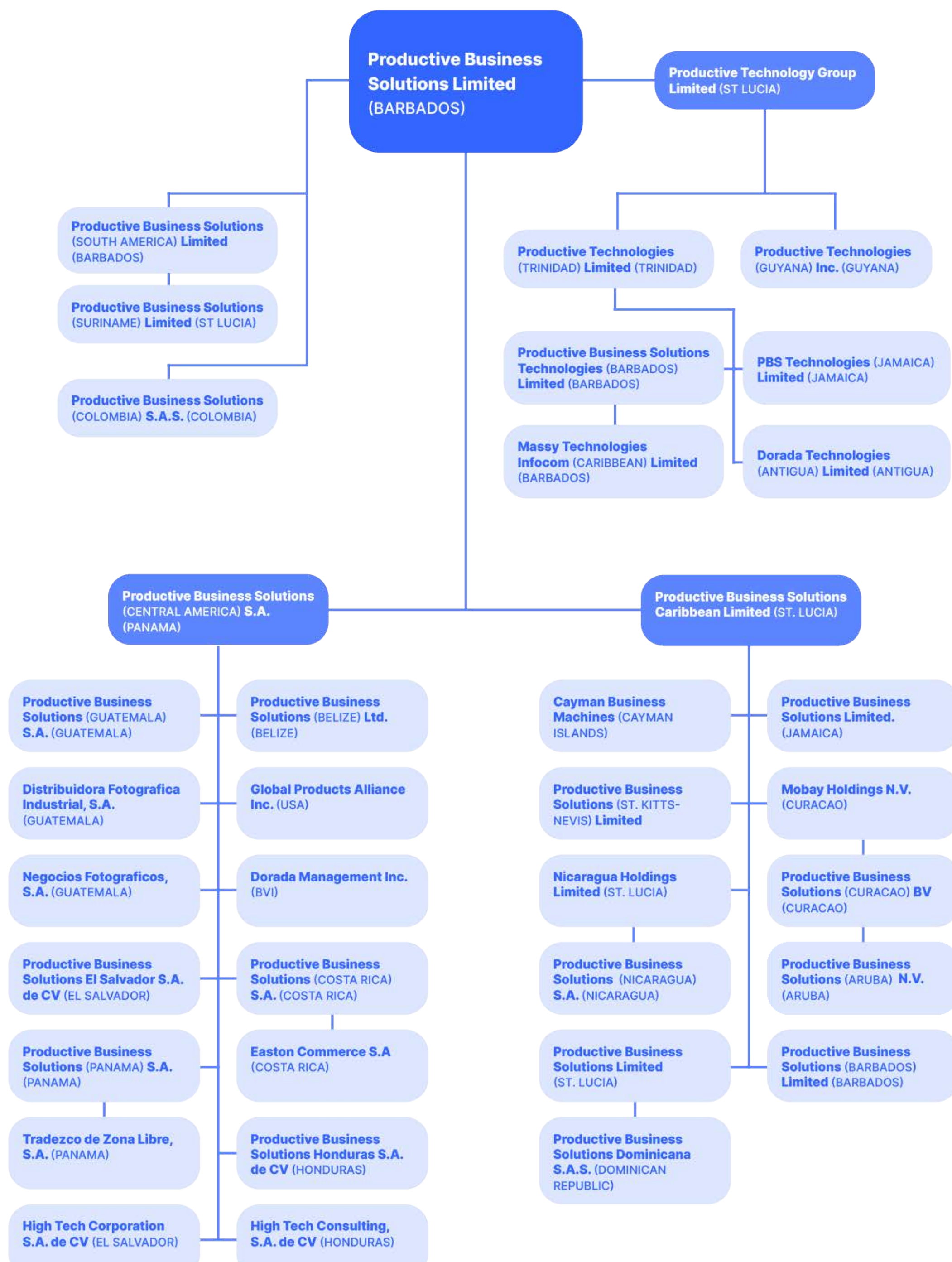
Table 1

Company	Country of Incorporation	% Interest
Productive Business Solutions Caribbean Limited and its subsidiaries	Saint Lucia	100
Productive Business Solutions Limited	Jamaica	100
Cayman Business Machines Limited*	Cayman	40
Mobay Holdings N.V. and its subsidiary	Curacao	100
Productive Business Solutions (Curacao) B.V. and its subsidiary	Curacao	100
Productive Business Solutions (Aruba) N.V.	Aruba	100
Productive Business Solutions Limited and its subsidiaries	Saint Lucia	100
Productive Business Solutions Dominicana, S.A.S.	Dominican Republic	100
Nicaragua Holdings and its subsidiary	Saint Lucia	100
Productive Business Solutions (Nicaragua), S.A.	Nicaragua	100
Productive Business Solutions (Barbados) Limited	Barbados	100
Productive Business Solutions (Central America), S.A and its subsidiaries	Panama	100
Dorada Management Inc.	British Virgin Islands	100
Productive Business Solutions (Guatemala), S.A.	Guatemala	100
Global Products Alliance, Incorporated	USA	100
Productive Business Solutions Costa Rica, S.A.	Costa Rica	100
Easton Commerce, S.A.	Costa Rica	100
Distribuidora Fotográfica Industrial, S.A..	Guatemala	100
Negocios Fotográficos, S.A.	Guatemala	100
Productive Business Solutions El Salvador, S.A. de C.V.	El Salvador	100
High Tech Corporation, S.A. de C.V.	El Salvador	100
Productive Business Solutions (Panama), S.A. and Tradeco Zona Libre S.A.	Panama	100
Productive Business Solutions (Belize) Limited	Belize	100
Productive Business Solutions Honduras, S.A. de C.V.	Honduras	75
High Tech Consulting, S.A. de C.V.	Honduras	100
Productive Business Solutions (Colombia), S.A.S.	Colombia	100
Productive Business Solutions (South America) Limited	Saint Lucia	100
Productive Business Solutions (Suriname) Limited (a branch of PBS South America)	Saint Lucia	100
PBS Technology Group Limited	Saint Lucia	100
PBS Technologies (Guyana) Inc.	Guyana	100
PBS Technologies (Trinidad) Limited	Trinidad	100
PBS Technologies (Jamaica) Limited	Jamaica	100
Productive Business Solutions Technologies (Barbados) Limited	Barbados	100
Dorada Technologies (Antigua) Limited	Antigua	100
Massy Technologies Infocom (Caribbean) Ltd	Barbados	100

*The Company owns 40% of Cayman Business Machines Limited. The operations of Cayman Business Machines Limited are however controlled by Productive Business Solutions Limited and that company is therefore, in substance, categorized as a subsidiary.

(j) PBS Legal Organization Chart

Figure 2



CAPITAL & SHAREHOLDER INFORMATION

9. CAPITAL & SHAREHOLDER INFORMATION

9.1 The details of the share capital of the Company as at the date of this Prospectus are set out below:

Existing shares:

Class	Authorised	Number Issued
Preference (9.75% J$ CUMULATIVE REDEEMABLE)	25,800,000	25,800,000
Common	186,213,000	186,213,000

Shares being offered in this issuance:

Class	Authorised	Number TO BE Issued
US$ Preference (9.25% CUMULATIVE REDEEMABLE)	5,000,000	1,000,000 (1,500,000 if the offer is upsized)
J$ Preference (10.50% CUMULATIVE REDEEMABLE)	5,000,000	150,000 (300,000 if the offer is upsized)

CAPITALIZATION

The following table sets forth the cash and cash equivalents and capitalization as of December 31, 2021 on an actual basis.

	As of December 31, 2021 ('000's)
Cash and Cash Equivalents	$21,740
Short term Debt	$23,564
Long Term Borrowings	
- Long Term Debt including current portion	$17,034
- Long term Bonds Payable	$88,717
- Cumulative Redeemable Preference Shares	$16,281
Total Borrowings	$122,032
Total Debt	$145,596
Equity	$84,206
Total capitalization including short-term debt and current portion of long-term debt	$229,802

9.2 Information on the ownership of the Company's issued common shares is set out below.

TOP TWELVE COMMON SHAREHOLDERS AS AT DECEMBER 31, 2021

Name of Shareholder	Number of Common Shares	Percentage of Issued Common Shares
Facey Group Limited	84,181,818	45.20%
Musson (Jamaica) Limited and its subsidiaries	45,776,738	24.60%
Portland Caribbean Fund II L.P.	37,855,612	20.30%
Pedro Paris Coronado	5,485,214	2.90%
Portland Caribbean Fund II Barbados L.P.	4,372,151	2.30%
NCB Capital Markets (Cayman) Ltd	3,065,214	1.60%
Jose Misrahi	1,087,308	0.60%
Courtney Sylvester	663,473	0.40%
Jose Guillermo Rodriguez Perdomo	363,600	0.20%
Jason Martin Corrigan	363,600	0.20%
Marco Antonio Almendarez Cisneros	363,600	0.20%
JCSD Trustee Services – Sigma Joint Venture	320,433	0.20%
TOTAL	**183,898,761**	**98.80%**

TOP TWELVE J$ REDEEMABLE CUMULATIVE PREFERENCE SHAREHOLDERS AS AT DECEMBER 31, 2021

Name of Shareholder	Number of Preference Shares	Percentage of Issued Preference Shares
NCB Capital Markets Ltd. A/C 2231	13,865,024	54%
Sagicor Pooled Equity Fund	2,500,000	10%
Cable And Wireless Jamaica Pension Fund	1,100,000	4%
PAM – Pooled Equity Fund	500,000	2%
Development Bank of Jamaica Pension Fund	500,000	2%
NCB Insurance Agency and Fund Managers Ltd WT040	500,000	2%
NCB Insurance Agency and Fund Managers Ltd WT161	400,000	2%
NCB Insurance Agency and Fund Managers Ltd WT160	400,000	2%
NCB Insurance Agency and Fund Managers Ltd WT181	300,000	1%
NCB Insurance Agency and Fund Managers WT035	300,000	1%
MF&G Asset Management Ltd – NCBCM Non-Diversified Unit Trust Scheme	250,000	1%
BPM Financial Limited A/C BP999	220,000	1%
TOTAL	**20,835,024**	**81%**

PBS has interests in several subsidiaries (please see Note 2(b) (i) of December 31, 2021 Audited Financial Statements included herein, for list of Subsidiaries).

AUDITOR'S REPORT

10. AUDITOR'S REPORT

Productive Business Solutions Limited

Summary Consolidated Financial Statements

December 31, 2021

Independent auditor's report on the summary consolidated financial statements

To the Board of Directors of Productive Business Solutions Limited

Opinion
In our opinion, the accompanying summary consolidated financial statements of Productive Business Solutions Limited (the Company) are consistent, in all material respects, with the audited consolidated financial statements, in accordance with the requirements of Section 42 of the Jamaican Companies Act, as modified by the inclusion of the statement of changes in equity and the statement of cash flow, as described in the notes to the summary consolidated financial statements

The summary consolidated financial statements
The Company's summary consolidated financial statements derived from the audited consolidated financial statements for the years ended December 31, 2017, 2018, 2019, 2020 and 2021 comprise:

- The summary consolidated statement of financial position as at December 31, 2017, 2018, 2019, 2020 and 2021;
- The summary consolidated statement of comprehensive income for each of the years then ended;
- The summary consolidated statement of changes in equity for each of the years then ended;
- The summary consolidated statement of cash flows for the years then ended; and
- The related notes to the summary financial statements.

The summary consolidated financial statements do not contain all the disclosures required by International Financial Reporting Standards applied in the preparation of the audited consolidated financial statements. Reading the summary consolidated financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements and the auditor's report thereon. The audited consolidated financial statements and the summary consolidated financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited consolidated financial statements.

The audited consolidated financial statements and our audit report there on
We expressed unmodified audit opinions on those consolidated financial statements in our reports dated March 29, 2018, March 31, 2019, April 30, 2020, April 23, 2021 and April 30, 2022, respectively.

Other information
Management is responsible for the other information. The other information comprises the management, discussion and analysis but does not include the summary consolidated financial statements and our auditor's report thereon.

Our opinion on the summary consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

PricewaterhouseCoopers SRL, The Financial Services Centre, Bishop's Court Hill, P.O. Box 111, St. Michael, BB14004, Barbados, West Indies
T: (246) 626 6700, F: (246) 436 1275, www.pwc.com/bb

In connection with our audit of the summary consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the summary consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact to those charged with governance. We have nothing to report in this regard.

Responsibilities of management for the summary consolidated financial statements
Management is responsible for the preparation of the summary consolidated financial statements in accordance with the requirements of Section 42 of the Jamaican Companies Act, as modified by the inclusion of the statement of changes in equity and the statement of cash flow, as described in the notes to the summary consolidated financial statements.

Auditor's responsibility
Our responsibility is to express an opinion on whether the summary consolidated financial statements are consistent, in all material respects with the audited consolidated financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing 810 (Revised), 'Engagements to Report on Summary Financial Statements'.

Other matter
Our reports, dated March 29, 2018, March 31, 2019, April 30, 2020, April 23, 2021 and April 30, 2022, on the consolidated financial statements of the Company for the years ended December 31, 2017, 2018 and 2019, 2020 and 2021, respectively were made solely to the Company's shareholders, as a body, in accordance with Section 147 of the Companies Act of Barbados. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law and subject to any enactment or rule of law to the contrary, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for our reports dated March 29, 2018, March 31, 2019, April 30, 2020, April 23, 2021 and April 30, 2022, respectively, or for the opinion we have formed.

PricewaterhouseCoopers SRL
Bridgetown, Barbados
July 26, 2022

Productive Business Solutions Limited

Summary Consolidated Statement of Comprehensive Income

For each of the Five Years ended 31 December 2017, 2018, 2019, 2020 and 2021

(Expressed in United States dollars unless otherwise indicated)

	2017 $'000	2018 $'000	2019 $'000	2020 $'000	2021 $'000
Continuing Operations					
Revenue	171,906	179,294	180,104	161,860	223,997
Direct expenses	(98,660)	(104,226)	(108,246)	(97,896)	(145,214)
Gross Profit	73,246	75,068	71,858	63,964	78,783
Other income	685	1,397	770	1,910	744
Selling, general and administrative expenses	(67,744)	(64,507)	(60,486)	(54,306)	(61,462)
Impairment losses	-	(194)	(591)	(706)	(733)
Operating Profit	6,187	11,764	11,551	10,862	17,332
Finance costs	(8,902)	(9,154)	(7,511)	(8,618)	(10,214)
(Loss)/ Profit before Taxation	(2,715)	2,610	4,040	2,244	7,118
Taxation	(2,031)	(2,476)	(1,955)	(2,124)	(1,519)
Net (Loss)/Income for the Year	(4,746)	134	2,085	120	5,599
Other Comprehensive (Loss)/Income					
Items that may be subsequently reclassified to profit or loss:					
Currency translation differences on the net assets of foreign subsidiaries	(265)	(2,456)	336	(2,558)	(1,434)
Items that will not be reclassified to profit or loss:					
Actuarial losses- termination benefits	(166)	-	-	-	-
	(431)	(2,456)	336	(2,558)	(1,434)
TOTAL COMPREHENSIVE (LOSS)/INCOME	(5,177)	(2,322)	2,421	(2,438)	4,165
Net (Loss)/Income for the Year is Attributable to:					
Shareholders of the Company	(4,878)	69	1,798	105	5,523
Non-controlling interests	132	65	287	15	76
	(4,746)	134	2,085	120	5,599
Total Comprehensive (Loss)/Income for the Year is Attributable to:					
Shareholders of the Company	(5,309)	(2,387)	2,134	(2,453)	4,089
Non-controlling interests	132	65	287	15	76
	(5,177)	(2,322)	2,421	(2,438)	4,165
	Cents	**Cents**	**Cents**	**Cents**	**Cents**
Basic and diluted earnings per share for profit from continuing operation attributable to ordinary share holders	(3.96)	0.06	1.46	0.09	3.83

Productive Business Solutions Limited

Summary Consolidated Statement of Financial Position

Five Years ended 31 December 2017, 2018, 2019, 2020 and 2021

(Expressed in United States dollars unless otherwise indicated)

	2017 $'000	2018 $'000	2019 $'000	2020 $'000	2021 $'000
Non-Current Assets					
Property, plant and equipment	20,291	22,657	25,519	24,844	31,574
Right-of-use assets	-	-	16,092	13,873	15,708
Intangible assets	19,618	18,393	21,104	20,010	104,813
Lease receivables	2,082	2,393	3,126	2,280	1,804
Pension plan assets	-	-	-	85	114
Long term receivables	1,386	1,566	1,935	1,085	550
Deferred income tax assets	1,015	1,439	1,349	1,326	3,765
Contract assets	-	-	-	-	6,390
Total Non-Current Assets	44,392	46,448	69,125	63,503	164,718
Current Assets					
Due from related parties	6,231	7,611	3,356	3,708	3,857
Inventories	42,700	42,956	39,810	31,947	39,681
Contract assets	-	826	6,079	12,684	8,645
Trade and other receivables	43,593	50,589	44,057	51,726	83,515
Current portion of lease receivables	1,885	2,048	1,536	1,296	1,721
Taxation recoverable	9,565	9,992	10,148	10,222	11,492
Financial assets at amortized cost	-	-	-	-	1,592
Cash and cash equivalents	12,097	6,570	5,297	5,850	21,740
Total Current Assets	116,071	120,592	110,283	117,433	172,243
Current Liabilities					
Trade and other payables	39,059	40,487	34,579	30,516	47,372
Contract liabilities	-	3,670	4,232	4,110	13,793
Due to related parties	7,249	8,043	5,162	8,270	13,009
Taxation payable	2,407	2,602	3,418	5,290	7,777
Current portion of lease liabilities	-	-	2,726	2,683	3,773
Short term loans	1,991	1,526	2,101	2,959	20,661
Current portion of long term loans	627	99	999	3,241	9,188
Bank overdraft	-	3,505	3,398	3,174	2,903
Total Current Liabilities	51,333	59,932	56,615	60,243	118,476
Net Current Assets	64,738	60,660	53,668	57,190	53,767
Total Non-Current Assets and Net Current Assets	109,130	107,108	122,793	120,693	218,485
Equity					
Attributable to Shareholders of the Company					
Share capital	57,317	57,317	57,317	57,317	105,782
Other reserves	-13,751	-16,207	-15,871	-18,429	-19,870
Accumulated deficit	-5,533	-6,030	-6,232	-6,127	-2,633
Total Shareholders' Equity	38,033	35,080	35,214	32,761	83,279
Non-controlling Interests	484	549	836	851	927
Total Equity	38,517	35,629	36,050	33,612	84,206
Non-Current Liabilities					
Retirement benefit obligations	579	565	557	525	599
Contingent consideration payable	-	-	-	1,728	1,796
Deferred income tax liabilities	152	423	394	334	1,677
Lease liabilities	-	-	14,402	12,648	15,871
Borrowings	69,882	70,491	71,390	71,846	112,844
Other long term liabilities	-	-	-	-	1,492
Total Non-Current Liabilities	70,613	71,479	86,743	87,081	134,279
Total Non-Current Liabilities and Equity	109,130	107,108	122,793	120,693	218,485

Productive Business Solutions Limited

Summary Consolidated Statement of Changes in Equity
For each of the Five Years ended 31 December 2017, 2018, 2019, 2020 and 2021
(Expressed in United States dollars unless otherwise indicated)

	Attributable to Shareholders of the Company					
	Number of Shares '000	Share Capital $'000	Other Reserves $'000	Accumulated Deficit $'000	Non-Controlling Interest $'000	Total $'000
Balance at 31 December 2016	45,001	45,001	(11,026)	(2,984)	352	31,343
Currency translation differences	-	-	(265)	-	-	(265)
Actuarial losses on the termination of benefits	-	-	117	(283)	-	(166)
Net loss	-	-	-	(4,878)	132	(4,746)
Total comprehensive loss	-	-	(148)	(5,161)	132	(5,177)
Transfer from reserves	-	-	(2,577)	2,612	-	35
Transaction with owners						
Increase in share capital	78,271	12,316	-	-	-	12,316
Balance at 31 December 2017, as previously stated	123,272	57,317	(13,751)	(5,533)	484	38,517
Change in accounting policy	-	-	-	(566)	-	(566)
Balance at 31 December 2017, restated	123,272	57,317	(13,751)	(6,099)	484	37,951
Currency translation differences	-	-	(2,456)	-	-	(2,456)
Net profit	-	-	-	69	65	134
Total comprehensive loss	-	-	(2,456)	69	65	(2,322)
Balance at 31 December 2018	123,272	57,317	(16,207)	(6,030)	549	35,629
Currency translation differences	-	-	336	-	-	336
Net income	-	-	-	1,798	287	2,085
Total comprehensive income	-	-	336	1,798	287	2,421
Dividends	-	-	-	(2,000)	-	(2,000)
Balance at 31 December 2019	123,272	57,317	(15,871)	(6,232)	836	36,050
Currency translation differences	-	-	(2,558)	-	-	(2,558)
Net income	-	-	-	105	15	120
Total comprehensive loss	-	-	(2,558)	105	15	(2,438)
Balance at 31 December 2020	123,272	57,317	(18,429)	(6,127)	851	33,612
Currency translation differences	-	-	(1,434)	-	-	(1,434)
Net income	-	-	-	5,523	76	5,599
Total comprehensive income	-	-	(1,434)	5,523	76	4,165
On acquisition of subsidiaries	-	-	(7)	-	-	(7)
Transactions with owners						
Dividends paid	-	-	-	(2,029)	-	(2,029)
Increase in share capital	62,941	48,465	-	-	-	48,465
Balance at 31 December 2021	186,213	105,782	(19,870)	(2,633)	927	84,206

Productive Business Solutions Limited

Summary Consolidated Statement of Cash Flows
For each of the Five Years ended 31 December 2017, 2018, 2019, 2020 and 2021
(Expressed in United States dollars unless otherwise indicated)

	2017 $'000	2018 $'000	2019 $'000	2020 $'000	2021 $'000
Cash Flows from Operating Activities					
Net (loss)/profit	-4,746	134	2,085	120	5,599
Items not affecting cash:					
Depreciation	7,015	7,759	12,328	12,572	13,176
Amortisation and impairment of intangible assets	1,455	1,223	992	1,086	1,745
Adjustment on debt restructure	-	-	-2,822	-	-
Actuarial (gains)/losses	114	-	-	-	-
Taxation expense	2,031	2,476	1,955	2,124	1,519
Loss on disposal of property, plant and equipment	589	-	-	-	-
Currency translation differences	1,213	-2,357	-1,529	-2,210	-3,867
Interest income	-13	-549	-543	-584	-447
Interest expense	7,229	8,093	7,856	8,784	11,253
	14,887	16,779	20,322	21,892	28,978
Change in non-cash w orking capital balances:					
Inventories	-12,974	-8,539	-5,373	4,335	-1,271
Contract assets	-	-826	-5,253	-6,605	-2,351
Accounts receivable	-6,661	-6,941	6,913	-7,669	-10,767
Due from related parties	-2,278	-2,001	86	-352	26
Long term receivable	-493	-180	-369	850	535
Lease receivables	-409	-474	-221	1,086	51
Accounts payable	7,824	1,273	-9,820	-974	-5,035
Contract liabilities	-	3,670	562	-122	1,560
Retirement benefit obligation	-100	-14	-8	-117	45
Due to related parties	-3,378	794	-70	4,061	938
	-3,582	3,541	6,769	16,385	12,709
Taxation paid	-2,304	-2,819	-1,498	-377	-2,066
Net cash (used in)/provided by operating activities	-5,886	722	5,271	16,008	10,643
Cash Flows from Financing Activities					
Interest paid	-4,154	-6,771	-5,810	-8,116	-15,133
Dividends paid	-	-	-1,000	-1,000	-2,029
Proceeds from borrow ing	22,082	786	5,145	6,842	92,851
Repayments of borrow ings	-17,450	-2,063	-78	-3,903	-77,358
Repayments of lease liabilities	-	-	-2,455	-3,269	-3,486
Issuance of shares	12,316	-	-	-	-
Net cash provided by/(used in) financing activities	12,794	-8,048	-4,198	-9,446	-5,155
Cash Flows from Investing Activities					
Acquisition of subsidiary, net of cash acquired	-	-	-	-	16,636
Interest received	13	549	543	584	447
Acquisition of financial assets at amortized cost	-	-	-	-	-1,592
Purchase of property, plant and equipment	-5,422	-2,945	-3,206	-6,399	-5,065
Proceeds on disposal of property, plant and equipment	5,631	694	424	30	14
Net cash provided by/(used in) investing activities	222	-1,702	-2,239	-5,785	10,440
Net Increase/(Decrease) in Cash and Cash Equivalents	7,130	-9,028	-1,166	777	15,928
Cash and cash equivalents at beginning of the year	4,962	12,097	3,065	1,899	2,676
Exchange losses/(gains) on cash and cash equivalents	5	-4	-	-	233
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	12,097	3,065	1,899	2,676	18,837

Additional Disclosures

These are the summary consolidated financial statements of Productive Business Solutions Limited ("the Company") for the five years ended 31 December 2017, 2018, 2019, 2020, and 2021. The summary consolidated financial statements are derived from the full financial statements of the Company as at and for the years ended 31 December 2017, 2018, 2019, 2020, and 2021. Effective January 1, 2019, the International Business Companies Act Cap. 77 was repealed, and all companies licensed under this Act prior to its repeal, are required to carry on business under and in accordance with the Companies Act Cap, 308. The Company was grandfathered under the provisions of the International Business Companies (Repeal) Act, 2018-40 of Barbados until July 30, 2021. As of July 1, 2021 the Company applied to hold a Foreign Currency Permit, under the Foreign Currency Permits Act, 2018-44. The registered office of the Company is at Facey House # 42 Warrens Industrial Park, Warrens, St. Michaels, Barbados. The Company is capitalised by common shares and preference shares. The Company is a subsidiary of Facey Group Limited, a company incorporated in Barbados under the Companies Act, Cap. 308 of the laws of Barbados which owns 45.2% of the common shares. The preference shares issued to date are 25,800,000 9.75% Jamaican dollars redeemable cumulative preference shares. The Company is listed on the Jamaica Stock Exchange and the International Securities Market in Barbados. The Company's ultimate parent company and controlling party are Elkon Limited ("Elkon"), which is incorporated and domiciled in Jamaica, and Paul B. Scott, respectively.

Since February 2022, the invasion of Ukraine has brought about macroeconomic instability across the globe. To date, we have not seen a material impact on the operations of the Company, however, we continue to monitor the situation. No changes to the activities of the Company are foreseen in the near future.

The principal activities of the Company and its subsidiaries, (referred to as "Company") are the distribution of printing equipment, business machines, handsets and related accessories, automated teller machines, security checkpoints, system integration, cloud services, data analytics, communication solutions, e-transactions, development of software and other technology solutions.

The Company's financial statements were restated for the year ended 31 December 2018 to correct the inadvertent omission of the bank overdraft of $3,505,000 from the cash and cash equivalents shown in the consolidated statement of cash flows. The comparative consolidated statement of cash flows has been restated to include the bank overdraft balance. The bank overdraft as 31 December 2017 was nil. This restatement has had no impact on the consolidated statements of Comprehensive Income or Financial Position for the years ended 31 December 2018 and 2017.

Basis of Preparation

The summary consolidated financial statements have been extracted from the consolidated financial statements. The consolidated financial statements as at and for the years ended 31 December 2017, 2018, 2019, 2020 and 2021 were authorised for issue by the Board of Directors on 29 March 2018, 31 March 2019, 30 April 2020, 23 April 2021 and 30 April 2022, respectively. Those consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) and contain unmodified audit opinions. The summary consolidated financial statements do not include all the disclosures provided in the consolidated financial statements and cannot be expected to provide as complete an understanding as provided by the consolidated financial statements. For accounting policies, see note 2 to the relevant

consolidated financial statements. Effective 1 January 2018, the Group adopted IFRS 9, "Financial Instruments," and IFRS 15, "Revenue from Contracts with Customers". The Group also adopted IFRS 16, Leases effective 1 January 2019. The Group applied these standards, on the effective dates, using a modified retrospective approach. Accordingly, the amounts reflected for periods, prior to the respective adoption dates, have not been updated. The application of the new standards has had a significant impact on the Group's financial position and results of operations as described in more detail in note 2 to the audited consolidated financial statements for the year ended 31 December 2018, for IFRS 9 and IFRS 15, and the audited consolidated financial statements for the year ended 31 December 2019 for IFRS 16. The full financial statements are available at the offices of Productive Business Solutions Limited, Facey House, Warrens Industrial Park, Warrens, St. Michaels, Barbados or DunnCox, attorneys-a t-law, 48 Duke Street, Kingston, Jamaica. Additionally, the full financial statements can be viewed online on the website of the JSE at https://www.jamstockex.com/trading/instruments/?instrument=pbs-usd and on PBS's website at https://www.grouppbs.com/# . The full financial statements have been audited by PricewaterhouseCoopers SRL who, in their reports expressed an unqualified opinion for each year.

