

CONDENSED CONSOLIDATED UNAUDITED INTERIM FINANCIAL REPORT





FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

J\$'000		UNAUDITED			
		Months o Sep	Nine Months Jan to Sep		Year Jan to Dec
Note	s 2022	2021	2022	2021	2021
Revenue Cost of sales	6,166,996 3,422,359	5,494,611 (4,406,172)	19,683,782 (10,836,483)	17,802,473 (10,834,211)	23,840,001 (14,007,828)
Gross profit	2,744,637	1,088,439	8,847,299	6,968,262	9,832,173
Operating expenses	(700,207	(592,189)	(2,049,719)	(1,851,631)	(2,501,440)
Operating earnings before other expenses, net 6 Other expenses, net 7	2,044,430 (165,881		6,797,580 (599,297)	5,116,631 (277,740)	7,330,733 (443,930)
Operating earnings	1,878,549	410,773	6,198,283	4,838,891	6,886,803
Financial income	7,160	1,135	14,491	8,209	12,300
Financial expenses	(153,765	(111,813)	(429,944)	(411,905)	(670,895)
(Loss) gain on foreign exchange	(4,457	34,820	(23,593)	(223,663)	(516,781)
Earnings before taxation Taxation charge	1,727,487 (517,215	334,915 (291,206)	5,759,237 (1,506,948)	4,211,532 (1,077,057)	5,711,427 (1,369,795)
CONSOLIDATED NET INCOME	1,210,272	43,709	4,252,289	3,134,475	4,341,632
Earnings per stock unit (expressed in \$ per stock unit) 3	1.42	0.05	5.00	3.68	5.10

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME					
J\$'000	UNAUDITED				AUDITED
	Three N Jul to		Nine N Jan t	Year Jan to Dec	
	2022	2021	2022	2021	2021
CONSOLIDATED NET INCOME	1,210,272	43,709	4,252,289	3,134,475	4,341,632
Items that will not be reclassified subsequently to the income statement: Net actuarial losses from remeasurement of employee					
benefits obligation Deferred tax recognised directly in other	-	-	-	-	(179,630)
comprehensive income					44,908
Items that are or may be reclassified subsequently to the income statement:				-	(134,722)
Effects from derivative financial instruments designated as cash flow hedge	(20,053)	59,982	(3,607)	101,328	40,355
	(20,053)	59,982	(3,607)	101,328	40,355
Total items of other comprehensive (loss) income, net	(20,053)	59,982	(3,607)	101,328	(94,367)
TOTAL COMPREHENSIVE INCOME	1,190,219	103,691	4,248,682	3,235,803	4,247,265

DIRECTORS' STATEMENT

Health and Safety

Caribbean Cement Company Limited (CCCL) has attained three years of zero lost time incidents. To mark this achievement, employees were recognized for their significant role by CEMEX Chief Executive Officer (CEO), Fernando Gonzalez, during his visit to the plant in August.

Through strict adherence to COVID-19 protocols, and the company's relentless training in areas such as first aid and driving safety, among others, CCCL has been able to demonstrate its capability and commitment to a safe working environment for all its employees, contractors, and visitors. Presently, we believe CCCL is in a good position to transition into the new normal, incorporating the experiences and lessons learnt during the period. CCCL is already adapting to the new business environment whilst maintaining its focus on preventing the spread of COVID-19 and other health concerns.

Expansion

During the third quarter, plans were unveiled to expand CCCL's production capacity by up to 30 per cent. The initiative was officially announced at a ceremony attended by Prime Minister, the Most Hon.

Andrew Holness and members of his Cabinet, and CEMEX and TCL Group officials, including CEMEX CEO, Fernando Gonzalez.

A key result of this US\$40 million investment will be the optimization of heat consumption during the cement manufacturing process effectively reducing the company's carbon footprint in Jamaica. The project is expected to be completed by the second half of 2024 and will strengthen the self-sufficiency of the national cement industry, while setting the basis to export in the region, reinforcing the CEMEX TCL Group's ability to serve CARICOM's growing construction needs.

The ceremony also facilitated the unveiling of the Jamaica/ Friendship mural, "Re-ignited for Unity.

Mr. Gonzalez used his visit to also meet with government officials, the staff and other company executives to discuss the shared vision and plans of CEMEX in Jamaica.

Sustainability

As the company continues to strive towards a carbon neutral future, a low-carbon high-early (HE) strength cement was recently introduced to the market. The HE strength brand, which replaces Carib Cement OPC, is a special-purpose cement for concrete applications requiring increased early strength development.