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS & FUTURE PROSPECTS

11. MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS & FUTURE PROSPECTS

11.1 Presentation of Historical Financial Data

The following is a summary of the key financial data extracted from the audited financial statements of PBS for the years ended 31 December 2017 to 31 December 2021.

A complete set of audited financial statements for PBS for the financial year ended December 31, 2021 can be found on the website of the JSE at https://www.jamstockex.com/trading/instruments/?instrument=pbs-usd and at PBS's website https://www.grouppbs.com/#. The full financial statements are also available at the offices of Productive Business Solutions Limited, Facey House, Warrens Industrial Park, Warrens, St. Michaels, Barbados or DunnCox, attorneys-at-law, 48 Duke Street, Kingston, Jamaica.

Historical Financials – P&L

PBS *(US$ 000's)*	Audited				
	2017	2018	2019	2020	2021
Revenues	171,906	179,294	180,104	161,860	223,997
Cost of Sales	98,660	104,226	108,246	97,896	(145,214)
Gross Profit	**73,246**	**75,068**	**71,858**	**63,964**	**78,783**
Gross Profit Margin	43%	42%	40%	40%	35%
Other operating income	685	1,397	770	1,910	744
Selling, General and Administrative	58,685	55,719	47,757	41,354	(47,274)
EBITDA	**15,246**	**20,746**	**24,871**	**24,520**	**32,253**
EBITDA Margin	8.9%	11.6%	13.8%	15.1%	14.4%
Depreciation	7,015	7,759	12,328	12,572	(13,176)
Amortization	1,455	1,223	992	1,086	(1,745)
EBIT	**6,187**	**11,764**	**11,551**	**10,862**	**17,332**
Finance Costs	8,902	9,154	7,511	8,618	(10,214)
(Loss)/Profit before Tax	**(2,715)**	**2,610**	**4,040**	**2,244**	**7,118**
Taxation	2,031	2,476	1,955	2,124	(1,519)
Net (Loss)/Income	**(4,746)**	**134**	**2,085**	**120**	**5,599**

Historical Financials – Balance Sheet

PBS *(US$ 000's)*	AUDITED				
	2017	2018	2019	2020	2021
Cash and Deposits	12,097	6,570	5,297	5,850	21,740
Accounts Receivable	43,593	50,589	44,057	51,726	83,515
Inventory	42,700	42,956	39,810	31,947	39,681
Due From Related Parties	6,231	7,611	3,356	3,708	3,857
Contract Assets	0	0	6,079	12,684	8,645
Other Current Assets	11,450	12,866	11,684	11,518	14,805
Total Current Assets	**116,071**	**120,592**	**110,283**	**117,433**	**172,243**
Net PP&E	20,291	22,657	25,519	24,844	31,574
Intangible Assets	19,618	18,393	21,104	20,010	104,813
Right of Use	0	0	16,092	13,873	15,708
Other Long-Term Assets	4,483	5,398	6,410	4,776	12,623
Total Long-term Assets	**44,392**	**46,448**	**69,125**	**63,503**	**164,718**
Total Assets	**160,463**	**167,040**	**179,408**	**180,936**	**336,961**
Accounts Payable	39,059	44,157	34,579	34,636	47,372
Due to Related Parties	7,249	8,043	5,162	8,270	13,009
Short Term Loans-Other	2,618	5,130	6,498	9,374	32,752
Other Current Liabilities	2,407	2,602	10,376	7,963	25,343
Total Current Liabilities	**51,333**	**59,932**	**56,615**	**60,243**	**118,476**
Borrowings - PBS	69,882	70,491	71,390	71,846	67,994
Bonds - PBSTG	0	0	0	0	40,000
IFC	0	0	0	0	8,138
Total Long Term Debt	**69,882**	**70,491**	**71,390**	**71,846**	**116,132**
Deferred Taxes	152	423	334	334	1677
Other Long-Term Liabilities	579	565	557	525	599
LT Lease Payables	0	0	12,648	14,376	15,871
Total Liabilities	**121,946**	**131,411**	**143,358**	**147,324**	**252,755**
Preference Shares - PBS					25,000
Common Equity	57,317	57,317	57,317	57,317	80,782
Other Reserves	-13,751	-16,207	-15,871	-18,429	-19,870
Retained earnings	-5,533	-6,030	-6,232	-6,127	-2,633
	38,033	35,080	35,214	32,761	83,279
Minority Interest	484	549	836	851	927
Total Equity	38,517	35,629	36,050	33,612	84,206
Total Liabilities and Equity	**160,463**	**167,040**	**179,408**	**180,936**	**336,961**

11.2 Management Discussion And Analysis And Results Of Operations

The Management of PBS is responsible for the integrity and objectivity of the information contained in the Management Discussion and Analysis and Results of Operations ("**MD&A**").

The MD&A is prepared to enable Invitees to assess the operations and financial performance of PBS for the financial year ended 31 December 2021 compared with prior years. It should be read in conjunction with PBS's audited financial statements. The information presented herein includes an abridged version of the MD&A contained in PBS's 2021 Annual Report released on July 1, 2022, which can be referred to for further details on the operational results of PBS and its subsidiaries.

The financial information disclosed in this MD&A is consistent with PBS's audited consolidated financial statements and related notes for the financial year ended 31 December 2021. Unless otherwise indicated, all amounts expressed are in United States dollars and have been primarily derived from PBS's financial statements which are prepared in accordance with IFRS. References in this Prospectus to "$M" and "$B" are references to "million" and "billion" respectively.

This MD&A may contain forward-looking statements, and Invitees should therefore refer to the Disclaimer & Note on Forward-Looking Statements in Section 2 of this Prospectus (*Disclaimer & Note on Forward Looking Statements*) when interpreting the information contained in this MD&A.

12 Month Unaudited Financial Performance and Future Outlook

PBS	Audited		Projected
(US$ 000's)	2020	2021	2022
Revenues	161,860	223,997	300,000
Cost of Sales	(97,896)	(145,214)	(199,000)
Gross Profit	**63,964**	**78,783**	**101,000**
Gross Profit Margin	39.5%	35.2%	33.7%
Other income	1,910	744	2,712
Selling, General and Administrative	(41,354)	(47,274)	(58,712)
EBITDA	**24,520**	**32,253**	**45,000**
EBITDA Margin	15.1%	14.4%	15.0%
(Loss) on Sale of Real Estate	-	-	-
Depreciation	(12,572)	(13,176)	(15,000)
Amortization	(1,086)	(1,745)	(2,900)
EBIT	**10,862**	**17,332**	**27,100**
Finance Costs	(8,618)	(10,214)	(11,766)
Profit before Tax	**2,244**	**7,118**	**15,334**
Taxation	(2,124)	(1,519)	(5,334)
Profit/(Loss) from Continuing Ops	**120**	**5,599**	**10,000**
Loss from discontinued operations	-	-	-
Net Profit/(Loss)	**120**	**5,599**	**10,000**

PBS	Audited	Projected
(US$ 000's)	2021	2022
Debt	145,596	135,871
Equity	84,206	117,206
Debt-to-equity ratio	**1.70**	**1.10**
EBITDA	32,253	45,000
Finance Costs	(10,214)	(11,766)
Debt service coverage ratio	**3.16**	**3.82**

The above table provides a side-by-side comparison of the financial results for the 2020 and 2021 financial years, along with the projected results that we expect for the 2022 financial year. It is important to note that the acquisition of PBS Technology Group was only completed at the end of Q3 2021 and thus was only consolidated with PBS Group for the last 4 months of the 2021 financial year. The 2022 financial year will be the first full year that PBS Technology Group will be consolidated as part of PBS. For the 2021 financial year PBS Technology Group generated full year revenues of $59.1 million, full year EBITDA of $16.6 million and full year Net Profits of $3.6 million. These results are representative of PBS Technology Group's perform ance in the periods prior to the 2021 financial year. PBS Technology Group's recurring revenue is similar to that of our other businesses as shown on page 50 of this prospectus. The projections for financial year 2022 are based on our expectation that the revenues, EBITDA and Net Profits of PBS Technology in 2022 will be similar to their performance in prior periods and thus will account for the majority of the increase in our Revenues, EBITDA and Net Profits for the 2022 financial year. The balance of the projected improvement in our financial performance in 2022 will come from organic growth of our other subsidiaries.

FY 2021 vs. FY 2020

This year PBS solidified its position as the leading enterprise technology company in the Caribbean and Central America recording the highest revenue, EBITDA and net profit after tax in its history.

PBS' growth in 2021 was broad based and demonstrated the capability of the Company's newly expanded platform which now encompasses 19 countries and 2,100 professionals. The quality of PBS' earnings also continues to improve as information technology, communications, security, and advanced services grow. At the scale PBS has achieved, these lines of business often produce predictable, recurring revenue and high returns on capital.

Q4 Performance (October-December 2021)

For the quarter ended 31 December 2021 PBS achieved revenues of US$76.5 million, an increase of US$26.6 million or 53% over the corresponding period in 2020. EBITDA was US$16.0 million compared to US$7.3 million in the fourth quarter of 2020. The net profit was US$8.0 million, an increase of US$6.6 million for the corresponding period of 2020.

The fourth quarter 2021 results are the best quarterly performance in the history of the Company.

Year-to-Date Performance (January-December 2021)

For the twelve months ended December 31,2021, PBS achieved revenues of US$223 million, an increase of US$61 million, or 27%. The EBITDA in 2021 of US$32 million represent an increase of 32% over 2020. Net profit in 2021 was US$5.6 million as compared to US$120,000 in 2020. The growth of all key metrics accelerated during the year. This acceleration reflects PBS' traditional seasonality but also the underlying momentum of our business.

PBS' key wins in 2021 included the sale of high-end banking solutions for two of the largest banks in Central America and executing mission critical printing projects for the presidential elections in Honduras and Costa Rica. In the Caribbean, PBS began to implement national identification projects in two countries and signed a major ATM service agreement with one of the Caribbean's largest banks. In the public education sector, the Company provided special services to more than 400,000 devices across multiple countries as well as associated service and content solutions. The printing page volume recoup to pre-pandemic levels. The disruption of global supply chain has created a strong backlog of orders for the first half of 2022.

On September 1, 2021, PBS completed the acquisition of PBS Technology Group Limited (formerly Massy Technologies Limited). The acquisition added significant scale and shifted the product mix further towards enterprise information technology, communications, and advanced services. Further, the acquisition added Trinidad and Tobago, Antigua and Guyana to PBS' footprint and resulted in balanced revenue between across the Caribbean and Central America.

PBS produced excellent financial results in 2021. These results demonstrate the capabilities of PBS' integrated platform, deep relationships with the global technology brands and the largest governments and companies in our region. It also showcases the talent of the thousands of information technology professionals on the PBS team. We look forward to building on this strong base and continuing the growth of our business in 2022.

Movements in Key Balance Sheet Items

Assets

Property, Plant & Equipment increased to $31.6M in FY2021 from $24.8M in FY2020 resulting primarily from the acquisition of PBS Technology Group Limited. Please refer to Note 15 of our FY2021 Audited Financial Statements for full details.

Intangible Assets increased to $104.8M in FY2021 compared to $20M in FY2020. Intangible assets comprise Goodwill, Customer Relationships and Brands, Contracts, Franchise Agreements, Licences and Proprietary Software. One of the primary contributors to the increase in Intangible Assets year over year resulted from the acquisition of PBS Technology Group Limited. Please refer to Note 17 of our FY2021 Audited Financial Statements for full details on our Intangible Assets

Inventories increased to $39.7M in FY2021 from $31.9M in FY2020 resulting from the acquisition of PBS Technology Group Limited and the general growth of the business. Please refer to Note 22 of our FY2021 Audited Financial Statements for full details.

Trade and Other Receivables increased to $83.5M in FY2021 from $51.7M in FY2020 due largely to the acquisition of PBS Technology Group Limited. Please refer to Note 23 of our FY2021 Audited Financial Statements for full details.

Cash and Cash equivalents increased to $21.7M in FY2021 from $5.9M in FY2020 due to an increase in Cash at Bank and in Hand. Cash and cash equivalents are denominated in US$ and other local currencies. The weighted average interest rate for short term bank deposits is 0.75% per annum.

Liabilities
The Trade and Other Payables increased to US$47.4M in 2021 from US$30.5M in 2020, resulting from the acquisition of PBS Technology Group Limited and the general growth of the business. Please refer to Note 25 of our FY2021 Audited Financial Statements for full details of our Trade and Other Payables.

Short Term Loans increased to $20.7M in FY2021 from $3M in FY2020 and Borrowings increased to $112.8M from $71.8M in FY2020. The increase in Short Term Loans and Borrowings was largely as a result of Commercial Paper and Bonds issued in connection with the acquisition of PBS Technology Group Limited. Please refer to Note 27 of our FY2021 Audited Financial Statements for full details.

Our Share Capital increased from $57M in FY2020 to $106M in 2021, due to the issue of 62,941 new common shares in connection with the acquisition of PBS Technology Group Limited. See table below and our consolidated Statement of Changes in Equity in our FY2021 Audited Financial Statement for details.

Share Capital

In September 2021, the Company issued 62,941,000 ordinary shares at a unit price of $0.77 to affiliated companies in consideration of the acquisition of the shares of PBS Technology Group.

	2021	2020
	$'000	$'000
Authorised -		
186,213,000, (2020 – 123,272,000) Ordinary shares		
Issued and fully paid -		
186,213,000, (2020 – 123,272,000) Ordinary shares	105,782	57,317

COVID-19
PBS continues to benefit from the long-term trend of increasing technology spending by governments and firms in the developing world. Covid-19 has accelerated the pace of technological adoption leading to increased investment in digital transformation. The pandemic highlighted the urgent opportunity for Caribbean & Central America economies to converge to the technological levels of their global peers. PBS is well positioned to lead this change.

Income Taxes
(Effective Tax Rate - 2021 Compared with 2020 and 2019)
Our effective tax rate for fiscal years 2021, 2020 and 2019 was 19%, 95 % and 48%, respectively. The effective tax rate is adversely affected by tax losses in countries that could not offset against taxable income of other countries in prior years. Reduction of the effective tax rate in 2021 is attributed to the significant improvement in profitability on a consolidated and per country basis.

Cash and Cash Equivalents
Cash and cash equivalents are denominated in US$ and other local currencies (See section 14 with respect to currency risk). The weighted average interest rate for short term bank deposits is 0.75% per annum.

Cash Flows
(2021 Compared with 2020)

Cash from operations decreased from $ 16 million in 2020 to $10.6 million for 2021, mainly due to an increase in cash used to increase inventory, contract assets and an increase in accounts receivables suppliers as a result in the growth in the business which was accelerated by the acquisition of PBS Technology Group Limited. Cash used in financing activities decreased $4.3 million to $5.2 million for 2021, mainly due to a capital raise resulting in a $86.0 million increase in proceeds from borrowing offset by an increase in repayment of borrowings of $73.5 million, and $7.0 million increase in interest paid and a $1 million increase in dividends paid. Cash used in investing increased $16.2 million to $10.4 million for 2021, mainly due to a $16.6 million business acquisition offset in part by a $1.6 million increase in cash used to acquire financial assets at amortized cost.

The following is a summary of the key financial data extracted from the unaudited Interim Report Q1, 2022 of PBS for the three months ended March 31, 2022. The complete unaudited Interim Report Q1, 2022 can be found on the website of the JSE at https://www.grouppbs.com/#https://www.jamstockex.com/wp-content/uploads/2022/05/PBS-Interim-March-2022.pdf

INTERIM REPORT TO OUR STOCKHOLDERS
PBS' STRONG REVENUE AND EARNINGS GROWTH CONTINUES IN 2022

Fellow Shareholders:

Productive Business Solutions Limited (PBS) is pleased to present its financial results for the first quarter ended March 31, 2022. PBS had a strong start to the year and continued to solidify its position as the leading enterprise information technology company in the Caribbean and Central America. In the first quarter we recorded significant increases in revenue, EBITDA and profit after tax.

Q1 Performance
For the quarter ended March 31, 2022, PBS achieved revenues of US$66.4 million, an increase of US$17.1 million or 35% over the corresponding period in 2021. EBITDA this quarter was US$9.9 million compared to US$7.6 million in the first quarter of 202` or an increase of 30%. Net profit after tax increased by US$800,00 compared to the first quarter of 2021 allowing PBS to record a net profit of US$654,000 in what has traditionally been its slowest period.

Key Wins
PBS' key sins in the first quarter included the sale of over 50,000 personal computers and over 25,000 tablets and interactive classroom content packages to education clients across Central America. PBS also closed a number of large transactions with our banking and retail clients in the Caribbean and Central America for ATM and self-checkout devices. In our security business, PBS closed the implementation of an automated checkpoint solution at a major regional airport. We expect revenue from these transactions to mostly be recorded in subsequent quarters. Finally, PBS is pleased to announce that last quarter we renewed our exclusive distribution contract with Xerox across multiple markets.

PBS first quarter performance showcase capability of our 2,000 information technology professionals across the 19 countries in which we operate. Together, we serve the leading technology brands in the world and the largest governments and companies in our region. We expect PBS' momentum to continue for the remainder of 2022.

Productive Business Solutions Limited
Consolidated Statement of Comprehensive Income For the quarter ending March 31st, 2021

(Expressed in United States dollars unless otherwise indicated)

	Three Months Ending March	
	2022	2021
	Unaudited	Unaudited
	USD'000	USD'000
Continuing Operations		
Revenue	66,363	49,339
Direct Expenses	(42,109)	(42,109)
Gross Profit	**24,254**	**15,619**
Other Income	415	90
Selling, general and administrative expenses	(19,379)	(42,109)
Operating Profit	**5,290**	**2,204**
Finance Costs	(3,813)	(1,785)
Profit before Taxation	**1,477**	**419**
Taxations	(823)	(565)
Profit/(loss) for the period	**654**	**(146)**
Items that may be sebsequently reclassified to profit or loss:		
Currency translation differences on net assets of subsidiaries	(802)	139
TOTAL COMPREHENSIVE INCOME/(LOSS)	**(148)**	**(7)**
Income/(loss) for the Year Atributable to:		
Shareholder of the Company	637	(154)
Non-controlling interes	17	8
	654	**(146)**
Comprehensive Income/(Loss) for the Year atributable to		
Shareholder of the Company:	(156)	(15)
Non-controlling interes	8	8
	(148)	**(7)**
	Cents	**Cents**
Basic and diluted earnings per share for profit from continuing operation atributable to ordinay sharholder	0.34	(0.12)

Note: shares outstanding in March 2022: 186,213,523 and in March 2021: 123,272,727

Productive Business Solutions Limited
Non-IFRS Performance Measures – Unaudited
For the quarter ending March 31st, 2022

(Expressed in United States dollars unless otherwise indicated)

	First Quater		Year to date December	
	2022	2020	2021	2020
	USD'000	USD'000	USD'000	USD'000
Operating profit	5,290	2,204	5,290	2,204
(+) Depreciation/amortization and gain/loss on disposition of property (included in Operating profit)				
Depreciation	3,795	2,949	3,795	2,949
Amortization	766	272	766	272
EBITDA	9,850	5,425	9,850	5,425

Productive Business Solutions Limited
Consolidated Statement of Financial Position
March 31st, 2022

(Expressed in United States dollars unless otherwise indicated)

	March 2022	March 2021	December 2021
	Unaudited	Unaudited	Unaudited
Non-Current Assets			
Property, plant and equipment	30,432	26,018	31,574
Intangible assets	104,048	19,736	104,813
Right of use	15,001	12,628	15,708
Lease receivables	1,982	2,338	1,804
Pension plan assets	92	85	114
Long term receivables	5,491	1,362	550
Deferred tax assets	3,860	1,365	3,765
Contract assets	6,165	-	6,390
	167,072	63,533	164,718
Current Assets			
Due from related parties	607	5,462	3,857
Inventories	49,108	29,610	39,681
Trade and other receivables	84,442	55,119	83,515
Current portion of lease receivables	1,987	1,903	1,721
Taxation recoverable	12,971	10,746	11,492
Contract assets	6,325	11,857	8,645
Financial assets at amortized cost	1,592	-	1,592
Cash and cash equivalents*	22,049	3,908	21,740
	179,082	118,605	172,243
Current Liabilities			
Trade an other payables	67,841	34,469	47,372
Due to related parties	9,947	7,909	13,009
Taxation payable	7,037	4,838	777
Lease payable ST	3,033	3,436	3,773
Finance lease ST	252	224	-
Short term lans	23,048	8,051	20,661
Current portion of LT loans	7,213	-	9,188
Contract Liabilities	3,814	3,210	13,793
	2,951	-	2,903
Net Current Assets	125,137	62,136	118,476
	53,945	56,469	53,767
	221,017	120,002	218,485

Productive Business Solutions Limited
Consolidated Statement of Financial Position (continued)
March 31st, 2022

(Expressed in United States dollars unless otherwise indicated)

Equity			
Attributable to Shareholder of the Company			
Share capital	105,782	57,317	105,782
Other reserves	(20,672)	(18,293)	(19,870)
Accumulated deficit	(1,996)	(6,278)	(2,633)
	831,113	32,746	83,279
Non-controlling Interests	944	859	927
	84,057	22,605	84,206
Non-Current Liabilities			
Retirement benefit obligation	2,119	535	599
Contingent consideration payable	1,813	1,728	1,796
Deferred income tax liabilities	1,675	352	1,677
Lease payable LT	15,985	10,871	15,871
Finance lease LT	912	337	-
Borrowings	112,963	72,574	112,844
Other long term liabilities	1,492	-	1,492
	136,960	86,398	134,279
	221,017	120,002	218,485

Productive Business Solutions Limited
Consolidated Statement of Cash Flow
March 31st, 2022

(Expressed in United States dollars unless otherwise indicated)

	For the year ending	
	2021	2021
	Unaudited	Unaudited
	USD'000	USD'000
Net profit/(loss)	654	(146)
Items not affecting cash:		
Depreciation	3,795	2,949
Amortizations	255	272
Taxations expense	823	565
Foerign Exchange gains	(165)	(284)
Interest Expense	3,091	2,148
	8,453	5,504
Changes in non-chas working capital balances:		
Inventories	(553)	638
Contract assets	1,491	3,876
Accounts receivable	(6,103)	(6,458)
Due from related parties	0	(1,753)
Long-term receivable	(127)	127
Lease receivables	(600)	(665)
Taxation recoverable	(2,176)	(757)
Accoiunts payable	3,219	(459)
Contract Liabilities	(509)	746
Due to related partes	(390)	(373)
Cash provided by operations	**2,705**	**426**
Cash Flows from Financing Activities		
Interest paid bond holders	(842)	-
Interest paid on preferene shares	(814)	(855)
Other interest paid	(831)	(341)
Proceeds from borrowing	1,134	2,668
Repayments of borrowings	(147)	(2,891)
Net cash used in financing activities	(1,500)	(1,419)
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(1,260)	1,133
Net cash used in investing activities	**(1,260)**	**1,133**
Net Increase in Cash and Cash equivalents	(55)	(2,126)
Cash and cash equivalents at begining of the year	22,104	6,033
Cash and cash equivalents at end of Period	**22,049**	**3,907**

Productive Business Solutions Limited
Consolidated Statement of Changes in Equity – Unaudited
March 31st, 2022

(Expressed in United States dollars unless otherwise indicated)

	Number of Shares	Share Capital	Other Reserves	Accumulated deficit)/Profit	Non-controling Interest	Total
	'000	USD'000	USD'000	USD'000	USD'000	USD'000
Balance at 1 January 2021	123,272	57,317	(18,429)	(6,127)	851	33,612
On acquisition of subsidiaries						-
Currency Translation diferences			136		3	139
Ordinary Shares issued						
Net incom (loss)				(151)	5	(146)
Dividends paid						
Total comprehensive income	-	-	136	(151)	8	(7)
Balance at 31 March 2021	123,272	57,317	(151)	(151)	859	33,605

	Number of Shares	Share Capital	Other Reserves	Accumulated deficit)/Profit	Non-controling Interest	Total
	'000	USD'000	USD'000	USD'000	USD'000	USD'000
Balance at 1 January 2022	186,213	105,782	(19,870)	(2,633)	927	84,206
Currency translation difference	-	-	(802)	-	-	(802)
Net profit	-	-	-	637	17	654
Total comprehensive income	-	-	(802)	637	17	(148)
Balance at 31 December 2022	**186,213**	**105,782**	**(20,672)**	**(1,996)**	**944**	**84,058**

DIVIDEND POLICY

12. DIVIDEND POLICY

12.1 Each class of the Preference Shares will be paid dividends at the respective Dividend Rate PROVIDED THAT:

i. The Board of Directors of the Company intend to consider Dividends quarterly on the final Business Day of the Issuer's financial quarter end commencing the first quarter after the issue date of the Preference Shares.

ii. In the event that the Dividend Payment Date is not a Business Day, the dividend payment shall be made on the next succeeding Business Day.

iii. Dividends shall be paid from the distributable profits of the Company.

iv. Dividends shall be declared at the Dividend Rate at the discretion of the Board of Directors of the Company and such date for payment shall follow declaration by the Board of Directors of the Company and processing by the Registrar engaged by the Company to attend to payments to registered holders.

12.2 The record of dividends declared and paid on PBS's existing common and preference shares is as follows:

Record of Common Dividends Declared and Paid:

Ex-Dividend Date	Class	Total	Per Unit
December 3, 2021	Dividend to common shareholders	US$2,000,000.00	US$0.0109 per unit
December 31, 2019	Dividend to common shareholders	US$1,000,000.00	US$0.00811 per unit
May 9, 2019	Dividend to common shareholders	US$1,000,000.00	US$0.00811 per unit

Record of Preference Dividends Declared and Paid:

Ex-Dividend Date	Class	Total	Per Unit
December 31, 2021	Dividend to preference shareholders	J$126,808,767.01	J$4.915 per unit
July 29, 2021	Dividend to preference shareholders	J$124,741,232.97	J$4.835 per unit
December 30, 2020	Dividend to preference shareholders	J$126,808,767.12	J$4.915 per unit
July 29, 2020	Dividend to preference shareholders	J$125,430,411.00	J$4.862 per unit
December 30, 2019	Dividend to preference shareholders	J$127,497,944.98	J$4.942 per unit
July 27, 2019	Dividend to preference shareholders	J$124,052,055.03	J$4.808 per unit
December 27, 2018	Dividend to preference shareholders	J$127,497,944.96	J$4.942 per unit
July 13, 2018	Dividend to preference shareholders	$125,430,411.02	J$4.862 per unit
December 29, 2017	Dividend to preference shareholders	$107,511,780.69	J$4.167 per unit

12.3 The Directors intend to consider the payment of dividends quarterly on the final Business Day of the Issuer's financial quarter end commencing the first quarter after the issue date of the Preference Shares in each year ("Dividend Frequency"). In the event that such date for payment is not a Business Day, the dividend payment shall be made on the next succeeding Business Day in the respective month

FURTHER PROVIDED THAT the Company shall not pay any interim dividends on the common shares of the Company, if the Company has not paid dividends to the Preference Shareholders in accordance with the Dividend Rate and Dividend Frequency with respect to any single payment period or cumulatively for any number of payment periods.

The Company reserves the right subject to compliance with applicable laws to accumulate the unpaid dividends on the Preference Shares.

MATERIAL CONTRACTS AND PARTNER AGREEMENTS

13. MATERIAL CONTRACTS AND PARTNER AGREEMENTS

13.1 As at the date of this Prospectus PBS is at present a party to the following material contracts:

(a) Distribution Agreement between Dorada Management Inc. and Xerox Corporation dated January 1, 2017, with the addition of the Colombian territory on May 1, 2017. These agreements have a stated expiry date of December 31, 2022 and July 31, 2022 respectively.

(b) Distribution Agreement between Productive Business Solutions Limited and Oracle de Centro América, S.A. which expires December 2022. The agreement includes Master Distribution, Flied Delivery Support Provider, Cloud Services Distribution, Oracle Linux and Oracle VM, public Services

(c) Distribution Agreement between Productive Business Solutions (Guatemala), S.A. and NCR Corporation dated September 30, 2013. This Agreement operates by one-year-terms with automatic renewals for equal periods of time.

(d) Distribution and Representative Agreement between Productive Business Solutions Limited and Leidos Security Detection & Automation Inc. (formerly L-3 Communications) dated November 2, 2020, for a three-year term.

(e) Distribution Agreement between PBS and Engatel Communications dated July 11, 2014. This agreement has no definite expiration date.

(f) Distribution Agreement between PBS and Quadient dated July 6, 2016. Agreement provides for automatic annual renewals.

(g) Distribution Agreement between PBS and Cisco Systems Inc. dated July 16, 1999. Current renewal expires in August 2022 and renews every year.

(h) Distribution Agreement between PBS Technologies (Trinidad) Limited and Oracle Caribbean Inc. Renewal is currently in process.

(i) Software Maintenance & Support Services Agreement between PBS Technologies (Trinidad) Limited and NCR International Inc (Puerto Rico Branch) dated January 1, 2019 with automatic renewals.

(j) Reseller Agreement between PBS Technologies (Trinidad) Limited and NCR International Inc (Puerto Rico Branch) dated 2013 with automatic renewals.

(k) Partner agreement between AKAMAI and PBS dated Sept 1, 2021, for a 2-year term with automatic renewals for same period.

(l) Partner agreement between Google and PBS dated July 2022 for 1 year with automatic Renewals.

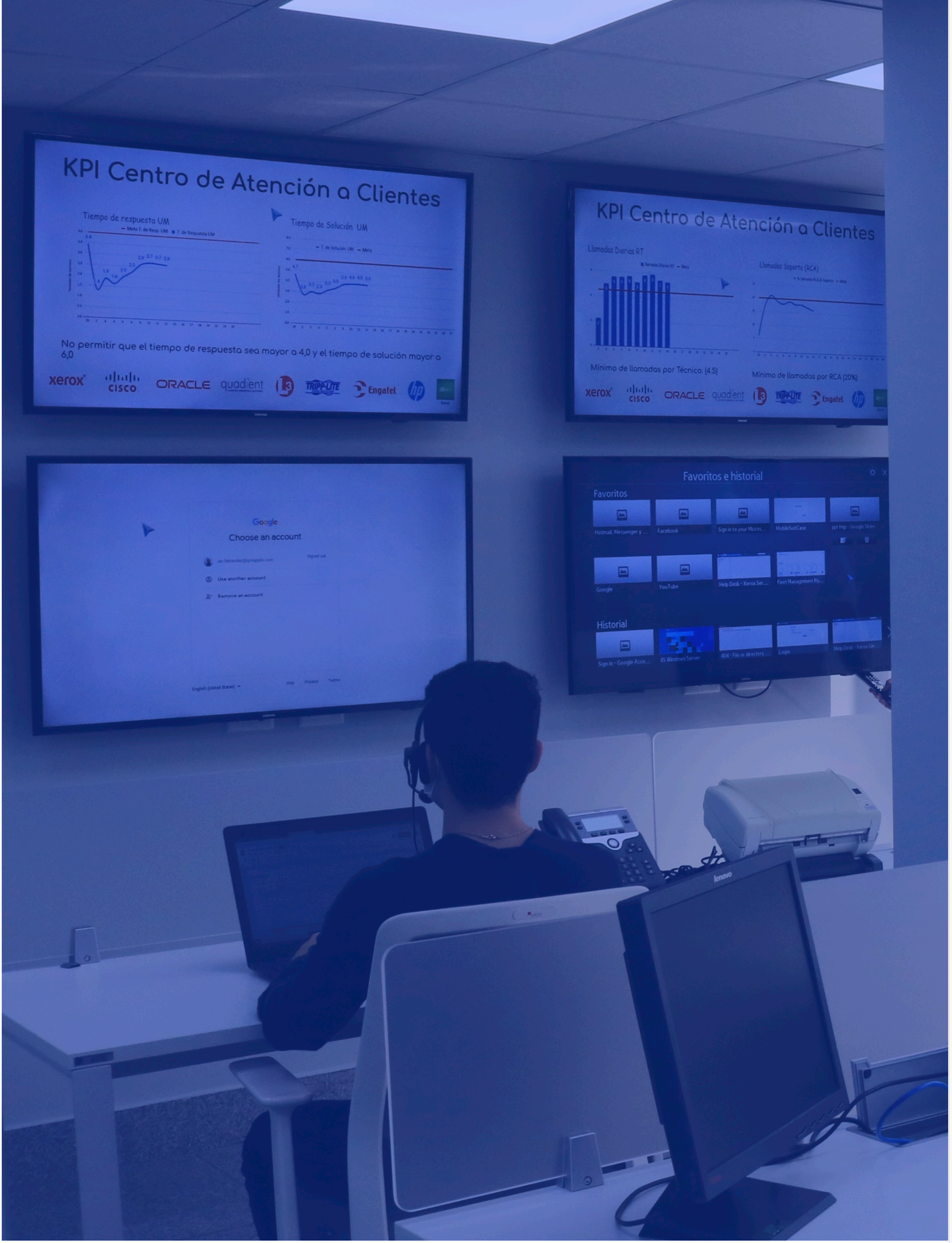
(m) Distribution Agreement between PBS and Thales Group, on a “case per case” basis.

(n) Distribution Agreement between PBS and Entrust, on a per project-based relationship.

In addition, PBS has Reseller/Systems Integration Agreement with:

1. APC (Schneider Electric)	2. Apple
3. BCN3D (3d Printing)	4. Bevertec
5. CareStram	6. Dell
7. Epson	8. Esset
9. Fortinet	10. HP Inc / HP E
11. Hyghland Software	12. Kodak
13. Lenovo	14. Mcaffe (Trelix)
15. Microsoft	16. Motorola
17. Nutanix	18. Pure Storage
19. Quadient	20. REDHAT
21. Rucus	22. Solar Winds
23. Tomi	24. Tripp-Lite (Eaton)
25. Valloy	26. Veam
27. Vertiv (Liebert)	28. VMware
29. Zebra	

These agreements are renewed every year.


KPI Centro de Atención a Clientes
Tiempo de respuesta UM
Tiempo de Solución UM
No permitir que el tiempo de respuesta sea mayor a 4,0 y el tiempo de solución mayor a 6,0
KPI Centro de Atención a Clientes
Mínimo de llamadas por Técnico (4.5)
Mínimo de llamadas por RCA (20%)
Google
Choose an account
Favoritos e historial
Favoritos
Historial

LITIGATION

14. LITIGATION

As at the date of this Prospectus the Company is not currently engaged in any material litigation nor is it aware of any pending material litigation.

RISK FACTORS & RISK MANAGEMENT POLICIES

15. RISK FACTORS & RISK MANAGEMENT POLICIES

The Company's activities expose it to a variety of risks including market risk (including currency risk, and interest rate risk), credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of the financial markets and seeks to minimize the potential adverse effects on the Company's financial performance.

The risks mentioned in this Section are not to be taken as being exhaustive of all the possible risks that may affect the Company and its business.

The Board of Directors is ultimately responsible for the establishment and oversight of the risk management framework. The Board has established an Audit and Risk Committee for managing and monitoring risks.

The Audit and Risk Committee is responsible for (i) assisting the Board of Directors in its oversight of the financial statements and the financial reporting process, including the system of disclosure controls, (ii) the performance of the Company's internal audit function and the independent registered public accounting firm, including its appointment, qualifications, compensation and independence (iii) the effectiveness of the Company's systems of internal controls and policies and procedures for risk assessment and risk management, and (iv) the effectiveness of the Company's procedures for risk assessment and risk management of material credit, interest rate, liquidity, operational, legal and compliance, and other material risks, and the adequacy of capital available to absorb such risks.

Credit Risk

The Company takes on exposure to credit risk, which is the risk that its customers, clients or counterparties will cause a financial loss for the Company by failing to discharge their contractual obligations. Credit exposures arise principally from the Company's receivables from customers and are influenced mainly by the individual characteristics of each customer. The Company has established credit policies under which each customer is analysed individually for creditworthiness prior to the Group offering them a credit facility. Credit limits are assigned to each customer and are reviewed on an ongoing basis. The Group has procedures in place to restrict customer orders if the order will result in customers exceeding their credit limits. Customers who fail to meet the Company's benchmark creditworthiness may transact with the Company on a prepayment basis.

Customer credit risk is monitored according to their credit characteristics such as whether it is an individual or company, geographic location, industry, aging profile, and previous financial difficulties. The Company establishes an allowance for impairment that represents an estimate of expected credit losses in respect of trade and other receivables. The Company addresses impairment assessment in two areas: individually and collectively assessed allowances.

Cash transactions are limited to high credit quality financial institutions. The Company has policies in place to limit the amount of exposure to any one financial institution. The maximum exposure to credit risk is the amount reflected on the statement of financial position.

Market Risk

The Company takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in foreign currency exchange rates and interest rates. Market risk is monitored by the senior finance and treasury department personnel which carries out extensive research and

monitors the price movement of financial assets on the local and international markets. Market risk exposures are measured using sensitivity analyses.

There has been no recent change to the Company's exposure to market risks or the manner in which it manages and measures the risk.

Currency Risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Jamaican (JMD) dollar, Trinidad & Tobago (TTD) dollar, Honduran Lempira (HNL), Nicaraguan Córdoba (NIO), Dominican Peso (DOP), Costa Rican Colón (CRC) and the Guatemala Quetzal (GTQ). Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

The Company manages its foreign exchange risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions. The Company further manages this risk by invoicing where possible in US dollars and converting foreign currency balances into US Dollar denominated accounts.

The Company has certain investments in foreign operations, the net assets of which are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Company's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies.

Cash flow and fair value interest rate risk

As the Company has no significant interest-bearing assets, the Company's income and operating cash flows are substantially independent of changes in market interest rates. The Company's interest rate exposure arises from borrowings. Borrowings issued at variable rates and revolving short-term borrowings expose the Company to cash flow interest rate risk. The Company analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated for borrowings that represent the major interest-bearing positions, taking into consideration refinancing, renewal of existing positions and alternative financing.

Fair values of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, in an orderly transaction between market participants at the measurement date.

The fair value of the Company's financial instruments that, subsequent to initial recognition, are not measured at fair value is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date. The fair values of these financial instruments are determined as follows:

(i) The face value, less any estimated credit adjustments, for financial assets and liabilities with a maturity of less than one year are estimated to approximate their fair values. These financial assets and liabilities include cash and bank balances, trade receivables and payables and short-term borrowings.

(ii) The carrying values of non-current borrowings to non-related parties approximate their fair values, as these loans are carried at amortised cost reflecting their contractual obligations and the interest rates are reflective of current market rates for similar transactions.

(iii) The fair values of the long-term receivables and loans to and from related parties could not be reliably determined as these instruments were granted under special terms and are not likely to be traded in a fair market exchange.

Liquidity Risk
Liquidity risk is the risk that the Company is unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and other liquid assets and maintaining the availability of funding through an adequate amount of committed credit facilities. Liquidity risk also includes the risk associated with the loss of value of a security by liquidating the security prior to maturity. In addition, liquidity risk relates to the time it takes to dispose of a security; that is, the speed with which a particular security can be converted to cash.

Liquidity risk management process
The Company's liquidity management process, as carried out within the Group and monitored by the Board of Directors, primarily includes: Monitoring future cash flows and liquidity on an ongoing basis. This incorporates an assessment of expected cash flows and the availability of collateral which could be used to secure funding if required; Maintaining committed lines of credit; and managing the concentration and profile of debt maturities.

Regulatory Risks
The Company's business is subject to and governed by statutory regulations which may be changed in the future and such changes may affect its profitability. If such rules become onerous from the point of view of the Company or its clients this may require the Company to recapitalize, or to change its business operations, and in any case, changes in such regulatory rules or standards may affect its long-term profitability.

Economic Risk
The economies where PBS has franchise operations may experience unfavourable performance based on their macro-economic variables such as; low GDP, high unemployment, low capital reinvestment rates and adverse balance of payments. The risk of economic downturn is mitigated by the geographical diversification of the Company. The entity's operations are strategically spread across Latin America and the Caribbean to achieve an optimal level of diversity in both cash flows and risk. PBS is a regional company with proven longevity; PBS has proven its ability to remain an agile organization with competent executives that know how to navigate tough times. These factors have enabled PBS returns to remain robust during times of economic downturn.

Industry Risk
Industry risk is the risk that a group of stocks or shares in a single industry will decline in price due to developments within that industry.

Capital management
The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other

stakeholders. The Board of Directors monitors the return on capital, which the Company defines as net operating income (excluding non-recurring items) divided by total equity (excluding non-redeemable preference shares and non-controlling interests). There was no change to the capital management process during the year.

New Accounting Rules or Standards
The Company may become subject to new accounting rules or standards that are different from those that are presently applicable. Such new accounting rules or standards could require significant changes in the way the Company currently reports its financial position, operating results or cash flows. Such changes could be applied retrospectively. This is a risk that is common to companies that apply International Financial Reporting Standards (IFRS).

Operational Risk
The Company is also subject to the risk of loss resulting from disruptions to its business, inadequate or failed internal processes, people and systems or from external events (including severe weather, other acts of God or social unrest). These also include systematic risk (including risk of accounting errors, failure to procure adequate insurance coverage, and compliance failures), legal risk and reputational risks. The Directors consider that the Company is prudent and that it insures itself against some (but not all) of these risks. It may not be feasible for the Company to insure itself in respect of all of the risks mentioned, because no coverage may be available or its not economical to do so.

Share Price Volatility
Following the proposed listing on the JSE and the BSE, the Preference Shares the subject of this Offer, may experience volatility in market price, or flat trading, being very infrequent or insignificant volumes of trading, either of which may extend beyond the short-term and which may be dependent on the Company's financial performance, as well as on investor confidence and other factors over which the Company has no control. In either case the market price of the Common Shares and the J$ Preference Shares may be negatively affected or constrained from growing.

Change of Policies
The Company's operating and financial policies, including its policies with respect to growth, operations, indebtedness, capitalization and dividends may be changed by its Board of Directors without the approval of its shareholders. These policies are exclusively determined by the Company's Board of Directors; accordingly, the Company's shareholders do not control these policies.

Control of the Company
The Preference Shares the subject of this Offer will not confer legal or effective control of the Company on the Applicants. The Company is controlled by the Board of Directors under the guidance of the Chairman and Chief Executive Officer.

Taxation of Listed Shares
Transfers of any Common Shares or Preference Shares on the JSE and BSE are exempt from transfer tax and stamp duty in Jamaica and Barbados. Dividends paid by the Company to shareholders holding more than 10% of any Common Shares or Preference Shares will be exempt from withholding tax in Barbados. Dividends received by a Shareholder not resident in Barbados may or may not be subject to tax in the country where the Shareholder is resident. Each prospective Shareholder should consult with an independent adviser as to the rate of taxes that is applicable to the Shareholder.

Risk of Catastrophic Events

Property and casualty insurers are subject to claims for property damage and business interruption arising out of natural disasters and other catastrophes, which may have a significant impact on their results of operations and financial condition. Natural disasters and other catastrophes can be caused by various events including, but not limited to, hurricanes, earthquakes, tornadoes, wind, hail, fires and explosions, and the incidence and severity of natural disasters and other catastrophes are inherently unpredictable. The extent of losses from a catastrophe is a function of 2 factors: the total amount of insured exposure in the area affected by the event and the severity of the event. Most natural disasters and other catastrophes are localized; however, hurricanes, earthquakes and floods have the potential to produce significant damage in widespread areas.

Payment of Dividends

The payment of dividends on the Common Shares after the Invitation will be primarily dependent on the Company's future profitability. See further details at the section entitled Dividend Policy above.

Issue of additional shares

The Directors may hereafter authorize the issue of additional shares in the Company in any class. Such shares, once issued, may in accordance with the Articles of the Company rank *pari passu* with and/or in priority of the existing Shares and may be listed on the JSE and the BSE or on any other stock exchange(s). Additional shares so issued could affect the market price of the Shares currently being offered.

Impact of COVID-19

Since the outbreak of Covid-19 in the first quarter of 2020, global financial markets have experienced and there are significant consequences for the global and local economies from travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand and general market uncertainty. Recent Covid-19 events in China and the self-imposed lockdowns in Shanghai and now Beijing could further exasperate supply chain disruptions. The extent and duration of the impact of Covid-19 on the global and local economies and the sectors in which the Company and its customers and suppliers operate is uncertain currently. However, the Company has taken measures to preserve its operations and the health and safety of its employees and customers. In all of the countries where PBS operates, the local economies have opened, and the risk is primarily in supply chain disruptions. Management continues to believe that the going concern presumption remains appropriate and that the Company will continue to be able to meet its obligations as they fall due.

CONSENTS

CONSENTS

PricewaterhouseCoopers SRL has given, and not withdrawn, its consent to the issue of this Prospectus with the inclusion therein of its report and the references to its name in the form and context in which they are included.

Hart Muirhead Fatta, DunnCox and Fraser Law have given and have not withdrawn their consent to act in the capacity of attorneys-at-law in relation to this Prospectus.

JMMB Securities Limited has also given and has not withdrawn its consent to act in the capacity as Broker in relation to this Prospectus.

ListAssist Services (Barbados) Ltd. has also given and has not withdrawn its consent to act in the capacity as Listing Sponsor in relation to this Prospectus.

Jamaica Money Market Brokers Limited and Barita Investment Limited have also given and have not withdrawn their consent to act in the capacity as Selling Agent in relation to this Prospectus

Copies of the above consents have been lodged with the Registrar of Companies, Barbados as required pursuant to section 292 (2) of the Barbados Companies Act.

DOCUMENTS AVAILABLE FOR INSPECTION

17. DOCUMENTS AVAILABLE FOR INSPECTION

From the date of publication of this Prospectus, copies of the following documents will be available for inspection, by appointment only, on Monday to Friday (except public holidays) during the hours of 9:00 a.m. to 4:00 p.m. at the offices of Productive Business Solutions Limited. Address: Facey House, Warrens Industrial Park, Warrens, St. Michaels, Barbados or DunnCox, attorneys-at-law, 48 Duke Street, Kingston Jamaica. You may send an email to panceta.murray@mussongroup.com, to make an appointment to view the documents. Save for the material contracts, the following documents can also be viewed online at the following link: https://www.grouppbs.com/:

- This Prospectus;
- The Restated Articles of Incorporation as amended of the Company;
- The written consent of the Auditors, PricewaterhouseCoopers SRL;
- The written consent of attorneys-at-law, Hart Muirhead Fatta, DunnCox and Fraser Law;
- The written consent of the Broker, JMMB Securities Limited;
- The written consent of the Listing Sponsor, ListAssist Services (Barbados) Ltd;
- The written consent of the Selling Agents, Jamaica Money Market Brokers Limited and Barita Investment Limited;
- The Audited Financial Statements for the Company for the financial years ended 31 December 2021, 2020, 2019, 2018 and 2017; and
- The material contracts listed at Section 13..

RELATED PARTY TRANSACTIONS

18. RELATED PARTY TRANSACTIONS

PBS is at present a party to the following related-party contract. Management fee agreement dated January 1, 2016, between PBS and Facey Group for services rendered by Facey Group as well as expenses incurred by Facey Group on behalf of PBS. Other related party balances noted in the 2021 audited financial statements are related to this agreement and account for accrued but not paid management fees. Please see Note 21 of our 2021 audited financial statements for more details.

19. STATUTORY AND GENERAL INFORMATION

19.1 The Company has no founders or management or deferred shares.

19.2 The minimum amount to be raised from the offer is US $5,000,000 or its equivalent in Jamaican Dollars as determined on the Closing Date.

19.3 The Application Lists with respect to the 9.25% Cumulative Redeemable Fixed Rate US$ Shares and the 10.50% Cumulative Fixed Rate J$ Preference Shares will open at 9:00 a.m. on August 12, 2022 and will close on September 9, 2022 at 3:30 p.m. The Company reserves the right to:

(a) close any Application List at any time without prior notice if Applications have been received prior to the Closing Date for the full amount of the respective Preference Shares offered; or

(b) extend such closing beyond the date above-mentioned provided that no shares will be allotted on the basis of the Prospectus later than three (3) months after the date of issue of the Prospectus; or

(c) offer Preference Shares greater in number than originally offered in respect of the 10.50% Cumulative Fixed Rate J$ Preference Share, subject to (a) prior registration of such additional Preference Shares with the Barbados FSC and the Jamaica FSC and (b) the total number of Preference Shares made available in the Invitation not exceeding 1,600,000 Preference Shares for the 10.50% Cumulative Fixed Rate J$ Preference Shares; or

(d) suspend the acceptance of Applications at any time without prior notice after the opening of the Application List for such period as the Directors shall determine; or

(e) withdraw the Invitation in respect of either or both classes of Preference Shares at any time without prior notice after the opening of the respective Application List and close such Application List(s) without accepting any Applications, in which event any amounts paid by Applicants in respect of the Invitation Price shall be refunded in full to Applicants.

19.4 All Applicants will be required to pay in full, on Application, the Invitation Price per Preference Share. No further sum will be payable on Allotment.

19.5 No Person has been given any option to subscribe for any shares or debentures in the Company.

19.6 As at December 31, 2021 PBS held the following investments:

(a) Trade investments – $1,584,816.16
(b) Quoted Investments (other than trade investments) – Nil
(c) Unquoted Investments (other than trade investments) – Nil

19.7 No property has been or is proposed to be purchased or acquired by the Company, which is to be paid for wholly or partly out of the proceeds of the Invitation as prescribed by paragraphs 6 to 9 (inclusive) of Part 1 of the Third Schedule of the Companies Act of Jamaica.

19.8 No amount has been paid within the two years preceding the date of this Prospectus, or is payable, as commission for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions, for any shares in or debentures of the Company.

19.9 No amount or benefit has been paid or given to any promoter within the two (2) years preceding the date of this Prospectus, and no amount or benefit is intended to be paid or given to any promoter.

19.10 The name and address of the auditors of the Company are:

PricewaterhouseCoopers SRL
Chartered Accountants
The Financial Services Centre
Bishop's Court Hill
St. Michael BB 14004
Barbados

19.11 The issued share capital of the Company consists of two classes of shares, namely common shares and preference shares. All common shares rank *pari passu* in respect of capital and dividends and carry voting rights in the Company.

19.12 As at the date of this Prospectus, the authorised and issued share capital of the Company is as follows:

CLASS	AUTHORIZED	NUMBER ISSUED
Common	186,213,000	186,213,000
2017 J$ Preference	25,800,000	25,800,000
2022 US$ Preference	5,000,000	0
2022 J$ Preference	5,000,000	0

On February 6, 2022 the common shareholders of the Company passed a special resolution authorising the Company to amend its Articles for the issue of the Preference Shares.

The Company was incorporated on December 16, 2010 and domiciled in Barbados, originally under the International Business Corporation (IBC) Act Cap. 77. Effective January 1, 2019, the International Business Companies Act Cap. 77 was repealed, and all companies licensed under this Act prior to its repeal are required to carry on business under and in accordance with the Companies Act Cap. 308.

As a result of the repeal of the International Business Corporation (IBC) Act Cap. 77, the Company was automatically converted to a Regular Business Company (RBC) and is still able to conduct business outside of Barbados. Given that the Company also holds a Foreign Currency Permit under the Foreign Currency Permits Act, 2018-44, the Company is allowed the same exchange control benefits that it had before the repeal of the IBC Act, that is, exemption from exchange control, exemption from property transfer taxes on transfers of shares and income tax concessions for specially qualified individuals as employees.

19.13 The invitation is not underwritten.

APPLICATION PROCEDURES & CONDITIONS OF INVITATION

20. APPLICATION PROCEDURES & CONDITIONS OF INVITATION

20.1 Applications from Clients that have access to their EMMA via Moneyline must be submitted electronically by logging onto the website - https://moneyline.jmmb.com/personal/login.php and following the steps outlined at Part I of Appendix 3 (How to Apply).

20.2 Clients that do not have access to their EMMA via Moneyline may self-register at http://bit.ly/MoneylineNew or call JMMB's Client Care Centre at 876-998-JMMB (5662), between the hours of 8:00 a.m. to 4:30 p.m., to gain access to their EMMA via JMMB's Moneyline platform in order to submit an Application.

c.

20.3 Clients that do not have an EMMA may open one by calling JMMB's Client Care Centre at 876-998-JMMB (5662), between the hours of 8:00 a.m. to 4:30 p.m. The following is required to complete the registration process on Moneyline:

(a) Copy of valid identification (Driver's Licence, Passport or National ID) and

(b) Copy of Tax Registration Number.

20.4 Applications from Persons that are not Clients must be submitted electronically by following the steps outlined at Part II of Appendix 3 (How to Apply).

20.5 Each Application for the Cumulative Redeemable 9.25% Fixed Rate US$ Preference Shares must be for multiples of 10 such Preference Shares, subject to a minimum of 50 Preference Shares and for the Cumulative Redeemable 10.50% Fixed Rate J$ Preference Shares must be for multiples of 50 such Preference Shares, subject to a minimum of 100 Preference Shares.

20.6 The Board in their sole discretion may accept (in whole or in part) or reject any application to subscribe for Preference Shares even if the Application is received, validated and processed. Accordingly, the number of Preference Shares allocated to you may be reduced.

20.7 Neither the submission of an Application by an Applicant nor its receipt by the Company will result in a binding contract between the Applicant and the Company. Only the allotment of Preference Shares by the Registrar on behalf of the Company to an Applicant (whether such Preference Shares represent all or part of those specified by the Applicant in their Application) will result in a binding contract under which the Applicant will be deemed to have agreed to subscribe for the number of allotted Preference Shares at the Invitation Price, subject to the Articles of Incorporation and the terms and conditions set out in this Prospectus.

20.8 Early Applications will be received, but not processed until the Opening Date. All early Applications will be treated as having been received at the same time, being 9:00 a.m. on the Opening Date. All other Applications will be received and processed on a first come, first served basis. Preference Shares will be allocated after close of the Application List when all the valid Applications are received.

20.9 If the Invitation is oversubscribed, the Company may take any or a combination of the following actions:

(a) elect at any time prior to the closing of the Invitation or on the Closing Date, to.upsize the Invitation by making available up to 150,000 additional Cumulative Redeemable 10.50% Fixed Rate J$ Preference Shares, and/or up to 500,000 additional Cumulative Redeemable 9.250% Fixed Rate US$ Preference Shares, bringing the maximum size of the Invitation to 300,000 Cumulative Redeemable 10.50% Fixed Rate J$ Preference Shares and 1,500,000 Cumulative Redeemable 9.250% Fixed Rate US$ Preference Shares (the "Upsize Cap"). In addition, if the Company receives Applications for Preference Shares in excess of the Upsize Cap, the Company may (but does not undertake to) apply to the Barbados FSC and the Jamaica FSC for registration of additional Preference Shares in either or both classes in excess of the Upsize Cap. If such additional registration is submitted and obtained, the Company may, but shall not be obliged to, issue and allot additional Preference Shares in either or both classes in an amount not exceeding the limit of such additional registration. In the event that the Company exercises its discretion under this paragraph 20.9, it shall make reference thereto in any announcement it issues for the purposes of the closing of the Invitation and the publication of the basis of allotment within 6 working days of the Closing Date (or earlier)[1];

(b) apportion Preference Shares among the Applicants by the Directors, taking into account factors that the Directors consider relevant. In this case, Applicants may be alloted fewer Preference Shares than they applied for.

20.10 The Company reserves the right to

(a) close any Application List at any time without prior notice if Applications have been received prior to the Closing Date for the full amount of the respective Preference Shares offered, or

(b) extend such closing beyond the above-mentioned date.