CCCL also participated in the annual staging of International Coastal Clean-up Day on September 17, which was organized by the Jamaica Environment Trust, and featured the clean-up of sections of the Palisadoes Beach located in proximity to the cement plant's Rockfort-based operation. This initiative aligns with CEMEX's commitment to the UN Sustainable Development Goals, particularly those related to climate action and green cities and communities.

Likewise, these efforts form part of the CEMEX "Unite Volunteers' programme, which features employees involved in direct activities that tackle the world's greatest challenges such as climate change to improve the quality of life and wellbeing of communities in which we live and operate.

tanvis A. Lyen-Ayee Parris A. Lyew-Ayee Chairman
October 28, 2022

In exercising our corporate responsibility, the company's flagship social impact programmes, which feature the handover of scholarships in support of youth and education development and the installation of concrete road solutions in communities close to the company's operations, will continue.

Financial Performance

The Group continues to report strong operating results, and for the third quarter of 2022, a total of \$6.2 billion in revenue was representing a 12.7% increase wher with \$5.5 billion in the corresponding period of 2021. Operating earnings were \$1.9 billion, an increase of \$1.5 billion when compared to the third quarter of the prior year. This increase was primarily due to a reduction in the cost of sales as a percentage of net sales to 56% from 80% in the same period last year. This cost reduction was attributed to the company's decision not to undertake its planned major maintenance during the third quarter of this year, compared to the 2021 execution in July-August. The postponement of the planned maintenance is attributed to the excellent output of the cement kiln this year as well as the delay in the arrival of key spare parts needed to conduct the general

Meanwhile, the cost of imported cement and directly attributable costs in 2021 resulted in a significant increase in "Changes in inventories of finished goods and work in progress" when compared to the current period in which no major planned maintenance work was conducted.

Earnings per stock unit for the quarter was \$1.42 when compared to \$0.05 for the corresponding period in 2021.

As a result of the positive performance, the Group strengthened its free cash flow for the year by generating \$2 billion during the quarter, which allowed the company to return \$1.2 billion net of withholding taxes to shareholders through dividends. These dividends represent the first such payments in 17 years.

Outlook

Our focus will be to continue building a sustainable future supported by our capacity expansion project and improved carbon footprint.

Like most companies, we have been impacted by inflationary pressure caused by the COVID-19 pandemic, and the war affecting eastern Europe, resulting in higher fuel, power, and shipping costs. Notwithstanding, we will remain vigilant and continue to employ the necessary strategies to mitigate the effects of these exogenous shocks.

We are a resilient organization with access to the knowledge and expertise of CEMEX's global network and remain committed to our strategic priorities and to serving our various stakeholders.

CCCL's Board and Management will continue to monitor the current situation, to ensure that our operating strategy remains solid and affords us the capacity to face the current global and regional challenges along with unpredictable market conditions.

We will continue to maintain health and safety as the top priority while improving and remaining agile and sensitive to the needs of our customers.

Yago Castro Director October 28, 2022

CONDENSED CONSOLIDATED STATEMEN	T OF F	INANCIA	POSITIO	ON
J\$'000		UNAU	DITED	AUDITED
ASSETS		30.09.22	30.09.21	31.12.21
CURRENT ASSETS				
Cash at bank and on hand		1,111,254	190,610	244,900
Trade accounts receivable, net		28,413	502,471	324,808
Other accounts receivable		72,267	106,794	76,781
Inventories, net		4,532,051	3,147,372	3,440,106
Accounts receivable from related parties	5	1,166,391	129,603	121,565
Other current assets		356,627	94,689	68,282
Total current assets		7,467,003	4,171,539	4,276,442
NON-CURRENT ASSETS				
Property, machinery and equipment, net		22,953,841	22,524,329	23,232,007
Accounts receivable from related parties			14,499	-
Other non-current assets		3,275		
Total non-current assets		22,957,116	22,538,828	23,232,007
TOTAL ASSETS		30,424,119	26,710,367	27,508,449
LIABILITIES AND STOCKHOLDERS' EQUITY				
CURRENT LIABILITIES				
Other financial obligations		1,813,128	1,111,891	1,514,153
Trade payables		3,335,438	3,941,962	4,451,098
Accounts payable to related parties		730,740	539,234	872,852
Other current liabilities		2,289,708	1,472,176	1,711,788
Total current liabilities		8,169,014	7,065,263	8,549,891
NON-CURRENT LIABILITIES				
Long-term debt		-	554,488	-
Other financial obligations		86,662	1,363,616	137,234
Employee benefits obligation Deferred tax liabilities		1,180,809	931,002	1,123,716
Other non-current liabilities		2,202,552 36,644	1,989,148 39,125	1,885,512 32,909
Total non-current liabilities		3.506.667	4.877.379	3.179.371
TOTAL LIABILITIES		11,675,681	11,942,642	11,729,262
STOCKHOLDERS' EQUITY		11,070,001	11,942,042	11,729,202
Share capital:				
Ordinary stock units		1,808,837	1,808,837	1,808,837
Capital contribution		3.839.090	3.839.090	3,839,090
Reserves:		0,000,000	0,000,000	0,000,000
Realised capital gain		1,413,661	1,413,661	1,413,661
Other equity reserves		3,574,285	2,665,984	3,577,892
Accumulated net income		8,112,565	5,040,153	5,139,707
TOTAL STOCKHOLDERS' EQUITY		18,748,438	14,767,725	15,779,187
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY		30,424,119	26,710,367	27,508,449