(c) offer Preference Shares greater in number than originally offered in respect of either or both classes as set out in paragraph 19.3(c),

(d) suspend the acceptance of Applications at any time without prior notice after the opening of the Application List for such period as the Directors shall determine; or

(e) withdraw the Invitation in respect of either or both classes of Preference Shares at any time without prior notice after the opening of the respective Application List and close such Application List(s) without accepting any Applications, in which event any amounts paid by Applicants in respect of the Invitation Price shall be refunded in full to Applicants in accordance with paragraph 19.3(e).

In any of the above cases, the Company will provide notice as soon as reasonably practicable via a press release in Jamaica and/or by posting a notice on the website of the Jamaica Stock Exchange at https://www.jamstockex.com, the Barbados Stock Exchange at https://bse.com.bb and at the Broker's website at https://jm.jmmb.com. In addition, the Company may elect in its sole discretion to reduce the number of Preference Shares available for subscription, in which case the Company will issue a press release in Jamaica and/or by posting a notice on the website of the Jamaica Stock Exchange at

[2] This is not a guarantee the Company will exercise the option to upsize.

https://www.jamstockex.com as soon as reasonably practicable upon such decision being made

20.11 Once the Invitation with respect to the Preference Shares closes, if the Invitation is oversubscribed with respect to the Preference Shares then and in such event the Preference Shares may be allotted to Applicants on a "Pro Rata" basis. Allotments will be made within 10 days of the Closing Date.

20.12 In respect of each Application which is accepted in whole or in part by the Company, the Company will issue a letter of allotment in the name of the Applicant (or in the joint names of joint Applicants) for the class and number of Preference Shares allotted to the Applicant in respect of each Application which is accepted in whole or in part.

20.13 Amounts refundable to Applicants whose Applications are not accepted in whole or in part will be refunded based on the instructions given on their Application. All refunds will be made via electronic transfer within ten (10) days after the Closing Date. The Company will use its best efforts to put the letters of allotment in the mail within ten days after the Closing Date or as soon thereafter as practicable. No share certificates will be issued, unless specifically requested by Applicants through their brokers.

20.14 Each letter of allotment will be mailed through the post at the Applicant's risk to the address of the Applicant (or of the primary Applicant) stated in the Application.

20.15 Letters of allotment are not transferable or assignable.

20.16 Upon the issue of the Preference Shares it is the intention of the Company to have the issued Preference Shares listed on the JSE and the International Securities Market ("ISM") of the Barbados Stock Exchange as a secondary market. According to the website of the Barbados Stock Exchange, the ISM is a dedicated market for the listing and trading of securities by Issuers who may or may not be incorporated in Barbados and that would otherwise be listed and traded on other exchanges around the world. See https://bse.com.bb/international-securities-market for more details on the ISM. To this end, the Company intends to so apply promptly after the close of the Invitation for admission of the Preference Shares to the Main Market of the JSE. This statement is not to be construed as a guarantee that the Preference Shares will be listed. The making of the application by the Company, and its success, is dependent on the criteria for admission set out in the JSE rules.

20.17 where multiple applications are received by the same person or jointly they may be treated as a single application.

DIRECTORS SIGNATURES

21. DIRECTORS' SIGNATURES

The foregoing constitutes full, true and plain disclosure of all material facts relating to the issuer and the securities distributed by this Prospectus as required by the Jamaica and Barbados Securities Acts.

The Directors whose signatures appear below are individually and collectively responsible for the contents of the Prospectus and each has signed his/her respective signature (as same may be signed in counterparts) pursuant to a resolution of the Directors authorizing the issue of this Prospectus dated as of the day of , 2022.

Paul B. Scott	**Patrick A.W. Scott**
Pedro M. Paris	Melanie M. Subratie
Ricardo Hutchinson	**Douglas Hewson**
Jose Misrahi	**Thomas Agnew**
Edward Ince	Blondell Walker
Brian Wynter	

APPENDIX 1 – AUDITOR'S CONSENT

July 26, 2022

The Directors
Productive Business Solutions Limited
#42 Warrens Industrial Park
Warrens
St. Michael
Barbados

Dear Sirs

We refer to the prospectus of Productive Business Solutions Limited (the company) dated July, 2022 relating to the offer of:

- 1,000,000 Perpetual Cumulative Redeemable 9.25% Fixed Rate US$ Preference Shares with no par value at a fixed price of US $10.00 per Perpetual Cumulative Redeemable 9.25% Fixed Rate US$ Preference Share (subject to the ability of the Company to upsize by an additional 500,000 Perpetual Cumulative Redeemable 9.25% Fixed Rate US$ Preference Shares); and
- 150,000 Perpetual Cumulative Redeemable 10.50%. Fixed Rate J$ Preference Shares with no par value at a fixed price of J$1,000.00 per Perpetual Cumulative Redeemable 10.50% Fixed Rate J$ Preference Share (subject to the ability of the Company to upsize by an additional 50,000 Perpetual Cumulative Redeemable 10.50% Fixed Rate J$ Preference Shares).

We consent to being named in and to the use of the below information in the above-mentioned prospectus as follows:

- Our report dated July 26, 2022 on the summary financial statements included in the prospectus which have been derived from the audited financial statements of Productive Business Solutions Limited for each of the years ended December 31, 2021, 2020, 2019, 2018 and 2017; and
- Our report dated April 30, 2022 to the shareholder of Productive Business Solutions Limited on the consolidated financial statements for the year ended December 31, 2021 that includes the:
    - Consolidated statement of financial position as at December 31, 2021;
    - Consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended December 31, 2021; and
    - related notes, which include significant accounting policies and other explanatory information.

Yours sincerely

PricewaterhouseCoopers SRL

PricewaterhouseCoopers SRL

PricewaterhouseCoopers SRL, The Financial Services Centre, Bishop's Court Hill, P.O. Box 111, St. Michael, BB14004, Barbados, West Indies
T: (246) 626 6700, F: (246) 436 1275, www.pwc.com/bb

"PwC" refers to PricewaterhouseCoopers SRL, a Barbados society with restricted liability which is a member of PricewaterhouseCoopers International Limited, each member firm of which is a separate legal entity.

We Make Things Happen!

APPENDIX 2 – AUDITED FINANCIALS

Productive Business Solutions Limited

Consolidated Financial Statements
31 December 2021

Productive Business Solutions Limited
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31 December 2021

pwc

Independent auditor's report

To the shareholders of Productive Business Solutions Limited

Report on the audit of the consolidated financial statements

Our opinion

In our opinion, the consolidated financial statements present fairly, in all material respects the consolidated financial position of Productive Business Solutions Limited (the Company) and its subsidiaries (together the Group) as at 31 December 2021, and the Group's consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS)

What we have audited

The Group's consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 December 2021;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the consolidated financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

PricewaterhouseCoopers SRL, The Financial Services Centre, Bishop's Court Hill, P.O. Box 111, St. Michael, BB14004, Barbados, West Indies
T: (246) 626 6700, F: (246) 436 1275, www.pwc.com/bb

Our audit approach

Audit Scope
As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

How we tailored our group audit scope
We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industries in which the Group operates.

The Group is comprised of thirteen (13) reporting components of which we selected eleven (11) components for testing, which represent the principal business units within the Group within Jamaica, Barbados, Central America, the Netherlands Antilles, Nicaragua, St. Lucia and Dominican Republic. A full scope audit was performed for Productive Business Solutions (Central America), S.A. and its subsidiaries, Productive Business Solutions (Nicaragua) S. A. and PBS Technology Group Limited and its subsidiaries as these were determined to be individually financially significant. Additionally, based on our professional judgement, eight (8) other components within the group were selected to perform audit procedures on specific account balances, classes of transactions or disclosures.

In establishing the overall Group audit strategy and plan, we determined the type of work that is needed to be performed at the component level by the Group engagement team and by PwC component auditors.

Where the work was performed by component auditors, we determined the level of involvement we needed to have in the audit work of those components to be able to conclude whether sufficient appropriate audit evidence has been obtained as a basis for our opinion on the consolidated financial statements as a whole.

Key audit matters
Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Impairment Assessment of Goodwill *Refer to notes 2(f), 4 and 17 of the consolidated financial statements for disclosures of related accounting policies, judgements, estimates and balances.* As at 31 December 2021, Goodwill accounted for US$78.5 million, which represents 23.3% of total assets of the Group. On an annual basis, management tests whether goodwill is subject to impairment. The recoverable amounts of cash generating units (CGU) have been determined using value in use calculations based on the higher recoverable amount compared to fair value less costs to sell. Management's impairment assessment resulted in no impairment provision being required. We focused on this area because the assessment of the carrying value of goodwill involves significant judgement and estimation, is sensitive to changes in key assumptions and determining the related impact of the ongoing COVID-19 pandemic and related economic recovery is challenging The key assumptions were assessed by management as being: • Revenue growth rate; • Terminal growth rate; • Average Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) to revenue; and • Pre-tax Discount rate.	Our approach to testing management's impairment assessment, with the assistance of our valuation expert involved the following procedures, amongst others: • Obtained management's discounted cash flow model (DCF) including qualitative and quantitative analyses and updated our understanding of the process used by management to determine the value in use of each CGU; • Agreed the 31 December 2021 base year financial information to current year results and compared previous forecasts to actual results to assess the performance of the business and the accuracy of management's forecasting; • Compared the revenue growth rates to historical revenue growth, taking into consideration the potential impact of Covid - 19, and externally derived data as well as our own assessments in relation to key inputs such as projected economic growth, inflation and pre-tax discount rates; • Developed a range of parameters using available market inputs and historical information and performed sensitivity analyses using these parameters, which was compared to management's terminal growth and pre-tax discount rate; • Compared EBITDA margins to historical results, and verified reconciling variances to underlying supporting data and current period results; and • Tested management's impairment model calculations for mathematical accuracy.

Key audit matter	How our audit addressed the key audit matter
	Based on the procedures performed, management's assumptions and judgements relating to the carrying value of goodwill, in our view, were not unreasonable.
Business Combination *Refer to notes 2(b), and 37 of the consolidated financial statements for disclosures of related accounting policies, judgements, estimates and balances.* During September 2021, the Group acquired 100% of the issued share capital of PBS Technology Group Limited and its subsidiaries (PBSTG), incorporated and domiciled in St. Lucia for a total consideration of US$54 million. The accounting for the acquisition was a key audit matter because it was a significant transaction for the year, given the financial and operational impacts on the Group. We focused on this area due to the nature of business combinations and the accounting requirements which can be complex and require management to exercise judgement in determining certain estimates. The complex judgements include determining, identifying and estimating the fair value of the intangible assets acquired. The Group was assisted by external valuation experts in this process.	With the assistance of our valuation experts, we tested the fair values of the intangible assets recognized, as follows: • Assessed the competence and capability of management's valuation expert. • Evaluated the application of valuation methodology utilised to derive the fair value of identified intangible assets. • Tested the reasonableness of valuation assumptions and inputs by: o Referencing historical information in management's cash flow projections to supporting documents and information; o Corroborating the revenue growth rates, margins, attrition rates, expense forecasts, capital and tax rates by comparison to independent economic and statistical data; o Reperforming the discount rate calculation by corroborating with third party sources as it relates to economic and industry outlook; and o Agreeing the remaining useful lives of each intangible asset identified to the period over which the cash flows are expected to be generated. • Tested the mathematical accuracy of management's discounted cash flows by reperforming the underlying calculations. • Performed sensitivities on certain management assumptions and inputs with specific reference to the revenue growth rate in the cash flow projections. Based on the procedures performed, management's valuation of the intangible assets, in our view, was not unreasonable.

Key audit matter	How our audit addressed the key audit matter
Revenue Recognition – Non- standard contracts related to reprographic products *Refer to notes 2(d) and 6 of the consolidated financial statements for disclosures of related accounting policies, judgements, estimates and balances.* Revenues earned from reprographic products are through either an outright sale or an operating lease of equipment and from related service contracts. These revenues are generated from invoices and standard lease agreements. These include reprographic products sold with full service maintenance agreements. Sales and lease agreements that are individually negotiated and tailored to meet the specific circumstances of the customers typically include clauses that have revenue recognition implications. We focused on this area due to management judgement surrounding the timing of revenue recognition for reprographic contracts with multiple performance obligations.	Our approach to testing revenue recognition on non-standard contracts related to reprographic products involved the following procedures, amongst others: • Updated our understanding of the Group's accounting policies and evaluated consistency with prior year. • On a sample basis, tested a sample of revenue contracts to check that revenue is recognised in the correct period based on the terms of the contracts and in accordance with the Group's accounting policy. • Selected a sample of revenue transactions throughout the year to evaluate appropriate revenue recognition with specific focus on impact of the timing of revenue recognition for reprographic contracts with multiple performance obligations. • Examined the reversal of any sales in the subsequent period to evaluate appropriate revenue recognition. Based on the procedures performed, management's judgements relating to revenue recognition for the non-standard contracts related to reprographic products, in our view, were not unreasonable.

Other information

Management is responsible for the other information. The other information comprises the Annual Report (but does not include the consolidated financial statements and our auditor's report thereon), which is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Gerry Mahon.

PricewaterhouseCoopers SRL

Bridgetown, Barbados
April 30, 2022

Productive Business Solutions Limited

Consolidated Statement of Comprehensive Income

Year ended 31 December 2021

(Expressed in United States dollars unless otherwise indicated)

	Note	2021 $'000	2020 $'000
Continuing Operations			
Revenue	6	223,997	161,860
Direct expenses	8	(145,214)	(97,896)
Gross Profit		78,783	63,964
Other income	7	744	1,910
Selling, general and administrative expenses	8	(61,462)	(54,306)
Impairment losses		(733)	(706)
Operating Profit		17,332	10,862
Finance costs	10	(10,214)	(8,618)
Profit before Taxation		7,118	2,244
Taxation	11	(1,519)	(2,124)
Net Income for the year		5,599	120
Other Comprehensive Income			
Items that may be subsequently reclassified to profit or loss:			
Currency translation differences on the net assets of foreign subsidiaries		(1,434)	(2,558)
		(1,434)	(2,558)
TOTAL COMPREHENSIVE INCOME/(LOSS)		4,165	(2,438)
Net Income for the Year is Attributable to:			
Shareholders of the Company		5,523	105
Non-controlling interests		76	15
		5,599	120
Total Comprehensive Income/(Loss) for the Year is Attributable to:			
Shareholders of the Company		4,089	(2,453)
Non-controlling interests		76	15
		4,165	(2,438)
		Cents	**Cents**
Basic and diluted earnings per share for profit from continuing operation attributable to ordinary share holders	13	3.83	0.09

The accompanying notes form an integral part of these consolidated financial statements.

Productive Business Solutions Limited

Consolidated Statement of Financial Position

31 December 2021

(Expressed in United States dollars unless otherwise indicated)

	Note	2021 $'000	2020 $'000
Non-Current Assets			
Property, plant and equipment	15	31,574	24,844
Right-of-use assets	16	15,708	13,873
Intangible assets	17	104,813	20,010
Lease receivables	18	1,804	2,280
Pension plan assets	32	114	85
Long term receivables	19	550	1,085
Deferred income tax assets	20	3,765	1,326
Contract assets	36	6,390	-
Total Non-Current Assets		164,718	63,503
Current Assets			
Due from related parties	21	3,857	3,708
Inventories	22	39,681	31,947
Contract assets	36	8,645	12,684
Trade and other receivables	23	83,515	51,726
Current portion of lease receivables	18	1,721	1,296
Taxation recoverable		11,492	10,222
Financial assets at amortized cost	3 (*iv*)	1,592	-
Cash and cash equivalents	24	21,740	5,850
Total Current Assets		172,243	117,433
Current Liabilities			
Trade and other payables	25	47,372	30,516
Contract liabilities	36	13,793	4,110
Due to related parties	21	13,009	8,270
Taxation payable		7,777	5,290
Current portion of lease liabilities	26	3,773	2,683
Short term loans	27	20,661	2,959
Current portion of long-term loans	27	9,188	3,241
Bank overdraft	27	2,903	3,174
Total Current Liabilities		118,476	60,243
Net Current Assets		53,767	57,190
Total Non-current Assets and Net Current Assets		218,485	120,693

Productive Business Solutions Limited

Consolidated Statement of Financial Position
31 December 2021
(Expressed in United States dollars unless otherwise indicated)

	Note	2021 $'000	2020 $'000
Equity			
Attributable to Shareholders of the Company			
Share capital	28	105,782	57,317
Other reserves	29	(19,870)	(18,429)
Accumulated deficit	14 & 30	(2,633)	(6,127)
Total Shareholders Equity		83,279	32,761
Non-controlling Interests		927	851
Total Equity		84,206	33,612
Non-Current Liabilities			
Retirement benefit obligations	32	599	525
Contingent consideration payable	40	1,796	1,728
Deferred income tax liabilities	20	1,677	334
Lease liabilities	26	15,871	12,648
Borrowings	27	112,844	71,846
Other long term liabilities	38	1,492	-
Total Non-Current Liabilities		134,279	87,081
Total Non-Current Liabilities and Equity		218,485	120,693

Approved for issue by the Board of Directors on 30 April 2022 and signed on its behalf by:

Paul Scott — Director

Pedro Paris — Director

The accompanying notes form an integral part of these consolidated financial statements

Productive Business Solutions Limited

Consolidated Statement of Changes in Equity
Year ended 31 December 2021
(Expressed in United States dollars unless otherwise indicated)

	Attributable to Shareholders of the Company					
	Number of Shares '000	Share Capital $'000	Other Reserves $'000	Accumulated Deficit $'000	Non-Controlling Interest $'000	Total $'000
Balance at 1 January	123,272	57,317	(15,871)	(6,232)	836	36,050
Currency translation d	-	-	(2,558)	-	-	(2,558)
Net income	-	-	-	105	15	120
Total comprehensive	-	-	(2,558)	105	15	(2,438)
Balance at 1 January	123,272	57,317	(18,429)	(6,127)	851	33,612
Currency translation d	-	-	(1,434)	-	-	(1,434)
Net income	-	-	-	5,523	76	5,599
Total comprehensive	-	-	(1,434)	5,523	76	4,165
On acquisition of subs	-	-	(7)	-	-	(7)
Transactions with owr						
Dividends paid	-	-	-	(2,029)	-	(2,029)
Increase in share cap	62,941	48,465	-	-	-	48,465
Balance at 31 Decem	186,213	105,782	(19,870)	(2,633)	927	84,206

The accompanying notes form an integral part of these consolidated financial statements.

Productive Business Solutions Limited
Consolidated Statement of Cash Flows
Year ended 31 December 2021
(Expressed in United States dollars unless otherwise indicated)

	2021 $'000	2020 $'000
Cash Flows from Operating Activities (Note 34)	10,643	16,008
Cash Flows from Financing Activities		
Interest paid	(15,133)	(8,116)
Dividends paid	(2,029)	(1,000)
Proceeds from borrowing	92,851	6,842
Repayments of borrowings	(77,358)	(3,903)
Repayments of lease liabilities	(3,486)	(3,269)
Net cash used in financing activities	(5,155)	(9,446)
Cash Flows from Investing Activities		
Acquisition of subsidiary, net of cash acquired	16,636	-
Interest received	447	584
Acquisition of financial assets at amortized cost	(1,592)	-
Purchase of property, plant and equipment	(5,065)	(6,399)
Proceeds on disposal of property, plant and equipment	14	30
Net cash provided by/(used) in investing activities	10,440	(5,785)
Net Increase in Cash and Cash Equivalents	15,928	777
Cash and cash equivalents at beginning of the year	2,676	1,899
Effect foreign exchange in cash	233	
CASH AND CASH EQUIVALENTS AT END OF THE YEAR (NOTE 24)	18,837	2,676

	2021 $'000	2020 $'000
Cash at bank and in hand	21,740	5,850
Bank overdraft (Note 27)	(2,903)	(3,174)
	18,837	2,676

The principal non-cash transactions include:

- Transfer to property, plant and equipment from inventory during operating lease period of $4,313,000 (2020 - $6,334,000).
- Transfer from property, plant and equipment to inventory upon expiry of operating lease of $2,448,000 (2020 - $2,806,000).
- Dividends declared of $2,029,000 (2020: nil).

The accompanying notes form an integral part of these consolidated financial statements.

Productive Business Solutions Limited
Notes to the Consolidated Financial Statements
31 December 2021
(Expressed in United States dollars unless otherwise indicated)

1. Identification and Principal Activities

Productive Business Solutions Limited ("the Company") is a company incorporated on 16 December 2010, and domiciled in Barbados, originally under the International Business Corporation (IBC) Act 77.

Effective January 1,2020, the International Business Companies Act Cap. 77 was repealed, and all companies licensed under this Act prior to its repeal, will now be required to carry on business under and in accordance with the Companies Act Cap, 308. The Company was grandfathered under the provisions of the International Business Companies (Repeal) Act, 2020-40 of Barbados until June 30, 2021.

The tax rates for the fiscal year commencing 1 January 2021 are as follows:
first $500,000 of taxable income is subject to tax at 5.5%, the next $9,500,000 at 3.0%, the next $10,000,000 at 2.5% and all amounts in excess of $15,000,000 at 1.0%

The registered office of the Company is at Facey House # 42 Warrens Industrial Park, Warrens, St. Michaels, Barbados.

The Company is capitalised by ordinary shares. The Company is a subsidiary of Facey Group Limited, owned by Musson (Jamaica) Limited. Facey Group limited is a company incorporated in Barbados under the Companies Act, Cap. 308 of the laws of Barbados as an international business company. In combination, Musson (Jamaica) Limited and Facey Group Limited own 73.12% of the ordinary shares of the Company. The Company has issued 25,800,000 9.75% Jamaican dollars redeemable cumulative preference share which are accounted for as debt.

The Company is listed on the Jamaica Stock Exchange and the International Securities Market in Barbados.

The Company's ultimate parent company and controlling party are Elkon Limited ("Elkon"), which is incorporated and domiciled in Jamaica, and Paul B. Scott, respectively.

The principal activities of the Company and its subsidiaries, (referred to as "Group") are the distribution of printing equipment, business machines, handsets and related accessories, automated teller machines, security checkpoints, system integration, cloud services, data analytics, communication solutions, e-transactions, development of software and other technology solutions.

In September 2021, the Group acquired a 100% holding in PBS Technology Group Limited and its subsidiaries, incorporated and domiciled in in St. Lucia (Notes 2(b) and 38).

The financial statements were authorised for issue by the directors on 30 April 2022. The directors have the power to amend and reissue the financial statements.

2. Significant Accounting Policies

The principal accounting policies applied in the preparation of these consolidated financial statements, herein after referred to as the financial statements, are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation
The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of certain items of property, plant and equipment.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Although these estimates are based on managements' best knowledge of current events and action, actual results could differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

2. Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

Standards, interpretations and amendments to published standards effective in current year

Certain new standards, amendments and interpretations to existing standards have been published that became effective during the current financial year. The Group has assessed the relevance of all such new standards, interpretations and amendments and has affected the following, which are immediately relevant to its operations:

Amendments to IFRS 9, 'Financial Instruments' IAS 39, 'Financial Instruments: Recognition and Measurement' IFRS 7, 'Financial Instruments: Disclosures', IFRS 4 and IFRS 1, - Interest Rate Benchmark Reform Phase 2 (effective for annual periods beginning on or after 1 January 2021). In August 2020, the IASB made amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 to address the issues that arise during the reform of an interest rate benchmark rate, including the replacement of one benchmark with an alternative one. The Phase 2 amendments provide the following reliefs: • When changing the basis for determining contractual cash flows for financial assets and liabilities (including lease liabilities), the reliefs have the effect that the changes, that are necessary as a direct consequence of IBOR reform and which are considered economically equivalent, will not result in an immediate gain or loss in the income statement. • The hedge accounting reliefs will allow most IAS 39 or IFRS 9 hedge relationships that are directly affected by IBOR reform to continue. However, additional ineffectiveness might need to be recorded. Affected entities need to disclose information about the nature and extent of risks arising from IBOR reform to which the entity is exposed, how the entity manages those risks, and the entity's progress in completing the transition to alternative benchmark rates and how it is managing that transition. Given the pervasive nature of IBOR-based contracts, the reliefs could affect companies in all industries. The adoption of these amendments did not have any impact on the operations of the Group.

There are no other IFRSs or IFRIC interpretations effective in the current year which are expected to have a significant impact on the accounting policies or financial disclosures of the Group.

Standards, interpretations and amendments to published standards that are not yet effective and have not been early adopted by the Group

The Group has concluded that the following standards which are published but not yet effective, are relevant to its operations and will impact the Group's accounting policies and financial disclosures as discussed below. These standards and amendments to existing standards are mandatory for the Group's accounting periods beginning after 1 January 2022, but the Group has not early adopted them:

Amendments to IAS 1, 'Classification of Liabilities as Current or Non-current', (effective for annual periods beginning on or after 1 January 2022 (possibly deferred to 1 January 2023)). The narrow-scope amendments to IAS 1 Presentation of Financial Statements clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date (e.g. the receipt of a waver or a breach of covenant). The amendments also clarify what IAS 1 means when it refers to the 'settlement' of a liability. The amendments could affect the classification of liabilities, particularly for entities that previously considered management's intentions to determine classification and for some liabilities that can be converted into equity. They must be applied retrospectively in accordance with the normal requirements in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. In May 2020, the IASB issued an Exposure Draft proposing to defer the effective date of the amendments to 1 January 2023. The adoption of this amendment is not expected to have any significant impact on the operations of the Group.

Amendments to IAS 16, 'Property, Plant and Equipment: Proceeds before intended use', (effective for annual periods beginning on or after 1 January 2022). The amendment to IAS 16 Property, Plant and Equipment (PP&E) prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment. Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities. The adoption of this amendment is not expected to have any significant impact on the operations of the Group.

2. Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

Standards, interpretations and amendments to published standards that are not yet effective and have not been early adopted by the Group (continued)

Amendments to IFRS 3, 'Business Combinations ', (effective for annual periods beginning on or after 1 January 2022). Minor amendments were made to IFRS 3 Business Combinations to update the references to the Conceptual Framework for Financial Reporting and add an exception for the recognition of liabilities and contingent liabilities within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets and Interpretation 21 Levies. The amendments also confirm that contingent assets should not be recognised at the acquisition date. The adoption of this amendment is not expected to have any significant impact on the operations of the Group.

Amendments to IAS 37, 'Onerous Contracts – Cost of Fulfilling a Contract', (effective for annual periods beginning on or after 1 January 2022). The amendment to IAS 37 clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts. Before recognising a separate provision for an onerous contract, the entity recognises any impairment loss that has occurred on assets used in fulfilling the contract. The adoption of this amendment is not expected to have any significant impact on the operations of the Group.

Annual Improvements to IFRS Standards 2018–2020, effective 1 January 2022. The following improvements were finalised in May 2020:
• IFRS 9 Financial Instruments – clarifies which fees should be included in the 10% test for derecognition of financial liabilities.
• IFRS 16 Leases – amendment regarding payments from the lessor relating to leasehold improvements. Amendment to remove any confusion about the treatment of lease incentives.

The adoption of the standard is not expected to have any significant impact on the operations of the Group.

Amendments to IAS 1, 'Presentation of Financial Statements and IFRS Practice Statement 2', (effective for annual periods beginning on or after 1 January 2023). The IASB amended IAS 1 to require entities to disclose their material rather than their significant accounting policies. The amendments define what is 'material accounting policy information' and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information. To support this amendment, the IASB also amended IFRS Practice Statement 2 Making Materiality Judgements to provide guidance on how to apply the concept of materiality to accounting policy disclosures.

Amendments to IAS 8, 'Accounting policies, changes in accounting estimates and errors' - Definition of Accounting Estimates, (effective for annual periods beginning on or after 1 January 2023). The amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors clarifies how companies should distinguish changes in accounting policies from changes in accounting estimates. The distinction is important, because changes in accounting estimates are applied prospectively to future transactions and other future events, but changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period. The adoption of the amendment is not expected to have any significant impact on the operations of the Group.

2. Significant Accounting Policies (Continued)

(a) Basis of preparation (continued)

Standards, interpretations and amendments to published standards that are not yet effective and have not been early adopted by the Group (continued)

Amendments to IAS 12, 'Income Taxes', - Deferred Tax related to Assets and Liabilities arising from a Single Transaction, (effective for annual periods beginning on or after 1 January 2023). The amendments to IAS 12, require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. They will typically apply to transactions such as leases of lessees and decommissioning obligations and will require the recognition of additional deferred tax assets and liabilities. The amendment should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that it is probable that they can be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with: • right-of-use assets and lease liabilities, and • decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets. The cumulative effect of recognising these adjustments is recognised in retained earnings, or another component of equity, as appropriate. IAS 12 did not previously address how to account for the tax effects of on-balance sheet leases and similar transactions and various approaches were considered acceptable. Some entities may have already accounted for such transactions consistent with the new requirements. These entities will not be affected by the amendments. The adoption of the amendment is not expected to have any significant impact on the operations of the Group.

Amendments to IFRS 10, 'Consolidated Financial Statements and IAS 28, 'Investments in Associates and Joint Ventures' - Sale or contribution of assets between an investor and its associate or joint venture. The IASB has made limited scope amendments to IFRS 10 and IAS 28. The amendments clarify the accounting treatment for sales or contribution of assets between an investor and its associates or joint ventures. They confirm that the accounting treatment depends on whether the nonmonetary assets sold or contributed to an associate or joint venture constitute a 'business' (as defined in IFRS 3 Business Combinations). Where the non-monetary assets constitute a business, the investor will recognise the full gain or loss on the sale or contribution of assets. If the assets do not meet the definition of a business, the gain or loss is recognised by the investor only to the extent of the other investor's interests in the associate or joint venture. The amendments apply prospectively. ** In December 2015 the IASB decided to defer the application date of this amendment until such time as the IASB has finalised its research project on the equity method. The adoption of the amendment is not expected to have any significant impact on the operations of the Group.

There are no other new or amended standards and interpretations that are published but not yet effective that would be expected to have an impact on the accounting policies or financial disclosures of the Group.

2. Significant Accounting Policies (Continued)

(b) Consolidation

(i) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations involving third parties by the Group. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred, and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired and liabilities assumed is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss, in the statement of comprehensive income.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2. Significant Accounting Policies (Continued)

(b) Consolidation (Continued)

The Group's subsidiaries, countries of incorporation, and the Group's percentage interest are as follows:

	Country of incorporation	Group's Percentage Interest 2021	2020
Productive Business Solutions Caribbean Limited and its subsidiaries	Saint Lucia	100	100
Productive Business Solutions Limited	Jamaica	100	100
Cayman Business Machines Limited*	Cayman	40	40
Mobay Holdings N.V. and its subsidiary	Curacao	100	100
Productive Business Solutions (Curacao) B.V. and its subsidiary	Curacao	100	100
Productive Business Solutions (Aruba) N.V.	Aruba	100	100
Productive Business Solutions Limited and its subsidiaries	Saint Lucia	100	100
Productive Business Solutions Dominicana, S.A.S.	Dominican Republic	100	100
Nicaragua Holdings and its subsidiary	Saint Lucia	100	100
Productive Business Solutions (Nicaragua), S.A.	Nicaragua	100	100
Productive Business Solutions (Barbados) Limited	Barbados	100	100
Productive Business Solutions (Central America), S.A and its subsidiaries	Panama	100	100
Dorada Management Inc.	British Virgin Islands	100	100
Productive Business Solutions (Guatemala), S.A.	Guatemala	100	100
Global Products Alliance, Incorporated	USA	100	100
Productive Business Solutions Costa Rica, S.A.	Costa Rica	100	100
Easton Commerce, S.A.	Costa Rica	100	100
Distribuidora Fotográfica Industrial, S.A..	Guatemala	100	100
Negocios Fotográficos, S.A.	Guatemala	100	100
Productive Business Solutions El Salvador, S.A. de C.V.	El Salvador	100	100
High Tech Corporation, S.A. de C.V.	El Salvador	100	100
Productive Business Solutions (Panama), S.A. and Tradeco Zona Libre S.A.	Panama	100	100
Productive Business Solutions (Belize) Limited	Belize	100	100
Productive Business Solutions Honduras, S.A. de C.V.	Honduras	75	75
High Tech Consulting, S.A. de C.V.	Honduras	100	100
Productive Business Solutions (Colombia), S.A.S.	Colombia	100	100
Productive Business Solutions (South America) Limited	Saint Lucia	100	100
Productive Business Solutions (Suriname) Limited	Saint Lucia	100	100
PBS Technology Group Limited	Saint Lucia	100	-
PBS Technologies (Trinidad) Limited	Trinidad	100	-
Dorada Technologies (Antigua) Limited	Antigua	100	-
Productive Business Solutions Technologies (Barbados) Limited	Bardados	100	-
Massy Technologies Infocom (Caribbean) Ltd,	Barbados	100	-
PBS Technologies (Jamaica) Limited	Jamaica	100	-
PBS Technologies Guyana Inc.	Guyana	100	-

2. Significant Accounting Policies (Continued)

(b) Consolidation (continued)

(i) Subsidiaries (continued)

* In accordance with Cayman laws, entities that are domiciled in the Cayman Islands and are not issued with Local Companies Control Law Licenses, are required to be at least 60% owned by a Caymanian. The operation of Cayman Business Machines Limited is however controlled by Productive Business Solutions Limited and is therefore, in substance, categorised as a subsidiary.

** In September 2021, Productive Business Solutions Limited, acquired 100% of the shares of PBS Technology Group Limited and its subsidiaries. See note 38 for further details. In accounting for the acquisition of PBS Technology Limited and its subsidiaries, the Group has identified and ascribed certain values to intangible assets, as required by IFRS 3, as part of the purchase price allocation. The values for those intangible assets have been determined using established valuation techniques. In applying those valuation techniques, management makes assumptions regarding cash flows, growth rates for those cash flows, certain earnings ratios, discount factors and terminal growth rates. The values arrived at for the intangible assets are sensitive to changes in those assumptions

(ii) Transactions with non-controlling interests

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases of ownership interest in subsidiaries from non-controlling interests in which the Group retains control of the subsidiary, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests where control is retained by the Group are also recorded in equity.

(iii) Disposal of subsidiaries

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(iv) Business combination under common control

Acquisitions from entities under common control are determined by the substance and specific facts and circumstances surrounding any particular business combination under common control. The acquisition of PBS Technology Group is accounted for using acquisition accounting. A consistent policy will be applied to transactions of a similar nature. Any other business combinations under common control are accounted for using the predecessor method of accounting. Under the predecessor method of accounting, the cost of an acquisition is measured in a manner similar to the purchase method of accounting. Identifiable assets and liabilities are measured at book value at the date of acquisition. Under the predecessor method of accounting, no goodwill is created, as any difference between the cost of acquisition and the book value of the net assets acquired is dealt with as an adjustment to retained earnings.

(c) Foreign currency translation

(i) *Functional and presentation currency*

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which each entity operates ('the functional currency'). The consolidated financial statements are presented in United States Dollars, which is the Company's functional and presentation currency.

(ii) *Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. At the statement of financial position date, monetary assets and liabilities denominated in foreign currencies are translated using the weighted average closing exchange rate. Foreign exchange gains and losses resulting from the settlement of such transactions and from the

2. Significant Accounting Policies (Continued)

(c) Foreign currency translation (Continued)

(ii) *Transactions and balances (Continued)*
translation at year-end exchange rates, of monetary assets and liabilities denominated in foreign currencies are recognised in statement of comprehensive income.

(iii) *Group companies*
The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated as follows:

a) Assets and liabilities for each statement of financial position presented are translated at year end rates,
b) Items affecting the statement of comprehensive income are translated at average rates, and
c) The resultant gains or losses are recognised in other comprehensive income as translation gains or losses.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

(d) Revenue recognition
Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of applicable value added taxes, returns, rebates and discounts and after eliminating sales within the Group.

Revenue is recognised as follows:

Reprographic products
Revenue earned from reprographic products is either through an outright sale or a lease of equipment and from related service contracts.

Revenues from the sale of equipment, including those from finance leases, are recognised at the time of sale or at the inception of the lease, as appropriate. For equipment sales that require installation, revenue is recognised when the equipment has been delivered and installed at the customer location. Sales of customer-installable products are recognised upon shipment or receipt by the customer according to the customer's shipping terms. Revenues from equipment under other leases and similar arrangements are accounted for by the finance lease method and are recognised as earned over the lease term, which is generally on a straight-line basis.

A substantial portion of the Group's reprographic products is sold with full-service maintenance agreements. Service revenues are derived primarily from these maintenance contracts on equipment sold to customers and are recognised over the term of the contracts in the accounting period in which the services are rendered, by reference to completion of the specific transaction assessed on the basis of the actual service provided as a proportion of the total services to be provided.

Revenue is recognised only after there are specific indicators of transfer of control to the customer. To evidence transfer of control on contracts where revenue is recognised at a point in time, management has defined that revenue can only be recognised after the equipment or part is installed or the supplies are delivered. Bill and hold agreements are scrutinised to ensure the transfer of control to the customer is effective.

For contracts where revenue is recognised over time, management measures the fulfilment of the performance obligations based on the value that the delivered goods or services represent to the customer.

Telecommunications products
Revenue from telecommunications products comprises revenue from the sales of cellular phones. These products are sold under contractual agreements with the telecommunications providers.

2. Significant Accounting Policies (Continued)

(d) Revenue recognition (continued)

Revenue from the sale of telecommunications products is recognised on a gross basis as management has determined that the Group acts as a principal in relation to these transactions, due to the fact that the Group bears the majority of risk,

principally credit and inventory risk, in relation to such transactions, and the Group also acts as primary obligor. *Control* is the key consideration when assessing the nature of the promise to the customer.

When the entity does not control the good or service (or inventory) before it is transferred to the customer it is likely that the promise in the contract is to *arrange* for goods or services to be delivered (rather than these to be provided by the entity). In such cases, the Company recognizes revenue for an amount equal to the net income (revenue minus cost).

Revenue from the sale of telecommunications products is recognised when a Group entity has delivered products to the customer; the customer has accepted the products and collectability of the related receivables is reasonably assured.

Interest income is recognised on the accrual basis on the effective interest basis, except when collectability is considered doubtful. In such cases, income is recorded when economic benefits are received.

(e) Property, plant and equipment
Land and buildings are shown at fair value, based on valuations by external independent valuers, less subsequent depreciation for buildings. Valuations are performed with sufficient regularity to ensure that the fair value of a revalued asset does not differ materially from it's carrying amount. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount of the asset.

Increases in the carrying amount arising on revaluation of land and buildings are credited to other comprehensive income and shown as other reserves in shareholder's equity. Decreases that offset previous increases of the same asset are recorded in other comprehensive income and debited against other reserves directly in equity; all other decreases are charged to the profit or loss.

All other property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses.

Land is not depreciated as it is deemed to have an indefinite life. For all other property, plant and equipment, depreciation is calculated at annual rates on the straight-line basis to write-off the cost of the assets to their residual values over their estimated useful lives at annual rates as follows:

Freehold buildings	2 - 2 ½%
Leasehold buildings and improvements	10 - 20%
Furniture, fixtures, plant and equipment	10 - 33⅓%
Motor vehicles	20 - 25%

Gains and losses on disposal of property, plant and equipment are determined by comparing proceeds with the carrying amount and are included in operating profit.

Repairs and maintenance expenditure is charged to profit or loss during the financial period in which it is incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group.

When revalued assets are sold, the amounts included in other reserves are transferred to retained earnings.

2. Significant Accounting Policies (Continued)

(f) Intangible assets

(i) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary, associate or joint venture at the date of acquisition. Goodwill on acquisition of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates and joint ventures is included in investment in associates and investment in joint venture, respectively. Separately recognised goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

(ii) Customer Relationships, Brands, contracts, software, franchise agreements and licences.

Customer Relationships, Brands, contracts, software, franchise agreements and licences are shown at historical cost less accumulated amortisation and impairment. All, excepting licenses and are deemed to have finite useful lives and amortisation is calculated using the straight-line method to allocate the cost of the intangible assets over their estimated useful lives between 6 and 20 years. Licenses have an indefinite useful life.

(iii) Proprietary Software

The Group is the owner of a software internally developed to address diverse customer needs. This asset is carried at cost and amortised according to its defined useful life.

(g) Impairment of non-financial assets

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2. Significant Accounting Policies (Continued)

(h) Financial instruments

A financial instrument is any contract that gives rise to both a financial asset in one entity and a financial liability or equity of another entity.

Financial assets

Classification

The Group classifies its financial assets at amortised cost. The classification depends on the business model used for managing the financial assets and the contractual terms of the cash flows.

Impairment

The Group assesses on a forward-looking basis the expected credit loss (ECL) associated with its financial assets classified at amortised cost, lease receivables, long term receivables and related party balances.

Application of the General Model

The Group has applied the 'general model' as required under IFRS 9 for financial assets other than trade receivables. Under this model, the Group is required to assess on a forward-looking basis the ECL associated with its financial assets carried at amortised cost. The ECL will be recognised in profit or loss before a loss event has occurred. The measurement of ECL reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes. The probability-weighted outcome considers multiple scenarios based on reasonable and supportable forecasts. Under current guidance, impairment amount represents the single best outcome; the time value of money; and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

ECL is calculated by multiplying the Probability of default (PD), Loss Given Default (LGD) and Exposure at Default (EAD).

The impairment model uses a three-stage approach based on the extent of credit deterioration since origination:

Stage 1 – 12-month ECL applies to all financial assets that have not experienced a significant increase in credit risk since origination and are not credit impaired. The ECL will be computed using a 12-month PD that represents the probability of default occurring over the next 12 months.

Stage 2 – When a financial asset experiences a significant increase in credit risk subsequent to origination but is not credit impaired, it is considered to be in Stage 2. This requires the computation of ECL based on lifetime PD that represents the probability of default occurring over the remaining estimated life of the financial asset. Provisions are higher in this stage because of an increase in risk and the impact of a longer time horizon being considered compared to 12 months in Stage 1.

Stage 3 – Financial assets that have an objective evidence of impairment will be included in this stage. Similar to Stage 2, the allowance for credit losses will continue to capture the lifetime ECL.

The Group uses judgement when considering the following factors that affect the determination of impairment:

Assessment of Significant Increase in Credit Risk

The assessment of a significant increase in credit risk is done on a relative basis. To assess whether the credit risk on a financial asset has increased significantly since origination, the Group compares the risk of default occurring over the expected life of the financial asset at the reporting date to the corresponding risk of default at origination, using key risk indicators that are used in the Group's existing risk management processes. At each reporting date, the assessment of a change in credit risk will be individually assessed for those considered individually significant and at the segment level.

This assessment is symmetrical in nature, allowing credit risk of financial assets to move back to Stage 1 if the increase in credit risk since origination has reduced and is no longer deemed to be significant.

2. Significant Accounting Policies (Continued)

(h) Financial instruments (continued)

Macroeconomic Factors, Forward Looking Information and Multiple Scenarios
The Group applies an unbiased and probability weighted estimate of credit losses by evaluating a range of possible outcomes that incorporates forecasts of future economic conditions.

Macroeconomic factors and forward-looking information are incorporated into the measurement of ECL as well as the determination of whether there has been a significant increase in credit risk since origination. Measurement of ECLs at each reporting period reflect reasonable and supportable information at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Group uses three scenarios that are probability weighted to determine ECL.

Expected Life
When measuring ECL, the Group considers the maximum contractual period over which the Group is exposed to credit risk. All contractual terms are considered when determining the expected life, including prepayment options and extension and rollover options.

Application of the Simplified Approach
For trade receivables, the Group applies the simplified approach permitted by IFRS 9, which requires that the impairment provision is measured at initial recognition and throughout the life of the receivables using a lifetime ECL. As a practical expedient, a provision matrix is utilised in determining the lifetime ECLs for trade receivables.

The lifetime ECLs are determined by taking into consideration historical rates of default for each segment of aged receivables as well as the estimated impact of forward looking information.

Financial liabilities
The Group's financial liabilities are initially measured at fair value and are subsequently measured at amortised cost using the effective interest method, this is the initial recognition minus the cumulative amortisation of any difference between that initial amount and the maturity amount. Financial liabilities at amortised costs are classified as current or non-current depending on whether these are due within 12 months after the statement of financial position date or beyond. Financial liabilities are derecognised when either of the following take place: The Group is discharged from its obligation, upon expiration or when they are cancelled or replaced by a new liability.

(i) Inventories
Inventories are carried at weighted average purchase cost. These items are stated less provision for write down to net realisable value, where necessary and are stated at the lower of average cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

(j) Trade receivables
Impairment over trade receivables is determined with the aid of a matrix based on the ageing of the account. Twice a year, management assesses whether there has been any indicator of a change in the credit risk. Additionally, periodically a comprehensive evaluation is performed with the objective of identifying individual accounts that may be subject to impairment which are either written off or fully provided for.

(k) Cash and cash equivalents
Cash and cash equivalents include cash on hand, restricted cash (where applicable) and short-term deposits with original maturities of three months or less, net of bank overdrafts. In the consolidated statement of cash flows, cash and cash equivalents include cash in hand and at bank, short term bank deposits and bank overdrafts. Bank overdrafts are shown in current liabilities on the statement of financial position.

2. Significant Accounting Policies (Continued)

(l) Trade payables
These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(m) Contract assets and contract liabilities
The Group recognizes a contract asset whenever it has the right for consideration as a result of transferring goods or services to a customer. Contract assets are different from accounts receivables as the former would only require the passage of time for the consideration to be due. Contract assets are subject to impairment assessment. The Group recognizes a contract liability when it has received a payment or a payment is due for goods or services that have not yet been transferred to the customer.

(n) Income taxes
Taxation expense in the statement of comprehensive income comprises current and deferred tax charges.

Current tax charges are based on taxable profits for the year, which differ from the profit before tax reported because it excludes items that are taxable or deductible in other years, and items that are never taxable or deductible. The Group's liability for current tax is calculated at tax rates that have been enacted at the date of the statement of financial position.

Deferred tax is the tax expected to be paid or recovered on differences between the carrying amounts of assets and liabilities and the corresponding tax bases. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted tax rates are used in the determination of deferred income tax.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred income tax is provided on temporary differences arising on investments in subsidiaries, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Current and deferred tax assets and liabilities are offset when they arise from the same taxable entity, relate to the same tax authority and when the legal right of offset exists.

Deferred tax is charged or credited to profit or loss, except where it relates to items charged or credited to other comprehensive income, in which case, deferred tax is also dealt with in other comprehensive income.

(o) Provisions
Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. Where the Group expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

(p) Share capital
Ordinary Shares are classified as equity instruments. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

2. Significant Accounting Policies (Continued)

(q) Earnings per share

(i) Basic earnings per share
Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares.
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

(r) Borrowings
Borrowings are recognised initially at cost, being their issue proceeds, net of transaction costs incurred. Subsequently, borrowings are stated at amortised cost and any difference between net proceeds and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

(s) Leases
As Lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the lessee's incremental borrowing rates, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

As Lessor
Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessee are classified as finance leases. When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease in a manner which reflects a constant periodic rate of return on the net investment in the lease.

2. Significant Accounting Policies (Continued)

(s) Leases (continued)
Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified are included in property, plant and equipment in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with similar owned property, plant and equipment. Rental income is recognised in profit or loss on a straight-line basis over the period of the lease. In some instances, transfers are made from Inventory to Property, Plant and Equipment to facilitate the leasing of assets. In instances where leased equipment is returned this is transferred from Property, Plant and Equipment to Inventory.
When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised in profit or loss in the period in which termination takes place.

(t) Post-employment benefits
The Group participates in a defined contribution plan operated by a related party, Musson (Jamaica) Limited, whereby it pays contributions to a separate, trustee-administered fund for its Jamaican operation. Once the contributions have been paid, the Group has no further payment obligations. Contributions to the plan are charged to profit or loss in the period to which they relate.

There is an unfunded retirement benefit plan in the Nicaragua and El Salvador operations which is reflected in the statement of financial position as a liability. Changes to benefits are calculated by third party actuaries and are reflected in the Statement of Comprehensive Income.

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

(u) Finance costs
Finance costs includes interest payable on borrowings calculated using the effective interest method, interest on finance leases, material bank charges and foreign exchange gains and losses recognised in profit or loss.

(v) Offsetting financial instruments
Financial assets and liabilities are offset, and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

(w) Segment information
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision maker is the Chief Executive Officer.

(x) Dividend distribution
Dividend distribution is recognised as equity in the financial statements in which the dividends are approved by the shareholders of the Group.

3. Financial Risk Management

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems.

Risk management is carried out by a central treasury department (Group treasury) under policies approved by the Board of Directors. Group treasury identifies and evaluates financial risks in close co-operation with the Group's operating units. The Board provides principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk and investment of excess liquidity.

(i) Credit risk

The Group takes on exposure to credit risk, which is the risk that its customers, clients or counterparties will cause a financial loss for the Group by failing to discharge their contractual obligations. Credit exposures arise principally from the Group's receivables from customers and are influenced mainly by the individual characteristics of each customer. The Group has established credit policies under which each customer is analysed individually for creditworthiness prior to the Group offering them a credit facility. Credit limits are assigned to each customer and are reviewed on an ongoing basis. The Group has procedures in place to restrict customer orders if the order will result in customers exceeding their credit limits. Customers who fail to meet the Group's benchmark creditworthiness may transact with the Group on a prepayment basis.

Customer credit risk is monitored according to their credit characteristics such as whether it is an individual or company, geographic location, industry, aging profile, and previous financial difficulties. The Group establishes an allowance for impairment that represents an estimate of expected credit losses in respect of trade and other receivables. The Group addresses impairment assessment in two areas: individually and collectively assessed allowances.

Cash transactions are limited to high credit quality financial institutions. The Group has policies in place to limit the amount of exposure to any one financial institution. The maximum exposure to credit risk is the amount reflected on the statement of financial position.

3. Financial Risk Management (Continued)

(a) Financial risk factors (continued)

(i) Credit risk (continued)

At year end, the banks where the Group maintains most of its cash, were rated by Fitch Ratings as follows:

	Short Term	Long Term
BAC Bank, Int.	B	BB+
CIBC First Caribbean International Bank	F1+	AA-
Citibank	F1	A+

Maximum credit risk exposure

The Group's maximum exposure to credit risk equals the carrying amounts on the statement of financial position, of the assets which expose the Group to credit risk. There has been no change over the prior year in the manner in which the Group manages and measures credit risk.

Analysis of trade receivables

The Group's trade receivables, broken down by customer sector is as follows:

	2021 $'000	2020 $'000
Government	26,415	19,496
Private entities	46,342	27,782
	72,757	47,278
Less: Provision for credit losses	(3,405)	(2,455)
	69,352	44,823

Impairment of financial assets

The Group has two types of financial assets that are subject to expected credit losses as follows:

(i) Trade receivables;

(iii) Accounts receivable from related parties;

(iv) Other debt instruments carried at amortised cost including lease receivables and long-term receivables.

Impairment of financial assets

(i) Trade receivables

The Group applies the IFRS 9 simplified approach to measure expected credit losses (ECL) which requires that the impairment provision is measured at initial recognition and throughout the life of the receivables using a lifetime ECL. As a practical expedient, a provision matrix is utilised in determining the lifetime ECLs for trade receivables. The lifetime ECLs are determined by taking into consideration historical rates of default for each segment of aged receivables as well as the estimated impact of forward-looking information. On that basis, the loss allowance at 31 December 2021 and 2020 was determined as follows for trade receivables:

3. Financial Risk Management (Continued)

Impairment of financial assets (continued)

(i) Trade receivables (continued)

31 December 2021	Current (0-30 days) $'000	1-180 days past due $'000	181-360 days past due $'000	Over 360 days past due $'000	Total $'000
Expected loss rate	0.02%	4.33%	19.74%	33.52%	
Gross carrying amount	45,317	18,475	2,963	6,002	72,757
Loss allowance provision	8	800	585	2,012	3,405

31 December 2020	Current (0-30 days) $'000	1-180 days past due $'000	181-360 days past due $'000	Over 360 days past due $'000	Total $'000
Expected loss rate	0.02%	1.29%	16.46%	55.08%	
Gross carrying amount	31,438	10,285	1,926	3,629	47,278
Loss allowance provision	6	133	317	1,999	2,455

The closing loss allowances for trade receivables as at 31 December 2021 reconcile to the opening loss allowances as follows:

	2021 $'000	2020 $'000
Opening loss allowance as at 1 January	2,455	2,502
On acquisition of subsidiary	1,792	-
Expected credit losses on receivables during the year	555	557
Amounts written-off	(917)	(577)
Unused amounts reversed	(449)	-
Exchange difference	(31)	(27)
At 31 December	3,405	2,455

3. Financial Risk Management (Continued)

Impairment of financial assets (continued)

(ii) Lease receivables and long-term receivables

The Group applies the 'three stage' model of IFRS 9 in measuring the expected credit losses (ECL) for all lease and long-term receivable. The application makes estimation about likelihood of default occurring, of the associated loss ratios of default correlations between counter parties. The measurement of ECL reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes. The probability-weighted outcome considers multiple scenarios based on reasonable and supportable forecasts. Under current guidance, impairment amount represents the single best outcome; the time value of money; and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions. The following tables contains an analysis of the credit exposure for lease and long-term receivables as at 31 December 2021 and 2020 as follows:

Long term receivables

2021	Stage 1 12-month ECL $'000	Stage 2 Lifetime ECL $'000	Stage 3 Lifetime ECL $'000	Total $'000
Gross carrying amount	873	-	366	1,239
Loss allowance	(323)	-	(366)	(689)
Carrying amount	550	-	-	550

2020	Stage 1 12-month ECL $'000	Stage 2 Lifetime ECL $'000	Stage 3 Lifetime ECL $'000	Total $'000
Gross carrying amount	1,234	-	374	1,608
Loss allowance	(149)	-	(374)	(523)
Carrying amount	1,085	-	-	1,085

Lease receivables

2021	Stage 1 12-month ECL $'000	Stage 2 Lifetime ECL $'000	Stage 3 Lifetime ECL $'000	Total $'000
Gross carrying amount	3,525	-	-	3,525
Carrying amount	3,525	-	-	3,525

The lease receivable net investment is lower than the fair value of the equipment, therefore no loss is recognized.

3. Financial Risk Management (Continued)

Impairment of financial assets (continued)

(ii) Lease receivables and long-term receivables (continued)

	2020			
	Stage 1 12-month ECL $'000	**Stage 2 Lifetime ECL $'000**	**Stage 3 Lifetime ECL $'000**	**Total $'000**
Gross carrying amount	3,576	-	-	3,576
Carrying amount	3,576	-	-	3,576

The following tables contain a movement analysis of the expected credit losses for lease receivables and long-term receivables as at 31 December 2021 and 2020:

Loss Allowance – Long term receivables:

	Stage 1 12-month ECL $'000	**Stage 2 Lifetime ECL $'000**	**Stage 3 Lifetime ECL $'000**	**Total $'000**
Loss allowance as at 1 January 2021	149	-	374	523
Movements without profit and loss impact:	174	-	(8)	166
Loss allowance as at 31 December 2021	323	-	366	689

Loss Allowance – Long term receivables:

	Stage 1 12-month ECL $'000	**Stage 2 Lifetime ECL $'000**	**Stage 3 Lifetime ECL $'000**	**Total $'000**
Loss allowance as at 1 January 2020	121	9	-	130
Movements without profit and loss impact:	(121)	(9)	374	244
Movements with profit and loss impact:	149	-	-	149
Loss allowance as at 31 December 2020	149	-	374	523

3. Financial Risk Management (Continued)

Impairment of financial assets (continued)

(ii) Lease receivables and long-term receivables (continued)

Loss Allowance – Lease Receivables:

No loss allowance was recorded for lease receivables in 2021 as the potential loss was considered not material.

In 2020 the loss allowance movement was as follows:

Loss Allowance – Lease Receivables:

	Stage 1 12-month ECL $'000	**Stage 2 Lifetime ECL $'000**	**Stage 3 Lifetime ECL $'000**	**Total $'000**
Loss allowance as at 1 January 2020	69	-	-	69
Movements with profit and loss impact:	(69)	-	-	(69)
Loss allowance as at 31 December 2020	-	-	-	-

3. Financial Risk Management (Continued)

Impairment of financial assets (continued)

(ii) Lease receivables and long-term receivables (continued)

Lease and long-term receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include ceasing enforcement activity, and where the Group's recovery method is foreclosing on collateral, and the value of the collateral is such that there is no reasonable expectation of recovering in full.