Approved and authorised for issue by the Board of Directors on October 28, 2022 and signed on its behalf by:

Yago Castro

tanvis A. Lyen-Ayee

Parris A. Lyew-Ayee

Trade payables

Other current liabilities

Changes in working capital, excluding taxes

Chairman **CONSOLIDATED STATEMENT OF CASH FLOWS** J\$'000 UNAUDITED AUDITED Three Months Jul to Sep Nine Months Jan to Sep Year Jan to Dec 2022 2021 2022 2021 2021 **OPERATING ACTIVITIES** Consolidated net income 1.210.272 43.709 4.252.289 3.134.475 4,341,632 360.802 1,515,255 379.081 1.086.018 1.137.571 Depreciation Loss on disposal of property, machinery and equipment Net (recovery) expense of impaired receivables 5,761 (193) (7,160) 252 (1,135) 46,322 291,206 (26) (12,300) Interest income (14,491) (8.209) 267,719 1,369,795 48,807 110,377 216,659 517,215 1,506,948 Taxation charge 1,077,057 Decrease in rehabilitation provision (13.879)(13,879)(13,879)Inventory impairment allowance, net 60.489 525 934 6,312 5,979 15,413 17,937 1,511 11,399 (4,977) 15,198 Stockholding and inventory restructuring provision (reversal) Employee benefit expenses 3,800 Unwinding of discount on preference shares 58,583 1,233 5,673 99,699 301.592 174,777 376.010 3,321 14,654 4,845 22,321 Unwinding of discount on rehabilitation provision 3,611 4,429 16,857 Unwinding of discount on lease liabilities Unrealised foreign exchange (gains) losses, net Changes in working capital, excluding taxes Net cash flows provided by operating activities before financial income and expenses, employee benefits and taxes (18,809) (113,393) (27,642) (4,336) 262,838 (46, 158)(166,739) (2,547,782) 528,018 2,183,109 534,713 5,652,350 8,738,883 4.719.934 (9,311) 7,160 (7,676) 1,135 (28,952) 14,491 (22,368) Employee benefits paid 12,300 8.209 Interest received (27,878) 37,291 (49,892) (42, 269)(147,084)(188,629) (1.219.447) (1.422.939)Taxation paid (204.065)(826.097)Net cash flows provided by operating activities 2.190.371 274,215 3,837,107 4,271,660 7,108,030 INVESTING ACTIVITIES Acquisition of property, machinery and equipment (217,099)(465,775) (650,033)(665,094)(1,686,304)Proceeds from disposal of property, machinery and equipment 135 Accounts receivable from related parties (481,992) (1,087,304) Other non-current assets (573) (465,775) (665.094) (1,686,169) Net cash flows used in investing activities (699,664) (1,740,612)FINANCING ACTIVITIES Repayment of long-term debt, net 64,301 (3,878,349) (4,442,650) (1,167,116)Dividends paid (1,167,116)Other financial obligations: (1,167,440) Repayment of redeemable preference shares Repayment of lease liabilities (79,537)(1,190,467) 300,240 Net cash flows (used in) provided by financing activities 42.337 (1,233,570) 3,938,802 (5,689,627) (149,223) Increase (decrease) in cash at bank and on hand 862.925 (267,766)Cash conversion effect, net (470) 513,136 31,177 10.594 3.429 9.710 Cash at bank and on hand at beginning of period 244.900 513,136 800.420 308.656 CASH AT BANK AND ON HAND AT END OF PERIOD 1,111,254 190,610 1,111,254 190,610 244,900 Changes in working capital, excluding taxes: accounts receivable, net 218,459 (182,981)(358, 532)(183,381)(245.342)71.884 87.003 Other current assets (30.735)(28.296)(321,108) (1,266,670) (1,125,094)