ECL movements without a profit and loss impact relates to amounts transferred from trade receivables to lease/long term receivables which previously existed and for which the ECL would have also been transferred.

Expected credit losses are presented net of subsequent recoveries of amounts previously written off.

Cash and bank and other receivables
Other financial assets at amortised cost include cash and bank balances, due from related parties and other receivables. These debt instruments at amortised cost are considered to have low credit risk. The loss allowance recognised during the period on those deemed to have low credit risk was therefore limited to the 12 month expected losses. Management considers these instruments as having low credit risk when there is a low risk of default and the issuer has a strong capacity to meet its contractual cash flow obligations in the near term. The allowance is assessed by estimating the likelihood of default, associated loss ratio and default correlation between counterparties.

No opening loss allowances were recognised on balances for cash and bank, due from related parties and there were no movements during the current year, as the amounts determined were deemed immaterial. Loss allowance recognised for other receivables during the year was $149,000.

(iii) Due from related parties
ECL is determined on yearly basis by performing a review of the financial position of the related party debtors for those where the receivable balances are material. If the related party debtor has a strong financial capacity to meet its contractual obligation, the probability of default is low and the credit risk is deemed to be immaterial, otherwise it would be classified under stage 2 or 3 and ECL computed accordingly.

(iv) Other financial assets
The Group holds a short-term investment in Home Mortgage Bank by the amount equivalent to USD1,591,564 maturing on 5 December 2021, earning an interest of 1.75% annual. Management considers the ECL to be immaterial.

	2021			
	Stage 1 12-month ECL $'000	Stage 2 Lifetime ECL $'000	Stage 3 Lifetime ECL $'000	Total $'000
Gross carrying amount	1,592	-	-	1,592
Carrying amount	1,592	-	-	1,592

3. Financial Risk Management (Continued)

(iii) Liquidity risk
Liquidity risk is the risk that the Group is unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and other liquid assets and maintaining the availability of funding through an adequate amount of committed credit facilities.

Liquidity risk management process
The Group's liquidity management process, as carried out within the Group and monitored by the Board of Directors, primarily includes:

(i) Monitoring future cash flows and liquidity on an ongoing basis. This incorporates an assessment of expected cash flows and the availability of collateral which could be used to secure funding if required;
(ii) Maintaining committed lines of credit; and
(iii) Managing the concentration and profile of debt maturities.

3. Financial Risk Management (Continued)

(iii) Liquidity risk (continued)

Undiscounted cash flows of financial liabilities
The maturity profile of financial liabilities based on contractual undiscounted payments is as follows:

	Within 12 Months $'000	1 to 5 Years $'000	Over 5 years $'000	Total $'000
		2021		
Trade payables	24,183	-	-	24,183
Other payables	23,182	7	-	23,189
Due to related parties	13,009	-	-	13,009
Other long-term liabilities	-	1,492	-	1,492
Lease liabilities	7,293	14,543	978	22,814
Borrowings – non-related parties	41,300	138,035	-	179,335
Borrowings – related parties	-	-	-	-
Bank Overdraft	2,903	-	-	2,903
Contingent consideration payable	-	1,932	-	1,932
	111,870	156,009	978	268,857
		2020		
Trade payables	21,681	-	-	21,681
Other payables	8,828	7	-	8,835
Due to related parties	8,270	-	-	8,270
Lease liabilities	3,611	11,893	2,798	18,302
Borrowings – non-related parties	12,093	94,397	-	106,490
Borrowings – related parties	-	11	-	11
Bank Overdraft	3,174	-	-	3,174
Contingent consideration payable	-	1,931	-	1,931
	57,657	108,239	2,798	168,694

(iv) Market risk

The Group takes on exposure to market risks, which is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in foreign currency exchange rates and interest rates. Market risk is monitored by the Facey Group Limited's treasury department which carries out extensive research and monitors the price movement of financial assets on the local and international markets. Market risk exposures are measured using sensitivity analysis. There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk.

Currency risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the Jamaican (JMD) dollar, Honduran Lempira (HNL), Nicaraguan Córdoba (NIO), Dominican Peso (DOP), Costa Rican Colón (CRC) and the Guatemala Quetzal (GTQ). Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

The Group manages its foreign exchange risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions. The Group further manages this risk by invoicing where possible in US dollars and converting foreign currency balances into US Dollar denominated accounts.

3. Financial Risk Management (Continued)

(iv) Market risk (continued)

The Group has certain investments in foreign operations, the net assets of which are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's foreign operations is managed primarily through borrowings denominated in the relevant foreign currencies. The table below summarises the Group's exposure to foreign currency exchange rate risk at 31 December:

	USD $'000	HNL $'000	JMD $'000	NIO $'000	DOP $'000	CRC $'000	GTQ $'000	TTD $'000	Other* $'000	Total $'000
						2021				
Financial Assets										
Long term receivables	390	150	-	2	-	-	-	-	8	550
Lease receivables	2,161	-	-						1,364	3,525
Due from related parties	2,924	-	895	-	-	-	-	-	38	3,857
Other financial assets	-	-	-	-	-	-	-	1,592	-	1,592
Trade receivables	25,985	6,444	7,445	858	373	2,444	4,581	8,974	12,248	69,352
Other receivables	3,078	391	640	444	270	822	121	4,798	1,391	11,955
Cash and cash equivalents	6,063	292	640	648	331	337	258	4,410	8,761	21,740
Total financial assets	40,601	7,277	9,620	1,952	974	3,603	4,960	19,774	23,810	112,571
Financial liabilities										
Trade payables	21,906	338	319	92	27	-	405	243	853	24,183
Other payables	3,103	1,436	2,712	1,080	82	338	968	4,747	8,723	23,189
Lease liabilities	10,873	-	886	-	161	-	-	3,110	4,614	19,644
Due to related parties	12,680	-	91	-	-	-	-	-	238	13,009
Other long-term liabilities	1,492	-	-	-	-	-	-	-	-	1,492
Borrowings – non-related parties	81,959	-	16,281	-	38	-	-	40,814	131	139,223
Borrowings – related parties	-	-	-	-	-	-	-	-	-	-
Finance Leases	3,190	-	-	21	259	-	-	-	-	3,470
Bank Overdraft	-	-	2,903	-	-	-	-	-	-	2,903
Contingent consideration payable	1,796	-	-	-	-	-	-	-	-	1,796
Total financial liabilities	136,999	1,774	23,192	1,193	567	338	1,373	48,914	14,559	228,909
Net position	(96,404)	5,503	(13,572)	759	407	3,265	3,587	(29,140)	9,257	(116,338)

* Includes currencies traded at fixed exchange rate or with minimum fluctuation.

3. Financial Risk Management (Continued)

(iv) Market risk (continued)

Currency risk (continued)

	USD $'000	HNL $'000	JMD $'000	NIO $'000	DOP $'000	CRC $'000	GTQ $'000	Other* $'000	Total $'000
					2020				
Financial Assets									
Long term receivables	522	534	-	2	-	-	27	-	1,085
Lease receivables	1,829	-	-	-	-	-	-	1,747	3,576
Due from related parties	2,633	-	1,021	-	-	-	-	54	3,708
Trade receivables	21,086	3,820	2,166	1,592	1,231	3,662	3,972	7,294	44,823
Other receivables	1,325	410	219	42	260	1,696	60	291	4,303
Cash and cash equivalents	3,117	29	330	554	105	45	841	829	5,850
Total financial assets	30,512	4,793	3,736	2,190	1,596	5,403	4,900	10,215	63,345
Financial liabilities									
Trade payables	19,585	204	40	243	58	1,143	279	129	21,681
Other payables	4,305	433	587	1,121	43	147	1,094	1,105	8,835
Lease liabilities	10,265	-	219	-	953	-	-	3,894	15,331
Due to related parties	8,179	-	2	-	-	-	-	89	8,270
Borrowings – non-related parties	58,010	-	17,555	-	-	258	-	131	75,954
Borrowings – related parties	11	-	1	-	-	-	-	-	12
Finance Leases	1,879	-	-	-	53	-	-	148	2,080
Bank Overdraft	-	-	3,174	-	-	-	-	-	3,174
Contingent consideration payable	1,728	-	-	-	-	-	-	-	1,728
Total financial liabilities	103,962	637	21,578	1,364	1,107	1,548	1,373	5,496	137,065
Net position	(73,450)	4,156	(17,842)	826	489	3,855	3,527	4,719	(73,720)

* Includes currencies traded at fixed exchange rate or with minimum fluctuation.

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3. Financial Risk Management (Continued)

(iv) Market risk (continued)

Currency risk (continued)

The following tables indicate the currencies to which the Group had significant exposure on their monetary assets and liabilities and forecast cash flows. The change in currency rate below represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis represents outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a reasonably expected change in foreign currency rates. The sensitivity of the profit or loss was primarily as a result of foreign exchange gains and losses on translation of trade receivables and payables, long term receivables and borrowings.

	% Change in Currency Rate 2021	Effect on Profit before Tax 2021 $'000	Effect on Equity 2021 $'000
Currency:			
HNL	-8	-	(440)
HNL	2	-	110
JMD	-8	1,086	-
JMD	2	(271)	-
NIO	-8	-	(61)
NIO	2	-	15
DOP	-8	-	(33)
DOP	2	-	8
CRC	-8	-	(261)
CRC	2	-	65
TTD	-8	-	2,331
TTD	2	-	(583)
GTQ	-8	(287)	-
GTQ	2	72	-

	% Change in Currency Rate 2020	Effect on Profit before Tax 2020 $'000	Effect on Equity 2020 $'000
Currency:			
HNL	-6	-	(249)
HNL	+2	-	83
JMD	-6	(1,071)	-
JMD	+2	357	-
NIO	-6	-	50
NIO	+2	-	(17)
DRP	-6	-	(29)
DRP	+2	-	10
CRC	-6	-	(231)
CRC	+2	-	77
GTQ	-6	(212)	-
GTQ	+2	71	-

3. Financial Risk Management (Continued)

(v) Cash flow and fair value interest rate risk
As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes in market interest rates.

The Group's interest rate exposure arises from borrowings. Borrowings issued at variable rates and revolving short-term borrowings expose the Group to cash flow interest rate risk.

The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated for borrowings that represent the major interest-bearing positions, taking into consideration refinancing, renewal of existing positions and alternative financing.

The following table indicates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, on the profit or loss. As the Group's interest rate risk arises primarily from borrowings, the sensitivity of the profit or loss is the effect of the assumed changes in interest rates based on floating rate long term and revolving short-term borrowings. There is no direct impact on other components of equity.

	Effect on Loss before Tax 2021 $'000	Effect on Profit before Tax 2020 $'000
Change in basis points:		
2021: -100 (2020: - 100)	-	32
2021: +100 (2020: +100)	-	(32)

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3. Financial Risk Management (Continued)

(b) Capital management
The capital management process is carried out by the parent company. The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for the shareholder and benefits for other stakeholders. The Board of Directors monitors the return on capital, which the Group defines as net operating income (excluding non-recurring items) divided by total equity (excluding non-redeemable preference shares and non-controlling interests). There was no change to the capital management process during the year.

The Group has no specific capital management strategy and is exposed to externally imposed capital requirements. There are capital requirements as follows:

- The loan agreement with JCSD Trustee Services Limited on behalf of Bondholders - The financial covenants include: The Current ratio, Interest coverage ratio and the net total debt to EBITDA ratio. The Group was in compliance with the financial covenants as at the year end.
- The loan agreement with Republic Bank Limited (Trust Services Division) Services Limited on behalf of Bondholders - The financial covenants include: The Current ratio, Interest coverage ratio and the net total debt to EBITDA ratio. The Group was in compliance with the financial covenants as at the year end
- The revolving credit agreement and loan agreement with First Citizens Bank (FCB) - The financial covenants include: the Current ratio, the Funded Debt to EBITDA ratio and the Debt Service ratio. The Group was in compliance with the financial covenants as at the year end.

On 20 December 2021 PBS Technologies (Trinidad) Limited signed an amalgamation agreement with PBS Technology Group (Trinidad) Limited which made PBS Technologies (Trinidad) Limited the surviving entity. As part of the loan agreement that PBS has with FCB, PBS should have obtained prior approval from the lender. Approval was obtained after the amalgamation and as a result, the entire demand loan facility of $1,400,000 is reflected as current liabilities.
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(c) Fair values of financial instruments
Fair value is the amount for which an asset could be exchanged, or a liability settled, in an orderly transaction between market participants at the measurement date.

The fair value of the Group's financial instruments that, subsequent to initial recognition, are not measured at fair value is determined by using valuation techniques. The Group uses a variety of methods and makes assumptions that are based on market conditions existing at each statement of financial position date. The fair values of these financial instruments are determined as follows:

(i) The face value, less any estimated credit adjustments, for financial assets and liabilities with a maturity of less than one year are estimated to approximate their fair values. These financial assets and liabilities include cash and bank balances, trade receivables and payables and short-term borrowings.

(ii) The carrying values of non-current borrowings to non-related parties approximate their fair values, as these loans are carried at amortised cost reflecting their contractual obligations and the interest rates are reflective of current market rates for similar transactions. The fair value of borrowings is disclosed in note 27.

(iii) The fair values of the long-term receivables and loans to and from related parties could not be reliably determined as these instruments were granted under special terms and are not likely to be traded in a fair market exchange.

3. Significant Accounting Policies (Continued)

(d) Offsetting of financial assets and liabilities

In 2021 an agreement between Oracle Financial and certain subsidiaries of the Company resulted in netting an account receivable from bank Ficohsa (customer) against an account payable to Oracle de Centro America (vendor) by the amount of $2,177,000. No similar agreements were signed in 2020.

The following table presents the recognised receivable and payable balances that are offset as at 31 December 2021. The column 'net amount 'shows the impact on the Group's statement of financial position if all set-off rights were exercised:

	Gross amounts $'000	Gross amounts set off in the Statement of Financial position $'000	Net amount $'000
		2021	
Financial Asset			
Trade Receivables	2,946	(2,177)	769
Total financial asset	2,946	(2,177)	769
Financial liability			
Trade Payables	2,177	(2,177)	-
Total financial liability	2,177	(2,177)	-
Net position	769	-	769

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4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Estimated impairment of goodwill
The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2(f). The recoverable amounts of cash-generating units have been determined based on value-in-use calculations, which require the use of estimates. In determining the value in use, management has made certain assumptions regarding revenue growth rate, EBITDA to revenue ratios, terminal growth rate and discount rates. See Note 17 for sensitivity of amounts to estimates.

Intangible assets
Intangible assets arising from the acquisition of subsidiaries have been deemed to be indefinite life intangibles. Other intangible assets have been deemed to be finite life intangibles. Their estimated useful lives have been determined by management, based on their best estimate of the time period over which the Group will benefit from the assets acquired. Management has estimated that the useful lives of the intangibles will be between 6 and 20 years.

Income taxes
The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. The Group recognises liabilities for actual and anticipated tax audit issues based on estimates of whether additional taxes will be due. In determining these estimates, management considers the merit of any audit issues raised, based on their interpretation of the taxation laws, and their knowledge of any precedents established by the taxation authorities. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences could materiality impact the current tax and deferred tax provisions in the period in which such determination is made (see Notes 11 and 20).

Determining the lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of administrative offices, retail stores, equipment and vehicles, the following factors are normally the most relevant:

- If there are significant penalties to terminate (or not extend), the Group is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Group is typically reasonably certain to extend (or not terminate).
- Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset. Most extension options in offices equipment and vehicles leases have not been included in the lease liability, because the Group could replace the assets without significant cost or business disruption.

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5. Segment Financial Information

The Group's Chief Executive Officer examines the Group's performance from a geographic perspective and has identified two reportable segments of business:

- **Central America-** The principal activities of this part of the business is the sale and leasing of reprographic products including printing equipment, business machines and related accessories to customers in the Central America Region such as Guatemala, El Salvador, Honduras, Costa Rica, Nicaragua and Panama.
- **Caribbean-** The principal activities of this part of the business is the sale and leasing of reprographic products including printing equipment, business machines and related accessories to customers in the Caribbean region such as Dominican Republic, Jamaica, Barbados, Curacao and Aruba, Colombia and Suriname.

Management primarily uses a measure of adjusted earnings before interest, tax, depreciation and amortisation (EBITDA) to assess the performance of the operating segments. However, information about the segments' revenue, assets and liabilities are also submitted for review on a monthly basis.

5. Segment Financial Information (Continued)

	2021			
	Central America	**Caribbean**	**Intersegment elimination**	**Total**
Revenue from external customers	153,965	70,032	-	223,997
Revenue from another operating segment	14,377	14	(14,391)	-
Total Income	168,342	70,046	(14,391)	223,997
Adjusted EBITDA	22,239	12,612	-	34,851
Finance costs				(10,214)
Depreciation				(13,176)
Amortisation				(1,745)
Unallocated EBITDA				(2,598)
Profit before taxation				7,118
Other profit and loss disclosures				
Depreciation	(9,147)	(4,029)	-	(13,176)
Amortisation	(804)	(749)	(192)	(1,745)
Income tax	(2,139)	620		(1,519)
Segment assets-				
Total segment assets	181,353	159,617	(207,588)	133,382
Unallocated items				203,579
Total assets per statement of financial position				336,961
Capital expenditure	7,535	1,610	-	9,145
Segment liabilities-				
Total segment liabilities	109,582	182,615	(164,898)	127,299
Unallocated items				125,456
Total liabilities per statement of financial position				252,755

5. Segment Financial Information (Continued)

	2020			
	Central America	**Caribbean**	**Intersegment elimination**	**Total**
Revenue from external customers	112,444	49,416	-	161,860
Revenue from another operating segment	12,928	-	(12,928)	-
Total Income	125,372	49,416	(12,928)	161,860
Adjusted EBITDA	17,521	8,091	-	25,612
Finance costs				(8,618)
Depreciation				(12,572)
Amortisation				(1,086)
Unallocated				(1,092)
Profit before taxation				2,244
Other profit and loss disclosures				
Depreciation	(9,340)	(3,232)	-	(12,572)
Amortisation	(804)	(90)	(192)	(1,086)
Income tax	(2,040)	(84)	-	(2,124)
Segment assets-				
Total segment assets	155,397	48,732	(163,989)	40,140
Unallocated items				140,796
Total assets per statement of financial position				180,936
Capital expenditure	5,449	890	-	6,399
Segment liabilities-				
Total segment liabilities	87,784	81,061	(127,349)	41,496
Unallocated items				105,828
Total liabilities per statement of financial position				147,324

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5. Segment Financial Information (Continued)

Segment assets are measured in the same way as in the financial statements. These assets are allocated based on the operations of the segment and the physical location of the asset.

Segment liabilities are measured in the same way as in the financial statements. These liabilities are allocated based on the operations of the segment.

The parent entity is domiciled in Barbados. The amount of its revenue from external customers broken down by location of the customers is shown in table below.

	2021	**2020**
	$'000	**$'000**
Barbados	8,007	8,060
Costa Rica	28,697	26,562
Dominican Republic	7,915	7,894
El Salvador	44,365	22,044
Guatemala	26,390	21,838
Honduras	12,601	9,544
Nicaragua	15,204	13,996
Panama	13,395	11,389
USA	6,951	7,308
Antilles	8,343	6,199
Jamaica	19,872	11,853
Trinidad	11,203	-
Other	21,054	15,173
Total	223,997	161,860

The total of capital expenditure, broken down by location of the assets is shown in the table below.

	2021	**2020**
	$'000	**$'000**
Antilles	259	614
Barbados	273	80
Costa Rica	756	315
El Salvador	469	346
Guatemala	4,001	3,087
Nicaragua	500	608
Panama	1,245	447
Honduras	562	639
Dominican Republic	336	190
Jamaica	385	50
Other	359	23
Total	9,145	6,399

6. Revenue

	2021 $'000	2020 $'000
Business Solutions		
Sale of goods	155,845	102,189
Services	46,493	39,904
	202,338	142,093
Lease Income	21,659	19,767
	223,997	161,860

Revenue from contracts with customers is $202,338,000 (2020: $142,093,000).

2021	Central America $'000	Caribbean $'000	Intersegment elimination $'000	2021 $'000
Timing of Revenue Recognition				
At a point in time	137,856	58,119	(14,391)	181,584
Over time	17,820	2,934	-	20,754
	155,676	61,053	(14,391)	202,338

2020	Central America $'000	Caribbean $'000	Intersegment elimination $'000	2020 $'000
Timing of Revenue Recognition				
At a point in time	101,505	40,531	(12,928)	129,108
Over time	10,366	2,619	-	12,985
	111,871	43,150	(12,928)	142,093

7. Other Income

	2021 $'000	2020 $'000
Interest income	447	584
Commission	-	666
Vendor's incentive	-	348
Government support	-	137
Miscellaneous	297	175
	744	1,910

8. Expenses by Nature

Total direct, selling, administration and other operating expenses:

	2021 $'000	2020 $'000
Cost of inventories and cost related to services	145,214	97,896
Staff costs (Note 9)	27,493	24,923
Depreciation (Notes 15 and 16)	13,176	12,572
Commission	4,080	3,451
Travel	2,244	1,299
Management fees	1,337	864
Telephone and communication	1,108	964
Transportation	546	568
Amortisation of intangible assets (Note 17)	1,745	1,086
Legal and professional fees	1,632	648
Occupancy costs	750	942
Bank charges	501	333
Auditor's remuneration	853	711
Office supplies, printing and stationery	433	369
Repairs and maintenance	319	153
Advertising	138	158
Other expenses	5,107	5,265
	61,462	54,306
	206,676	152,202

9. Staff Costs

Staff costs comprise:

	2021 $'000	2020 $'000
Salaries and wages	19,749	17,149
Payroll taxes – employer's portion	2,375	2,080
Pension costs – defined contribution	90	353
Redundancy costs	613	1,382
Retirement benefit obligation (Note 32)	153	432
Other	4,513	3,527
	27,493	24,923

10. Finance Costs

	2021 $'000	2020 $'000
Net foreign exchange gains	(406)	(166)
Interest expense - Loans, operating and finance leases	10,620	8,784
	10,214	8,618

11. Taxation

Taxation is based on profit for the year or, in some jurisdictions, the greater of a percentage of profit before tax or revenue adjusted for taxation purposes, and comprises:

	2021 $'000	2020 $'000
Current tax	2,684	2,175
Deferred tax (Note 20)	(1,165)	(51)
	1,519	2,124

The tax on the profit before tax differs from the theoretical amount that would arise using the statutory tax rate as follows:

	2021 $'000	2020 $'000
Profit before tax	7,118	2,244
Tax calculated at domestic tax rate of 5.5% (2020: 2.5%)	391	56
Adjusted for the effects of:		
Different tax rates in other countries	2,965	2,008
Tax on net assets at 1%	68	-
Income not subject to tax	(3,305)	(388)
Expenses not deductible for tax purposes	2,596	571
Other charges and credits	(1,196)	(123)
Tax charge	1,519	2,124

11. Taxation (Continued)

	2021		
	Before tax $'000	Tax charge $'000	After tax $'000
Items that may be subsequently reclassified to profit or loss			
Currency translation differences on the net assets of foreign subsidiaries	(1,434)	-	(1,434)
Other comprehensive loss	(1,434)	-	(1,434)
Deferred tax (Note 20)		-	

	2020		
	Before tax $'000	Tax charge $'000	After tax $'000
Items that may be subsequently reclassified to profit or loss			
Currency translation differences on the net assets of foreign subsidiaries	(2,558)	-	(2,558)
Other comprehensive income	(2,558)	-	(2,558)
Deferred tax (Note 20)		-	

12. Investment in other Entities

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.

The total non-controlling interest for the period was as follows:

	2021 $'000	2020 $'000
Productive Business Solutions Honduras S.A. de C.V.	76	15

The total non-controlling interest as at 31 December is as follows:

	2021 $'000	2020 $'000
Balance as at 1 January	851	836
Non- controlling interest for the period	76	15
Balance as at 31 December	927	851

Non-controlling interest in Cayman Business Machines Limited is immaterial to the shareholder and as such is not disclosed.

12. Investment in Other Entities (Continued)

Summarised financial information on subsidiary with material non-controlling interest

Set out below is summarised financial information for Productive Business Solutions Honduras S.A. de C.V. that has non-controlling interests that are material to the group. The amounts disclosed are before inter-company eliminations.

Summarised statement of financial position

	2021 $'000	2020 $'000
Current		
Assets	8,969	7,705
Liabilities	(6,575)	(5,791)
	2,394	1,914
Non-current		
Assets	1,628	2,143
Liabilities	(314)	(653)
	1,314	1,490
Net assets	3,708	3,404

12. Investment in Other Entities (Continued)

Summarised statement of comprehensive income

	2021 $'000	2020 $'000
Revenue	13,966	8,376
Profit before income tax	489	333
Income tax expense	(153)	(142)
Net profit for the year/Total comprehensive income	336	191

Summarised cash flows

	2021 $'000	2020 $'000
Cash flows from operating activities		
Net cash (used in)/provided by operating activities	(355)	74
Net cash provided by investing activities	118	262
Net (decrease)/increase in cash and cash equivalents	(237)	336
Cash, cash equivalents and bank overdrafts at beginning of year	556	215
Exchange gains on cash and cash equivalents	-	5
Cash and cash equivalents at end of year	319	556

13. Earnings per Share

	2021 $'000	2020 $'000
Profit for the year attributable to ordinary shareholders	5,523	105
Weighted average number of shares	144,252	123,272
Total basic and diluted earnings per share attributable to ordinary shareholders (cents)	3.83	0.09

14. Net Income and Accumulated Deficit

The net income and accumulated deficit attributable to the shareholder of the Group are reflected in the accounts of the Company and its subsidiaries as follows:

	2021 $'000	2020 $'000
Net Income		
The Company	(3,280)	(2,077)
Elimination of management fee income	(3,317)	(2,577)
Sub total	(6,597)	(4,654)
Subsidiaries	12,120	4,759
	5,523	105

	2021 $'000	2020 $'000
Accumulated deficit		
The Company	(27,659)	(22,350)
Subsidiaries	25,026	16,223
	(2,633)	(6,127)

15. Property, Plant and Equipment

The furniture, fixtures, plant and equipment category for the Group includes equipment held for operating leases by various subsidiaries. Operating lease contracts for these items are entered into with third parties, with periodic lease payments being 36 to 60 months. Items which are leased are transferred from inventory on commencement of the lease arrangements and are transferred back to inventory on termination of the lease arrangements.

c	Freehold Land and Buildings $'000	Leasehold Buildings and Improvements $'000	Furniture, Fixtures, Plant and Equipment $'000	Motor Vehicles $'000	Capital Work in Progress $'000	Total $'000
			2021			
At Cost/ Valuation -						
At 1 January	33	3,116	71,220	1,205	2,598	78,172
Exchange differences	-	(41)	(750)	(16)	24	(783)
Acquisition of subsidiaries	72	748	2,793	122	577	4,312
Additions	-	1,549	5,175	192	2,229	9,145
Transfers from inventory	-	-	4,313	-	-	4,313
Disposals	-	(21)	(380)	(83)	(1)	(485)
Transfers to inventory	-	-	(6,664)	-	-	(6,664)
Transfer from CWIP*	-	547	4,561	(476)	(4,632)	-
At 31 December	105	5,898	80,268	944	795	88,010
Depreciation -						
At 1 January	-	1,953	50,463	912	-	53,328
Exchange differences	-	(33)	(555)	1	-	(587)
Charge for the year	24	650	7,608	100	-	8,382
On transfer to inventory	-	-	(4,216)	-	-	(4,216)
Relieved on disposals	-	(21)	(380)	(70)	-	(471)
At 31 December	24	2,549	52,920	943	-	56,436
Net Book Value -						
At 31 December	81	3,349	27,348	1	795	31,574

* Capital work in progress

15. Property, Plant and Equipment (Continued)

	Freehold Land and Buildings $'000	Leasehold Buildings and Improvements $'000	Furniture, Fixtures, Plant and Equipment $'000	Motor Vehicles $'000	Capital Work in Progress $'000	Total $'000
			2020			
At Cost/ Valuation -						
At 1 January	53	3,018	71,884	1,286	13	76,254
Exchange differences	-	(65)	(1,778)	(62)	-	(1,905)
Additions	-	297	3,517	-	2,585	6,399
Transfers from inventory	-	-	6,334	-	-	6,334
Disposals	(20)	(134)	(188)	(19)	-	(361)
Transfers to inventory	-	-	(8,549)	-	-	(8,549)
At 31 December	33	3,116	71,220	1,205	2,598	78,172
Depreciation -						
At 1 January	-	1,796	48,051	888	-	50,735
Exchange differences	-	20	(281)	(36)	-	(297)
Charge for the year	-	264	8,621	79	-	8,964
On transfer to inventory	-	4	(5,747)	-	-	(5,743)
Relieved on disposals	-	(131)	(181)	(19)	-	(331)
At 31 December	-	1,953	50,463	912	-	53,328
Net Book Value -						
At 31 December	33	1,163	20,757	293	2,598	24,844

15. Property, Plant and Equipment (Continued)

The amounts of equipment leased to customers and included in property, plant and equipment are as follows:

	2021 $'000	2020 $'000
Equipment held for lease at cost	70,606	59,451
Accumulated depreciation	(53,016)	(40,553)
Net book value	17,590	18,898

Equipment is ordinarily moved from inventory to docu-centers, printshops and internal use. Equipment from inventory is also placed under lease contracts. When the equipment is no longer assigned to a specific function, it is moved back to inventory at net book value. The most significant of these movements is for equipment held for lease which is as follows:

	2021 $'000	2020 $'000
Opening net book value	18,898	21,804
Acquisition of subsidiaries	1,558	-
Transfers from inventory during operating lease period	4,313	6,334
Depreciation charges	(4,731)	(6,434)
Disposals – transfers to inventory upon expiry of operating lease	(6,664)	(8,549)
Depreciation released	4,216	5,743
Closing net book value	17,590	18,898

15. Property, Plant and Equipment (Continued)

The pieces of freehold land of the Group were independently revalued as at various dates during 2020 on the basis of open market value or other market comparable approaches by independent qualified valuators. The directors are of the view that there were no material changes in the value over the prior year for Freehold land. Fair value movements on freehold is recognised in OCI under other revaluation reserves, see Note 29.

The following table analyses the non-financial assets carried at fair value, by valuation method. The different levels have been defined as follows:

- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, or directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2), and
- Inputs for the asset or liability that are not based on observable market data (that is unobservable inputs) (Level 3).

	Fair value measurements at 31 December 2021 using	
	Significant other observable inputs (Level 2) $'000	Significant unobservable inputs (Level 3) $'000
Recurring fair value measurements		
Land and buildings	-	81
	-	81

	Fair value measurements at 31 December 2020 using	
	Significant other observable inputs (Level 2) $'000	Significant unobservable inputs (Level 3) $'000
Recurring fair value measurements		
Land and buildings	-	33
	-	33

15. Property, Plant and Equipment (Continued)

There were no transfers between levels during the year.

Level 2 fair values of land and buildings have been derived using the sales comparison approach. Sales prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property size. The most significant input into this valuation approach is price per square foot. The valuation techniques for Level 3 fair values of land and buildings are disclosed in the tables below.

Fair value measurements at 31 December 2020 and 2021 using significant unobservable inputs (Level 3)

	Land – Surges St Thomas, Barbados $'000	Total $'000
Opening balance	33	33
Acquisition of subsidiaries	48	48
	81	81

Description	Fair value at December 2020 and 2021 $'000	Valuation Technique(s)	Unobservable Inputs	Range of unobservable inputs (probability – weighted average)	Relationship of unobservable inputs to fair value
Land – Surges St Thomas, Barbados	33	Market Comparable approach	None	None	Not applicable
Land and building in Trinidad	48	Market Comparable approach	None	None	Not applicable
	81				

16. Right-of-Use Assets

(i) Amounts recognised in the statement of financial position

a) The statement of financial position shows the following amounts relating to leases:

	2021 $'000	2020 $'000
Right-of-use assets		
Buildings	14,472	12,418
Equipment	1,055	1,346
Motor vehicles	181	109
	15,708	13,873

Movement analysis is as follows:

	2021 $'000	2020 $'000
At Cost/Valuation -		
At 1 January	20,917	19,570
Exchange differences	(91)	(125)
Additions	4,509	1,472
Acquisition of subsidiaries	3,124	-
Disposals	(1,183)	-
At 31 December	27,276	20,917
Amortization -		
At 1 January	7,044	3,478
Exchange differences	(48)	(42)
Acquisition of subsidiaries	693	-
Relieved on disposals	(915)	-
Charge for the year	4,794	3,608
At 31 December	11,568	7,044
Net book value		
At 31 December	15,708	13,873

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16. Right-of-Use Assets (Continued)

(ii) Amounts recognised in the statement of comprehensive income

The statement of comprehensive income shows the following amounts relating to leases:

	2021 $'000	2020 $'000
Depreciation charge of right-of-use assets		
Buildings	3,285	2,913
Equipment	1,469	648
Motor vehicles	40	47
	4,794	3,608

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability

- any lease payments made at the commencement date less any lease incentives received

Right-of-use assets are generally depreciated over the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

17. Intangible Assets

	Goodwill $'000	Customer Relationships and Brands $'000	Contracts $'000	Franchise Agreement, Licenses & Proprietary Software $'000	Total $'000
			2021		
Year ended 31 December 2021					
Opening net book value	15,837	1,175	1,995	1,003	20,010
Exchange differences	-	-	-	(7)	(7)
Acquisition of subsidiary	62,655	23,900	-	-	86,555
Amortisation (Note 8)	-	(851)	(710)	(184)	(1,745)
Closing net book amount at 31 December 2021	78,492	24,224	1,285	812	104,813
Cost	79,213	27,939	14,207	7,068	128,427
Accumulated amortisation and impairment	(721)	(3,715)	(12,922)	(6,256)	(23,614)
Closing net book value	78,492	24,224	1,285	812	104,813

	Goodwill $'000	Brands $'000	Contracts $'000	Franchise Agreement & Licenses $'000	Total $'000
			2020		
Year ended 31 December 2020					
Opening net book value	15,837	1,367	2,705	1,195	21,104
Exchange differences	-	-	-	(8)	(8)
Amortisation (Note 8)	-	(192)	(710)	(184)	(1,086)
Closing net book amount at 31 December 2020	15,837	1,175	1,995	1,003	20,010
Cost	16,753	4,169	14,204	7,133	42,259
Accumulated amortisation and impairment	(916)	(2,994)	(12,209)	(6,130)	(22,249)
Closing net book value	15,837	1,175	1,995	1,003	20,010

Amortisation charges have been included in the other operating expenses in the statement of comprehensive income.

17. Intangible Assets (Continued)

Impairment tests for goodwill

The Group determines whether goodwill is impaired at least on an annual basis or when events or changes in the circumstances indicate that the carrying value may be impaired. This requires an estimation of the recoverable amount of the cash generating unit (CGU) to which the goodwill is allocated. The recoverable amount is usually determined by reference to the value in use. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the CGU and also to choose an appropriate discount rate in order to calculate the present value of those future cash flows.

The allocation of goodwill to the Group's cash generating units (CGUs) as categorised by subsidiary is as follows:

	2021 $'000	2020 $'000
Productive Business Solutions (Barbados) Limited	403	403
PBS Central America, S.A.	7,539	7,539
Mobay Holdings N. V.	4,256	4,256
Productive Business Solutions Limited (Dominican Republic)	523	523
High Tech Corporation S.A. de C.V	2,957	2,957
PBS Technology Group Limited	62,655	-
Other	159	159
	78,492	15,837

The recoverable amount of each CGU is determined based on value in use calculations. These calculations use pre-tax cash flow projections based on financial budgets approved by management covering a 5-year period. Cash flows beyond the 5th year are extrapolated using the estimated growth rates stated below.

Key assumptions for value in use calculations for 2021 were as follows:

	Revenue growth rate year 1	Terminal growth rate	Average EBITDA to revenue	Pre-tax Discount rate 2020
Productive Business Solutions (Barbados) Limited	29.0%	3.9%	19.6%	16.9%
PBS Central America S.A.	9.2%	3.3%	13.5%	15.0%
Mobay Holdings N. V.	24.8%	3.8%	17.5%	12.5%
Productive Business Solutions Limited (Dominican Republic)	38.0%	5.1%	15.8%	13.7%
High Tech Corporation	11.0%	3.2%	19.6%	15.7%
PBS Technology Group Limited	30.0%	2.5%	21.5%	16.6%

Key assumptions for value in use calculations for 2020 were as follows:

	Revenue growth rate year 1	Terminal growth rate	Average EBITDA to revenue	Pre-tax Discount rate 2020
Productive Business Solutions (Barbados) Limited	2.7%	2.0%	19.2%	19.2%
PBS Central America S.A.	6.6%	3.6%	11.9%	19.3%
Mobay Holdings N. V.	5.2%	3.5%	10.4%	14.6%
Productive Business Solutions Limited (Dominican Republic)	7.3%	4.8%	13.3%	16.5%
High Tech Corporation	20.5%	3.5%	15.7%	18.1%

17. Intangible Assets (Continued)

Impact of possible changes in key assumptions are as follows:

Productive Business Solutions (Barbados) Limited 2021

If the budgeted revenue growth for year 1 had been 15.7% lower than the estimated assumption disclosed for the Productive Business Solutions (Barbados) Limited Limited CGU, the Group would have an excess of $6,913,000 over the carrying value of goodwill and therefore no impairment would have been recognised. If the pre-tax discount rate had been 1% higher than the estimated assumption disclosed, the Group would have an excess over the carrying value of goodwill of $6,538,000 and therefore no impairment would have been recognised. If the terminal growth rate had been 1% lower than the estimated assumption disclosed, the Group would have an excess over the carrying value of goodwill of $6,800,000 and therefore no impairment would have been recognised. If the average EBITDA had been 2% lower than the estimated assumption disclosed, the Group would have an excess over the carrying value of goodwill of $5,730,000 and therefore no impairment would have been recognised.

2020

If the budgeted revenue growth for year 1 had been 1.5% lower than the estimated assumption disclosed for the Productive Business Solutions (Barbados) Limited CGU, the Group would have an excess of $7,284,000 over the carrying value of goodwill and therefore no impairment would have been recognised. If the pre-tax discount rate had been 2% higher than the estimated assumption disclosed, the Group would have an excess over the carrying value of goodwill of $6,201,000 and therefore no impairment would have been recognised. If the terminal growth rate had been 1% lower than the estimated assumption disclosed, the Group would have an excess over the carrying value of goodwill of $7,043,000 and therefore no impairment would have been recognised. If the average EBITDA had been 2% lower than the estimated assumption disclosed, the Group would have an excess over the carrying value of goodwill of $5,815,000 and therefore no impairment would have been recognised.

PBS Central America S.A
2021

If the budgeted revenue growth for year 1 had been 2.1% lower than the estimated assumption disclosed for PBS Central America, SA. CGU, the Group would have an excess of $1,199,000 over the carrying value of goodwill and therefore no impairment would have been recognised. If the pre-tax discount rate had been 1% higher than the estimated assumption disclosed, the Group would have a deficit over the carrying value of goodwill of $2,472,000 and the Group would be required to recognise an impairment on this premise. If the terminal growth rate had been 1% lower than the estimated assumption disclosed, the Group would have a deficit over the carrying value of goodwill of $828,000 and therefore an impairment would have been recognised. If the average EBITDA had been 2% lower than the estimated assumption disclosed, the Group would have a deficit over the carrying value of goodwill of $18,241,000 and therefore would be required to recognise an impairment on this premise.

2020
If the budgeted revenue growth for year 1 had been 1.5% lower than the estimated assumption disclosed for PBS Central America, SA. CGU, the Group would have an excess of $5,775,000 over the carrying value of goodwill and therefore no impairment would have been recognised. If the pre-tax discount rate had been 2% higher than the estimated assumption disclosed, the Group would have a deficit over the carrying value of goodwill of $669,000 and the Group would be required to recognise an impairment on this premise. If the terminal growth rate had been 1% lower than the estimated assumption disclosed, the Group would have an excess over the carrying value of goodwill of $4,318,000 and therefore no impairment would have been recognised. If the average EBITDA had been 2% lower than the estimated assumption disclosed, the Group would have a deficit over the carrying value of goodwill of $9,218,000 and therefore would be required to recognise an impairment on this premise.
of $1,700,000 over the carrying value of goodwill and therefore no impairment would have been recognised.

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17. Intangible Assets (Continued)

Mobay Holdings N. V.
2021

If the budgeted revenue growth for year 1 had been 20.3% lower than the estimated assumption disclosed for Mobay Holdings N.V. CGU, the Group would have an excess of $1,908,000 over the carrying value of goodwill and therefore no impairment would have been recognised. If the pre-tax discount rate had been 1% higher than the estimated assumption disclosed, the Group would have an excess over the carrying value of goodwill of $1,469,000 and therefore no impairment would have been recognised. If the terminal growth rate had been 1% lower than the estimated assumption disclosed, the Group would have an excess over the carrying value of goodwill of $1,605,000 and therefore no impairment would have been recognised. If the average EBITDA had been 2% lower than the estimated assumption disclosed, the Group would have an excess over the carrying value of goodwill of $346,000 and therefore no impairment would have been recognised.

2020
If the budgeted revenue growth for year 1 had been 1.5% lower than the estimated assumption disclosed for Mobay Holdings N.V. CGU, the Group would have an excess of $1,590,000 over the carrying value of goodwill and therefore no impairment would have been recognised. If the pre-tax discount rate had been 2% higher than the estimated assumption disclosed, the Group would have an excess over the carrying value of goodwill of $520,000 and therefore no impairment would have been recognised. If the terminal growth rate had been 1% lower than the estimated assumption disclosed, the Group would have an excess over the carrying value of goodwill of $1,226,000 and therefore no impairment would have been recognised. If the average EBITDA had been 2% lower than the estimated assumption disclosed, the Group would have an excess over the carrying value of goodwill of $38,000 and therefore no impairment would have been recognised.

Productive Business Solutions Limited (Dominican Republic)
2021

If the budgeted revenue growth for year 1 had been 25.7% lower than the estimated assumption disclosed for Productive Business Solutions Limited (Dominica Republic) CGU, the Group would have an excess of $928,000 over the carrying value of goodwill and therefore no impairment would have been recognised. If the pre-tax discount rate had been 1% higher than the estimated assumption disclosed, the Group would have an excess over the carrying value of goodwill of $539,000 and therefore no impairment would have been recognised. If the terminal growth rate had been 1% lower than the estimated assumption disclosed, the Group would have an excess over the carrying value of goodwill of $686,000 and therefore no impairment would have been recognised. If the average EBITDA had been 2% lower than the estimated assumption disclosed, the Group would have a deficit over the carrying value of goodwill of $746,000 and would be required to recognise and impairment on this premise.

2020
If the budgeted revenue growth for year 1 had been 1.5% lower than the estimated assumption disclosed for Productive Business Solutions Limited (Dominica Republic) CGU, the Group would have an excess of $1,734,000 over the carrying value of goodwill and therefore no impairment would have been recognised. If the pre-tax discount rate had been 2% higher than the estimated assumption disclosed, the Group would have an excess over the carrying value of goodwill of $860,000 and therefore no impairment would have been recognised. If the terminal growth rate had been 1% lower than the estimated assumption disclosed, the Group would have an excess over the carrying value of goodwill of $1,458,000 and therefore no impairment would have been recognised. If the average EBITDA had been 2% lower than the estimated assumption disclosed, the Group would have a deficit over the carrying value of goodwill of $65,000 and would be required to recognise and impairment on this premise.

17. Intangible Assets (Continued)

High Tech Corporation
2021
If the budgeted revenue growth for year 1 had been 1.5% lower than the estimated assumption disclosed for High Tech Corporation CGU, the Group would have an excess of $812,000 over the carrying value of goodwill and therefore no impairment would have been recognised. If the pre-tax discount rate had been 0.5% higher than the estimated assumption disclosed, the Group would have an excess over the carrying value of goodwill of $793,000 and therefore no impairment would have been recognised. If the terminal growth rate had been 1% lower than the estimated assumption disclosed, the Group would have an excess over the carrying value of goodwill of $733,000 and therefore no impairment would have been recognised. If the average EBITDA had been 0.5% lower than the estimated assumption disclosed, the Group would have an excess over the carrying value of goodwill of $851,000 and therefore no impairment would have been recognised.

2020
If the budgeted revenue growth for year 1 had been 1.5% lower than the estimated assumption disclosed for High Tech Corporation CGU, the Group would have an excess of $64,000 over the carrying value of goodwill and therefore no impairment would have been recognised. If the pre-tax discount rate had been 0.5% higher than the estimated assumption disclosed, the Group would have a deficit over the carrying value of goodwill of $58,000 and would be required to recognise an impairment on this premise. If the terminal growth rate had been 1% lower than the estimated assumption disclosed, the Group would have a deficit over the carrying value of goodwill of $60,000 and would be required to recognise an impairment on this premise. If the average EBITDA had been 0.5% lower than the estimated assumption disclosed, the Group would have a deficit over the carrying value of goodwill of $60,000 and would be required to recognise an impairment on this premise.

PBS Technology Group Limited:

2021
If the budgeted revenue growth for year 1 had been 5% lower than the estimated assumption disclosed for PBS Technology Group Limited CGU, the Group would have an excess of $21,600,000 over the carrying value of goodwill and therefore no impairment would have been recognised. If the pre-tax discount rate had been 1% higher than the estimated assumption disclosed, the Group would have an excess over the carrying value of goodwill of $14,200,000 and therefore no impairment would have been recognised. If the terminal growth rate had been 1% lower than the estimated assumption disclosed, the Group would have an excess over the carrying value of goodwill of $17,700,000 and therefore no impairment would have been recognised. If the average EBITDA had been 2.5% lower than the estimated assumption disclosed, the Group would have a surplus over the carrying value of goodwill of $8,200,000 and therefore no impairment would have been recognised.

18. Lease Receivables

	2021 $'000	2020 $'000
Gross investment in finance leases		
Not later than one year	2,297	1,621
Later than one year and not later than five years	1,805	2,564
	4,102	4,185
Less: Unearned income	(577)	(609)
	3,525	3,576
Net investment in finance leases may be classified as follows:		
Not later than one year	1,721	1,296
Later than one year and not later than five years	1,804	2,280
	3,525	3,576

The lease receivable net investment is lower than the fair value of the equipment, therefore no loss is recognized as the Group is legally entitled to take back the equipment should the customer default.

19. Long Term Receivables

	2021 $'000	2020 $'000
Banco Central de Nicaragua (Note a)	367	374
Rental deposits (Note b)	63	35
Inversiones Yum Kaax S.R.L. (Note c)	49	91
In House Print, S.A. de C.V. (Note d)	46	38
Artes Gráficas Maximiliano (Note e)	31	46
DHL Global Forwarding (Note f)	22	-
Intercolor S.A. de C.V. (Note g)	18	-
Impresos Creativos S.R.L. (Note h)	17	34
Impresiones Industriales (Note i)	15	31
Artes Gráficas Rivera (Note j)	12	37
Laboratorio Clínico San Mateo, S.A. de C.V. (Note k)	12	-
Impresos Portales S. de R.L. (Note l)	10	-
Expresión Creativa/José Bautista (Note m)	-	52
Máxima Industria Litográfica S.R.L. de C.V. (Note n)	-	47
Imprezos Industriales (Note o)	-	28
Olvin Zelín Cruz Ferrera (Note p)	-	27
Comercial Plaza (Note q)	-	26
Impresos Gráficos Sánchez (Note r)	-	26
Más Color, S.A. (Note s)	-	25
Ediciones AGM (Note t)	-	24
Fundación Empresarial para el Desarrollo Ejecutivo - FEPADE (Note u)	-	21
Staff loans (Note v)	410	434
Other (Note w)	167	212
	1,239	1,608
Less: Expected credit loss on long term receivables	(689)	(523)
	550	1,085

19. Long Term Receivables (Continued)

a) *Banco Central de Nicaragua*
The balance does not earn interest and it is maintained as an investment fund with no specified maturity date.

b) *Rental Deposits*
This represents various bank deposits to secure rented property.

c) *Inversiones Yum Kaax, S.R.L.*
The balance earns interest of 12% per annum and matures on May 2023.

d) *In House Print, S.A. de C.V.*
The balance earns interest of 18% per annum and matures on March 2024.

e) *Artes Gráficas Maximiliano*
The balance earns interest of 10% per annum and matures on July 2023.

f) *DHL Global Forwarding*
The balance earns interest of 12.53% per annum and matures on August 2024.

g) *Intercolor S.A. de C.V.*
The balance earns interest of 15% per annum and matures on January 2024.

h) *Impresos Creativos S.R.L.*
The balance earns interest of 10% per annum and matures on July 2023.

i) *Impresiones Industriales*
The balance earns interest of 16% per annum and matures on September 2024.

j) *Artes Gráficas Rivera*
The balance earns interest of 12% per annum and matures on June 2023.

k) *Laboratorio Clínico San Mateo, S.A. de C.V.*
The balance earns interest of 12.68% per annum and matures on November 2023.

l) *Impresos Portales S. de R.L.*
The balance earns interest of 10% per annum and matures on December 2022.

m) *Expresión Creativa/José Bautista D.*
The balance earns interest of 12% per annum. The amount has been fully collected.

n) *Máxima Industria Litográfica, S.R.L. de C.V.*
The balance earns interest of 12% per annum. The amount has been fully collected.

Imprezos Industriales The balance earns interest of 12% per annum. The amount has been fully collected.

o) *Olvin Zelín Cruz Ferrera*
The balance earns interest of 12% per annum. The amount has been fully collected.

p) *Comercial Plaza*
The balance earns interest of 18% per annum, The amount has been fully collected.

q) *Impresos Gráficos Sánchez*
The balance earns interest of 12% per annum. The amount has been fully collected.

r) *Más Color, S.A.*
The balance earns interest of 12% per annum. The amount has been fully collected.

s) *Ediciones AGM*
The balance earns interest of 15% per annum. The amount has been fully collected.

19. Long Term Receivables (Continued)

t) *Fundación Empresarial Para el Desarrollo Educativo (FEPADE)*
The balance earns interest of 12% per annum. The amount has been fully collected.

u) *Staff loans.*
The balance does not earn interest and it matures on July 2023.

v) *Other*
The balance relates to amounts that are individually insignificant. These balances relate to equipment sales with terms between 13 months and up to 37 months. These are secured with promissory notes and earns interest between 12% and 21% and is guaranteed with a pledge on the financed equipment.

20. Deferred Income Taxes

(a) Deferred income taxes are calculated in full on all temporary differences under the liability method and comprise:

	2021 $'000	2020 $'000
Deferred income tax assets	3,765	1,326
Deferred income tax liabilities	(1,677)	(334)
Net deferred income tax asset	2,088	992

(b) The movement on the deferred income tax assets balance for the year is as follows:

	2021 $'000	2020 $'000
Net asset at beginning of the year	992	955
Acquisition of subsidiaries	(71)	-
Credit to profit and loss (Note 11)	1,165	51
Exchange difference	2	(14)
Net assets at end of the year	2,088	992

(c) Deferred income tax assets and liabilities are attributable to:

	2021 $'000	2020 $'000
Property, plant and equipment	648	60
Provisions	1,230	776
Foreign exchange losses	23	25
Other	187	131
	2,088	992

(d) The movement on the deferred tax asset is attributable to:

	2021 $'000	2020 $'000
Property, plant and equipment	408	9
Provisions	78	74
Foreign exchange losses	-	20
Interest payable	-	3
Other	679	(55)
	1,165	51

(e) Except for property, plant and equipment, all deferred income tax items are expected to be recovered/settled within one year.

Deferred income tax liabilities have not been established for withholding tax that would be payable on unappropriated profits of subsidiaries as the amounts are permanently reinvested. Such unappropriated profits totaled $3,066,000 (2020: $44,652,000).

21. Related Party Transactions and Balances

The following transactions were carried out with related parties:

(a) Sale of goods and services

	2021 $'000	2020 $'000
Sale of goods		
Other related parties	134	2,042

Goods are sold based on the price lists in force and terms that would be available to third parties.

(b) Purchase of goods and services

	2021 $'000	2020 $'000
Purchases of goods		
Other related parties	153	738

Transactions with other related parties include those with Interlinc International Incorporation.

(c) Key management compensation
Key management includes directors (executive and non-executive). The compensation paid or payable to key management for employee services is shown below:

	2021 $'000	2020 $'000
Salaries and other short-term employee benefits	4,272	3,976
Payroll taxes – employer's portion	424	303
Pension benefits	54	63
Other	155	87
	4,905	4,429
Directors' fees	66	71

(d) Other transactions

	2021 $'000	2020 $'000
Parent		
Management fee expense	948	864
Other related parties		
Management fee expense	359	-
Interest paid	30	-
	1,337	864

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21. Related Party Transactions and Balances (Continued)

(e) Year end balances with related parties

Balances with the parent company and fellow subsidiaries are repayable on demand and earn no interest. The Directors and key management balance relate to dividends approved on December 2020 and paid on 4 February 2021.

	2021 $'000	2020 $'000
Receivable from related parties:		
Parent	2,007	1,532
Fellow subsidiaries and shareholder	1,850	2,176
	3,857	3,708
Payable to related parties:		
Parent	11,111	5,758
Fellow subsidiaries	1,898	2,512
	13,009	8,270

22. Inventories

	2021 $'000	2020 $'000
Finished goods	42,900	36,238
Goods in transit	6,623	2,634
	49,523	38,872
Less: Provision for obsolete stock	(9,842)	(6,925)
	39,681	31,947

Cost of inventory recognised as an expense aggregating to $180,553,000 (2020: $80,102,317), were recognised in profit and loss.

23. Trade and Other Receivables

	2021 $'000	2020 $'000
Trade receivables	72,757	47,278
Less: Provision for credit losses	(3,405)	(2,455)
	69,352	44,823
Prepaid expenses	2,208	2,600
Current portion of Long Term Receivable	8	177
Other (Note a)	11,947	4,126
	83,515	51,726

a) Includes advances to vendors by $3,730,000 (2020: $495,000) and short term deposits as guarantee of rental contracts by $495,000 (2020: $344,000).

24. Cash and Cash Equivalents

	2021 $'000	2020 $'000
Cash at bank and in hand	21,740	5,850
	21,740	5,850

The weighted average interest rate at the reporting date for short term bank deposits was 0.75% (2020: 0.75%) per annum.

25. Trade and Other Payables

	2021 $'000	2020 $'000
Trade payables	24,183	21,681
Interest Payables	1,426	885
Accrued liabilities	11,050	4,856
Other	10,713	3,094
	47,372	30,516

The carrying amounts of trade and other payables are assumed to be the same as their fair values, due to their short-term nature.

26. Lease Liabilities

The Group currently has long term lease agreements related to buildings, equipment and motor vehicles.

(i) Amounts recognised in the statement of financial position

The statement of financial position shows the following amounts relating to leases:

	2021 $'000	2020 $'000
Lease liabilities		
Current	3,773	2,683
Non-current	15,871	12,648
	19,644	15,331

(ii) Amounts recognised in the statement of comprehensive income

The statement of comprehensive income shows the following amounts relating to leases:

	2021 $'000	2020 $'000
Interest expense (included in finance cost)	1,533	1,433
Expenses relating to short term leases or low value underlaying assets (included in selling, general and administrative expenses)	467	557
	2,000	1,990

The total cash outflow for leases in 2021 was $3,754,000 (2020: 3,759,000).

26. Lease Liabilities (Continued)

(iii) Incremental borrowing rate

For the incremental borrowing rate, the Group:
- Where possible, uses recent third-party financing received by bankers as a starting point, adjusted to reflect changes in financing conditions since third party financing was received, and
- Makes adjustments specific to the lease, e.g. term, country, currency and security.
- The weighted average incremental borrowing rate for the Group in 2020 and 2021 was determined to be 7%.

(iv) Lease payments

Payments associated with short-term leases of buildings, equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

(v) Extension and termination options

Extension and termination options are included in a number of leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

As at 31 December 2021, potential future cash outflows of $10,884,000 (2020: $3,196,000) (undiscounted) have not been included in the lease liability because it is not reasonably certain that the leases will be extended (or not terminated).

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the lessee. During the current financial year, the financial effect of revising lease terms to reflect the effect of exercising extension and termination options was nil.

27. Borrowings

	2021 $'000	2020 $'000
(a) Bank overdraft	2,903	3,174
Short term loans –		
(b) Royal Bank of Canada	10,000	-
(c) Citibank	5,600	1,500
(d) Lafise	1,706	760
(e) First Citizens	1,500	-
(f) Operaciones de Consumo, S.A.	839	-
(g) Capital Bank	744	-
(h) Davivienda	250	250
(i) BAC	22	449
	20,661	2,959
Current portion of non-current borrowings	9,188	3,241
Total Current Borrowings	32,752	9,374
Non-Current Borrowings –		
(j) Finance lease	3,470	2,080
(k) JCSD Trustee Services Limited on behalf of Bondholders	55,884	48,778
(l) Republic Bank - bonds	32,833	-
(m) Redeemable preference shares	16,281	17,554
(o) International Finance Corporation	7,881	-
(p) Operaciones de Consumo, S.A.	2,070	2,676
(q) First Citizens	1,468	-
(r) Banistmo	531	622
(s) CSI	399	486
(t) Lafise	344	859
(u) Republic Bank	130	177
(v) BAC	-	530
(w) Eppley Limited	-	11
(x) Former owners of High-Tech companies	741	1,314
	122,032	75,087
Current portion of non-current borrowings	(9,188)	(3,241)
Total non-current borrowings	112,844	71,846
Total borrowings	145,596	81,220

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27. Borrowings (Continued)

Total borrowings comprise:

	2021 $'000	2020 $'000
Non-related parties	145,596	81,209
Related parties	-	11
	145,596	81,220

The exposure of the group's borrowings to interest rate changes and the contractual re-pricing dates at the end of the reporting period are as follows:

	2021 $'000	2020 $'000
0-12 months	32,752	9,374
1-5 years	112,844	71,846
	145,596	81,220

The carrying amounts and fair value of the non-current borrowings are as follows:

	Carrying amount		Fair value	
	2021 $'000	2020 $'000	2021 $'000	2020 $'000
Bonds	88,717	48,778	92,275	52,519
Redeemable preference shares	16,281	17,554	16,903	17,924
Finance lease liabilities	2,484	2,080	2,484	2,080
Other	5,362	3,434	5,541	3,434
	112,844	71,846	117,203	75,957

The Group has undrawn borrowing facilities of US$2,134,872 (2020: nil).

27. Borrowings (Continued)

(a) Bank overdraft
The Group has an unsecured bank overdraft facility with National Commercial Bank, originally granted in November 2020 which has been subsequently renewed. It attracts an interest of 9.33% up to J$452,200,000 (US$2,939,297).

Short term loans

(b) Royal Bank of Canada
This represents an unsecured commercial paper which attracts interest of 6% due on June 22, 2022.

(c) Citibank
This represents unsecured loans which attract interest of 7.5% +Libor per annum and are due January 10 and 21, and March 15, 2022.

(d) Lafise
This represents various fiduciary loans to finance working capital earning interest rates that range from 6.25% to 10% per annum and with maturity dates between 22 January 2022 and 24 June 2022.

(e) First Citizens
This represents a revolving loan which attracts interest of 8.0% due on June 15, 2022.

(f) Operaciones de Consumo, S.A.
This represents various unsecured US dollar loans earning interest rates that range from 9% to 10.2% per annum with due dates between January 27 and March 18, 2022.

(g) Capital Bank
This represents an unsecured loan which attracts interest of 8% per annum maturing on 27 June 2022.

(h) Davivienda
This represents an unsecured loan to finance working capital at 7.75% interest rate per annum and becomes due on 11 January 202 2.

(i) BAC
This represents an unsecured loan which is due on 26 March 2022 earning an interest of 7.5% per annum.

Non-Current Borrowings

(j) Finance lease
This represents the present value of finance lease commitments. Finance leases maturing within 12 months amounts to $986,000 (2020 - $861,000). The finance leases maturing within 12 months is included in the current portion of non-current borrowings.

27. Borrowings (Continued)

(k) JCSD Trustee Services Limited on behalf of Bondholders
This long-term loan represents:

- Monies raised via a private Bond Offering (“Bond”). The Bond is secured by the Company and its assets. Under the original trust deed, the entire Bond’s principal had a maturity date of December 2021 (5-year term), bearing interest fixed at 7.7% - 7.75% per annum to be paid quarterly. An amendment to the deed (Second Amendment to the Trust Deed with effective date December 9, 2020) extended the maturity date to December 29, 2025 and reduced the interest rate to 6.5% per annum. A consent fee was paid in 2020 by the amount of $724,673 on the modification of the loan terms. Charges and guarantees over all present and future assets and property of Productive Business Solutions Limited to secure payment of this obligation are as follows:
    - Guarantees with Productive Business Solutions Limited and its subsidiaries with the exception of Cayman Business Machines (CBM) Limited, Productive Business Solutions Honduras, High Tech Corporation S.A. de C.V and High-Tech Consulting, S.A. de C.V.
    - Charge over assets of Productive Business Solutions Limited and its subsidiaries with the exception of Productive Business Solutions Honduras, Productive Business Solutions Belize, Eastern Commerce S.A. (Costa Rica), Cayman Business Machines (CBM) Limited, Productive Business Solutions Limited (St. Lucia), Productive Business Solutions Caribbean Limited and Productive Business Solutions St. Lucia.

- Fixed rate bond in Jamaican Dollars which attracts interest of 7% per annum and is due 14 January 2026. The bonds are secured as follows:
    - Charge over shares held by PBS Technology Group Limited in PBS Technologies (Trinidad) Limited and PBS Technologies (Guyana) Limited in favour of the Security Agent.
    - Debenture issued by Massy Technologies (Trinidad) Limited in favour of the Security Agent

(l) Republic Bank
This represents a fixed rate bond in United States dollars which attracts interest of 7.0% per annum due on 14 January 2026. The bonds are secured as follows:
- Charge over fixed and floating assets of PBS Technology Group (Trinidad) Limited. The total assets of the Company amount $117,240,000.
- Issued and outstanding shares of PBS Technology Group (Trinidad) Limited and PBS Technologies (Guyana) Inc.
- Deed of guarantee by PBS Technology Group Limited in favour of the Trustee securing the repayment of the principal and interest in respect of the bonds.

(m) Redeemable preference shares
This represents 25,800,000 Redeemable Cumulative Preference Shares in Jamaican dollars entitled to a fixed preferential cumulative cash dividend of 9.75% per annum, to be paid semi-annually. The maturity date is 31st day of July of 2024. The deferred finance charges offset against the loan amounts to $489,000 (2020 - $652,000).

(n) International Finance Corporation
This represents an unsecured loan to finance working capital earning interest rate of 8.99% per annum payable in 9 quarterly instalments the last of which is due on 15 September 2023.

(o) Operaciones de Consumo, S.A.
This represents an unsecured loan earning an interest of 10.2% per annum with a due date on 31 October 2025.

(p) First Citizens
This represents an unsecured loan facility granted in TT Dollars which attracts interest of 7.5% per annum maturing on 22 December 2026.

(q) Banistmo
This represents various unsecured loans payable in 36 and 48 monthly instalments which attracts interest that range from 5.85% to 7% per annum and due dates between 17 February 2023 and 28 December 2025.

27. Borrowings (Continued)

(r) CSI
These are various unsecured loans payable which attract interest that range from 7.62% to 9.56% per annum and due dates are between 31 July 2023 and 31 December 2024.

(s) Lafise
This represents two unsecured loans which attracts interest that range of 6.25%and 8% per annum and due dates are 3 April 2023 and 14 January 2024.

(t) Republic Bank
This represents an unsecured loan attracting interest of 4.75% annual, due on 1 January 2024.

(u) BAC
This represents a fiduciary loan earning an interest of 7.5% and maturity date on 30 October 2023. It was fully paid in June 2021.

(v) Eppley Limited
This represents an unsecured United States dollar loan earning an interest of 10.5% per annum and maturity date on May 2022. It was fully paid in 2021.

(w) Former owners of High-Tech companies
This represents the unsecured deferred purchase price on acquisition of High-Tech subsidiaries in El Salvador and Honduras originally maturing in April 2021. This loan is classified as a current portion of non current borrowings.

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28. Share Capital

In September 2021, the Company issued 62,941,000 ordinary shares at a unit price of $0.77 to affiliated companies in consideration of the acquisition of the shares of PBS Technology Group.

	2021 $'000	2020 $'000
Authorised -		
186,213,000, (2020 – 123,272,000) Ordinary shares		
Issued and fully paid -		
186,213,000, (2020 – 123,272,000) Ordinary shares	105,782	57,317

29. Other Reserves

Other reserves primarily represent the currency translation differences resulting from the unrealised gains and losses on the translation of the net assets of subsidiaries that have a different functional currency from that of the Company.
Other reserves also include revaluation reserve for the revaluation of land and buildings.

	Revaluation Surplus $'000	Currency Translation Differences $'000	Total $'000
Balance as at 1 January 2020	217	(16,088)	(15,871)
Movement during 2020	-	(2,558)	(2,558)
Balance as at 31 December 2020	217	(18,646)	(18,429)
Movement during 2021	-	(1,434)	(1,434)
On acquisition of subsidiary	(7)	-	(7)
Balance as at 31 December 2021	210	(20,080)	(19,870)

30. Accumulated Deficit

	Total $'000
Balance as at 1 January 2020	(6,232)
Profit for the year	105
Balance as at 31 December 2020	(6,127)
Paid dividends	(2,029)
Profit for the year	5,523
Balance as at 31 December 2021	(2,633)

31. Litigation and Contingent Liabilities

The Group is subject to various claims, disputes and legal proceedings in the normal course of business. Provision is made for such matters when, in the opinion of management and its professional advisors, it is probable that a payment will be made by the Group and the amount can be reasonably estimated.

Claims asserted against the Group, according to the principles outlined above, have not been provided for. Management is of the opinion that the claims are either without merit, can be successfully defended or will result in exposure to the Group which is immaterial to both financial position and results of operations.

32. Retirement Benefit Obligation and pension plan asset

The movement in the present value of the defined benefit obligation during the year was as follows:

	2021 $'000	2020 $'000
Opening balance	525	557
Current service cost	96	317
Interest cost	4	5
Benefits paid	(26)	(354)
At end of year	599	525

The movement of the pension plan asset during the year was as follows:

	2021 $'000	2020 $'000
Opening balance	(85)	-
Adjustment	-	(152)
Current service cost	53	105
Interest cost	-	5
Benefits paid	(82)	(43)
At end of year	(114)	(85)

The amounts recognised in arriving at profit or loss were as follows:

	2021 $'000	2020 $'000
Current service cost	149	422
Interest cost	4	10
At end of year	153	432

The distribution of the obligation by country was as follows:

	2021 $'000	2020 $'000
Nicaragua	98	113
El Salvador	501	412
	599	525

The value of the plan asset was as follows:

32. Retirement Benefit Obligation and pension plan asset (Continued)

The distribution of the value of the obligation was as follows:

	2021 $'000	2020 $'000
Nicaragua	98	113
El Salvador	501	412
	599	525

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

2021	Impact on Retirement benefit obligation		
	Change in Assumption	Increase in Assumption	Decrease in Assumption
Discount rate	1%	65	138
Inflation rate	1%	15	(14)

	Increase assumption by one year $'000
Life expectancy	75

2020	Impact on Retirement benefit obligation		
	Change in Assumption	Increase in Assumption	Decrease in Assumption
Discount rate	1%	(128)	158
Inflation rate	1%	17	(15)

	Increase assumption by one year $'000
Life expectancy	73

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

32. Retirement Benefit Obligation (Continued)

Termination benefits in El Salvador and Nicaragua are established by law and entitle the employee to receive a payment upon termination of employment, regardless of cause. In El Salvador the benefit is founded in the law 592, that is the regulatory law for the economic benefit for voluntary resignation. Employees with more than two years of uninterrupted service for the company shall receive a payment of, at least, the equivalent of 15 days of minimum wage for each year of service. In Nicaragua, the law 185, Labour Code, entitles the employee to the right to receive a payment equivalent to one monthly salary for each year of service, up to the third year, and 20 days of salary for each additional year. Neither of these plans require the employer to establish a fund.

The principal actuarial assumptions used in valuing post-employment benefits are as follows:

PBS Nicaragua	2021 $'000	2020 $'000
Discount rate	11%	9%
Future salary increases	5%	5%
Retirement age	60 years	60 years

PBS El Salvador	2021 $'000	2020 $'000
Discount rate	2.7%	1.15%
Future salary increases	2.8%	2.8%
Retirement age	55 and 60 years for Women and men respectively	55 and 60 years for Women and men respectively

PBS Panama	2021 $'000	2020 $'000
Discount rate	3.4%	2.03%
Future salary increases	1.92%	3.75%
Retirement age	57 and 62 years for Women and men respectively	57 and 62 years for Women and men respectively

33. Commitments

Capital commitments
There are no capital expenditures contracted for at the end of the reporting period but not yet incurred.

34. Cash Flows from Operating Activities

Reconciliation of the Group's net profit to cash generated from operating activities:

	Note	2021 $'000	2020 $'000
Net profit		5,599	120
Items not affecting cash:			
Depreciation	15 &16	13,176	12,572
Amortisation and impairment of intangible assets	17	1,745	1,086
Taxation expense	11	1,519	2,124
Currency translation differences		(3,867)	(2,210)
Interest income	7	(447)	(584)
Interest expense	10	11,253	8,784
		28,978	21,892
Change in non-cash working capital, net of effects from acquisition of subsidiaries:			
Inventories		(1,271)	4,335
Contract assets		(2,351)	(6,605)
Accounts receivable		(10,767)	(7,669)
Due from related parties		26	(352)
Long term receivable		535	850
Lease receivable		51	1,086
Accounts payable		(5,035)	(974)
Contract liabilities		1,560	(122)
Retirement benefit obligation		45	(117)
Due to related parties		938	4,061
		12,709	16,385
Taxation paid		(2,066)	(377)
Net cash provided by operating activities		10,643	16,008

Net Debt Reconciliation
This section sets out an analysis of net debt and the movements in net debt for the year ended 31 December 2021.

	2021 $'000	2020 $'000
Cash and cash equivalents	21,740	5,850
Borrowings - repayable within one year (including overdraft)	(32,752)	(9,374)
Borrowings - repayable after one year	(112,844)	(71,846)
Lease liability	(19,644)	(15,331)
Net debt	(143,500)	(90,701)
Cash and liquid investments	21,740	5,850
Gross debt - fixed interest rates	(145,596)	(81,220)
Lease liability	(19,644)	(15,331)
Net debt	(143,500)	(90,701)

34. Cash Flows from Operating Activities (Continued)

	Cash $'000	Finance leases due within 1 year $'000	Finance leases due after 1 year $'000	Lease liability $'000	Borrowing due within 1 year $'000	Borrowing due after 1 year $'000	Total $'000
Net debt as at 31 December 2019	5,297	(285)	(1,754)	(17,128)	(6,213)	(69,636)	(89,719)
Addition	1,478	(1,210)	(189)	(1,505)	(2,153)	(3,290)	(6,869)
Repayments	(912)	1,183	624	3,269	171	1,925	6,260
Foreign exchange adjustments	(13)	(449)	-	33	252	1,812	1,635
Other non-cash movements	-	-	-	-	(670)	(1,338)	(2,008)
Net debt as at 31 December 2020	5,850	(761)	(1,319)	(15,331)	(8,613)	(70,527)	(90,701)
Acquisition of subsidiary	22,130	-	-	(5,009)	(656)	(49,285)	(32,820)
Addition	12,093	(256)	(1,302)	(3,579)	(51,817)	(39,732)	(84,593)
Repayments	(18,286)	-	21	3,754	29,070	48,267	62,826
Foreign exchange adjustments	(47)	31	116	521	250	1,550	2,421
Other non-cash movements	-	-	-	-	-	(633)	(633)
Net debt as at 31 December 2021	21,740	(986)	(2,484)	(19,644)	(31,766)	(110,360)	(143,500)

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35. Assets Pledged as Security

With the exception of Productive Business Solutions Honduras S.A. de C.V., Easton Commerce S.A. (Costa Rica), Productive Business Solutions (Belize) Ltd., Cayman Business Machines (Cayman Islands), High Tech Corporation S.A. de C.V., High Tech Consulting S.A. de C.V., Productive Business Solutions Limited (St. Lucia), PBS Technologies Group Limited, PBS Technologies (Trinidad) Limited, Dorada Technologies (Antigua) Limited, Productive Business Solutions Technologies Barbados Limited, Massy Technologies Infocom (Caribbean) Ltd., PBS Technologies (Jamaica) Limited, and PBS Technologies Guyana Inc., the assets of the subsidiaries are pledged as security for the borrowings. The pledged assets at year end totaled $164,817,000 (2020: $151,264,000).

36. Contract Assets and Contract Liabilities

The Group classifies rights and obligations in its relationship with customers whenever either party performs any of its contractual obligations.

The contract assets are classified as follows.

	2021 $'000	2020 $'000
Contract assets		
Current assets	8,645	12,684
Non-current assets	6,390	-
Total contract assets	15,035	12,684

The total contract assets are shown in the table below.

	2021 $'000	2020 $'000
Contract assets		
on equipment contracts	15,035	12,684
Total contract assets	15,035	12,684

The contract liabilities refer to advances received from customers under the promise to deliver equipment. Total contract liabilities at the end of the year are reflected in the table below.

	2021 $'000	2020 $'000
Contract liabilities		
on equipment contracts	13,793	4,029
on service contracts	-	81
Total contract liabilities	13,793	4,110

36. Contract Assets and Contract Liabilities

(i) Revenue recognised in relation to contract liabilities
The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year:

	2021 $'000	2020 $'000
Revenue recognised that was included in the contract liability balance at the beginning of the period		
on equipment contracts	3,155	6,561
on service contracts	908	-
	4,063	6,561

(ii) Unsatisfied contracts at the end of the period
The following table shows unsatisfied performance obligations resulting from fixed-price contracts:

	2021 $'000	2020 $'000
Aggregate amount of the transaction price allocated to contracts that are partially or fully unsatisfied as at 31 December	68,167	48,964
	68,187	48,964

Management expects that 35% of the transaction price allocated to unsatisfied performance obligations as of 31 December 2021 will be recognised as revenue during the next reporting period. The remaining 65% will be recognised in the 2022 financial year.

(iii) Assets recognised from cost to fulfil a contract
In addition to the contract balances disclosed above, the group has also recognised an asset in relation to costs to fulfil contracts.

	2021 $'000	2020 $'000
Asset recognised from costs incurred to fulfil a contract at 31 December	13,231	8,235
Amortisation and impairment loss recognised as cost of providing services during the period	1,489	475

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37. Acquisition of PBS Technology Group Limited and its subsidiaries

In September 2021, the Group acquired 100% stake in PBS Technology Group Limited and its subsidiaries. The principal activity of the companies is to provide information technology solutions and services to clients in the Caribbean. This acquisition solidifies PBS as the leading information technology solutions provider across the Caribbean and Central America.

Since the date of acquisition, the acquired company has contributed revenue of $22,787,000 and attributable post-acquisition profit of $4,377,000 to the Group's results in the period to December 31, 2021. If the acquisition had occurred on January 1, 2021, management estimates that revenue from the operations would have been $59,130,000, and profit for the year would have been $3,482,000.

The following summarises the fair value of the identifiable assets and liabilities recognised by the Group at the date of acquisition:

(i) Identifiable assets acquired

	2021 $'000
Property and equipment	4,312
Trade and other receivables	21,022
Cash and cash equivalents	22,130
Right of use asset	2,431
Deferred tax asset	1,249
Due from related parties	175
Inventories	8,328
Tax recoverable	1,002
Intangible assets	23,900
Trade and other payables	(23,451)
Contract liabilities	(8,123)
Tax Payable	(1,600)
Short term loans	(656)
Long term loans	(49,285)
Lease liability	(5,009)
Deferred tax liability	(1,320)
Due to related parties	(3,801)
Net identifiable liabilities acquired	(8,696)
Consideration	53,959
Net identifiable liabilities acquired	8,696
Goodwill	62,655

37. Acquisition of PBS Technology Group Limited and its subsidiaries (Continued)

(ii) Cash flow on acquisition

	2021 $'000
Outflow of cash to acquire subsidiary, net of cash acquired	
Cash consideration	(5,494)
Less: Cash balance acquired	22,130
Net Inflow of cash	16,636

(iii) Acquisition-related costs

In 2021 the Group incurred in acquisition-related costs of $290,000 which were fully expensed. These costs have been included in professional fees expenses for the current period.

(iv) Purchase consideration

	2021 $'000
Cash paid	5,494
Ordinary shares (62,941,000)	48,465
Total purchase consideration	53,959

The shares were valued at $0.77 which was the prevailing market price in the Jamaica Stock Exchange at the date of the transaction.

Productive Business Solutions Limited
Notes to the Consolidated Financial Statements
31 December 2021
(Expressed in United States dollars unless otherwise indicated)

37. Acquisition of PBS Technology Group Limited and its subsidiaries (Continued)

(v) The fair value of certain material asset categories was established as follows:

1. Property and equipment:

   The value of property and equipment were assessed as net book values as at the date of acquisition.

2. Intangible assets:

   The value of goodwill, customer relationships and licences was assessed through market benchmarking information provided by independent data specialists through the multi-period excess earnings method, performed by a qualified independent valuator using the incremental cash flow method.

(vi) No contingent consideration payable resulted as a consequence of the purchase.

38. Other long term liabilities

Included in this amount are $569,000 of withholding taxes payables associated with management fees charged to Productive Business Solutions (Nicaragua), S. A. These withholding taxes are due when the management fees are paid. Corporate management has decided that the management fees will be paid in 2023.

39. Distributions

Distributions to shareholders of the Parent Company

		2021 $'000	2020 $'000
Dividend paid 16 December 2021	1.09¢	2,029	-
		2,029	-

40. Contingent consideration payable

This represents the present value of future earn-outs connected to the acquisition of High-tech (HTC). This has been determined based on four times the average EBITDA minus 10% of Productive Business Solutions (PBS) contribution of EBITDA of the HTC companies. If the average EBITDA is 10% higher, the earn-out will be $270,000 higher. If the average EBITDA is 5% lower, the earn-out will be $135,000 lower. The payment becomes due during 2023 and 2024 based on achieving the terms of the earn-out agreement.

41. Impact of Covid-19

Since the outbreak of COVID-19 in the first quarter of 2020, global financial markets have experienced and there are significant consequences for the global and local economies from travel and border restrictions, quarantines, supply chain disruptions, lower consumer demand and general market uncertainty. Recent Covid events in China and the self-imposed lockdowns in Shanghai and now Beijing could further exasperate supply chain disruptions.

The extent and duration of the impact of COVID-19 on the global and local economies and the sectors in which the Company and its customers and suppliers operate is uncertain currently. However, the Company has taken measures to preserve its operations and the health and safety of its employees and customers. In all of the countries where PBS operates, the local economies have opened, and the risk is primarily in supply chain disruptions

Management continues to believe that the going concern presumption remains appropriate for these financial statements and that the Company will continue to be able to meet its obligations as they fall due and its bank covenant compliance requirements.

42. Impact of Ukraine Crises

Since February 2022, the invasion of Ukraine has brought about macroeconomic instability across the globe. To date, we have not seen a material impact on the operations of this Group, however, we continue to monitor the situation. No changes to the activities of the Groups are foreseen in the near future.

pbs

We Make Things *Happen!*

APPENDIX 3 – HOW TO APPLY

PART I

APPLICATIONS SUBMITTED USING MONEYLINE™ (JMMB CLIENTS ONLY)

Applications are submitted via JMMB's Moneyline™ platform (visit jm.jmmb.com), using an Equity Money Market Fund Account (EMMA™), by completing the following steps:

1. **STEP 1**

   (a) From your browser, go to the JMMB Moneyline™ website which can be accessed at https://moneyline.jmmb.com/personal/;

   (b) Enter your username and password then select 'Login';

   (c) Enter your security question then press 'Continue', to begin your Moneyline™ session;

   (d) From the main menu select 'Transactions', then select 'New Transaction' from the drop-down menu;

   (e) Select 'Buy Stocks', for the transaction type;

   (f) Select the EMMA™ account that you would like to make the purchase from. This EMMA™ account must be funded with the payment for the full amount payable for the respective Preference Shares applied for, plus the JCSD flat fee of $172.50 per Application;

   (g) Select 'IPO', and all available IPOs will be displayed. Choose [*PBS Preference Shares Offer*], then press 'Continue';

   (h) You will be navigated to the 'Order Details' page, where you will be able to enter the quantity of Preference Shares you would like to purchase. The order type automatically defaults to the market price;

   (i) You can also save a note to yourself about your transaction using the Personal Note section;

   (j) Please confirm your agreement with the terms and conditions in the [*PBS Preference Shares Offer*] Prospectus, by pressing 'Continue';

   (k) If you have joint holders, a pop-up will appear to inform you that joint holders over the age of 18 years must indicate approval of this transaction to complete processing; and that instructions will be sent to joint accountholders via email;

   (l) You will be sent to the 'Order Summary' page, for review. You may then press the 'Back' button to revise the transaction; 'Continue' to approve the transaction; or 'Save and Add Another', if you would like to include additional stock purchases;

   (m) Once you have selected 'Continue', enter your PIN, then select 'Process All Transactions'; and

   (n) The status column for the Transaction Results will indicate that the transaction has been submitted.

2. **STEP 2: JOINT ACCOUNT HOLDER APPROVAL PROCESS**

   (c) As a joint accountholder you do not need Moneyline access to be able to approve the [*PBS Preference Shares Offer*] Application. Joint accountholders will receive an email with the link to approve the Application order and an access code;

   (d) Enter the last three digits of your TRN and the access code in the form provided and click 'Submit';

   (e) Review the Application order and confirm your agreement to the terms and conditions in the Prospectus, by clicking the 'Approve Purchase' button; and

   (f) You will be navigated to the confirmation page, stating that the [*PBS Preference Shares Offer*] transaction was approved.

PART II

APPLICATIONS SUBMITTED USING BARITA INVESTMENTS LIMITED BOSS™ (ALL OTHER INVESTORS)

HOW TO USE NEW USER SIGN UP:

a. Visit our web address www.baritaboss.com
b. Sign up by clicking the "Buy IPOS/APOS" tab
c. Click on the "create an account" button
d. Read and accept the BOSS Portal Agreement
e. Enter your details (Select personal or business account, enter Name, email address, telephone number, create a password)
f. Check your email provided to activate your BOSS account - click the activation link
g. Sign into BOSS
h. Select available offer – Hit APPLY NOW
i. Enter the amount you wish to invest in the invitation/issue
j. Select your share pool (where applicable)
k. Click on the "Continue" button
l. Select the correct response to "Would you like to use an existing JCSD Number"

Follow the below to complete the form based on your responses:

a) Enter your JCSD and Broker details
b) Complete the Application Form
c) If you have indicated that there are Joint Holders then please note that an email notice of the Application will be sent to the Joint Holders for them to confirm and apply their signature in order to complete submission of the Application.
d) Upload a copy of a valid ID (passport/voter's ID) and TRN. If your ID is a driver's license, a TRN is not required.
e) Sign the electronic signature form or download form for signing and upload
f) Enter payment verification information
g) Review your Application
h) Submit Application
i) You can view and track your Application at any time by signing into BOSS

EXISTING BOSS USERS:

1. Visit our web address www.baritaboss.com
2. Hit the Log In button
3. Enter credentials
4. Select available offer – Hit APPLY NOW
5. Enter the amount you wish to invest in the invitation/issue
6. Select your share pool (where applicable)
7. Click on the "continue" button
8. Read and accept to the Terms of Use
9. "Would you like to use an existing JCSD Number" - Select/ Enter your JCSD and Broker details Please note that for quicker application submission certain steps may have been saved for you. Please review to ensure that the information has not changed.
10. Complete application form

If you have indicated that there are Joint Holders then please note that an email notice of the Application will be sent to the Joint Holders for them to confirm and apply their signature in order to complete submission of the Application.

a. Upload a copy of a valid ID (passport/voter's ID) and TRN. If your ID is a driver's license, a TRN is not required.
b. Sign electronic signature form or download form for signing and upload
c. Enter payment verification information
d. Review your Application
e. Submit Application
f. You can view and track your Application at any time by signing into BOSS

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