175,449

(166,739)

(1,119,414)

(12,706) (**2,547,782**)

938.124

1.337.818

528.018

442.568

(97,932) (46,158)



CONDENSED CONSOLIDATED UNAUDITED INTERIM FINANCIAL REPORT





FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' FOUITY 6. Operating Earnings Before Other Expenses, Net [expressed in J\$'000]

J\$'000		UNAUDITED Nine Months Jan to Sep		AUDITED Year Jan to Dec
	Note	2022	2021	2021
Balance as at beginning of period		15,779,187	11,531,922	11,531,922
Net income for the period		4,252,289	3,134,475	4,341,632
Remeasurement of employee benefits obligation, net of tax		-	-	(134,722)
Dividend	9	(1,279,431)	-	-
Hedge reserve		(3,607)	101,328	40,355
Total comprehensive income for the period		2,969,251	3,235,803	4,247,265
Balance as at end of period		18,748,438	14,767,725	15,779,187

NOTES:

1. Basis of Preparation

The condensed consolidated interim financial statements are prepared in accordance with Practice Statement 2016 7. Other Expenses, Net [expressed in J\$'000] - 1, Summary Financial Statements issued by the Institute of Chartered Accountants of Jamaica (ICAJ). Management discloses the consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in stockholders' equity and consolidated statement of cash flows. These condensed consolidated interim financial statements are derived from the unaudited consolidated interim financial statements of Caribbean Cement Company Limited and its Subsidiary (Group) as of and for the period ended September 30, 2022, which are prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board, and the requirements of the Jamaican Companies Act.

2. Accounting Policies

These condensed consolidated interim financial statements as of and for the period ended September 30, 2022, have been prepared in accordance with the accounting policies used in the audited financial statements as of and for the year ended December 31, 2021. The new and amended standards and interpretations which became effective in this financial year, did not have a material impact on the Group's financial position or results.

3. Earnings Per Stock Unit

Earnings per stock unit is computed by dividing the consolidated net income attributable to ordinary stockholders by the weighted average number of ordinary stock units in issue during the period.

4. Comparative Information

Where necessary, the comparative figures are reclassified to conform with the current year's presentation.

5. Accounts receivable from related parties

Accounts receivable from related parties includes a deposit investment account of J\$1.1 billion (US\$7.2 million) in CEMEX Innovation Holding Limited, which generates interest at a rate equal to the Western Asset Institutional Liquid Reserves Fund rate minus 30 basis points on a daily basis of a year of 360 days.

The details of the line item "Operating earnings before other expenses, net" are as follows:

	UNAUDITED				AUDITED
	Three Months		Nine Months		Year
	Jul to Sep		Jan to Sep		Jan to Dec
	2022	2021	2022	2021	2021
Revenue	6,166,996	5,494,611	19,683,782	17,802,473	23,840,001
Expenses:	, ,			, ,	
Raw material and consumables	479,874	636,649	1,417,931	1,316,678	1,683,894
Fuel and electricity	1,341,409	858,149	4,089,241	2,910,352	4,109,623
Personnel remuneration and benefits	668,655	650,926	1,991,199	1,882,466	2,502,444
Repairs and maintenance	353,699	696,372	1,057,024	1,295,725	1,484,856
Equipment hire	284,713	303,055	966,234	904,555	1,277,774
Cement transportation, marketing and					
selling expenses	195,598	213,588	716,726	667,091	893,060
Other operating expenses	280,138	218,306	788,535	703,509	1,019,885
Depreciation	360,802	379,083	1,086,018	1,137,573	1,515,255
Changes in inventories of finished goods					
and work in progress	157,678	1,042,233	773,294	1,867,893	2,022,477
Total expenses	4,122,566	4,998,361	12,886,202	12,685,842	16,509,268
Operating earnings before other expenses, net	2,044,430	496,250	6,797,580	5,116,631	7,330,733

The details of the line item "Other expenses, net" are as follows:

	UNAUDITED				AUDITED
	Three Months Jul to Sep		Nine Months Jan to Sep		Year Jan to Dec
	2022	2021	2022	2021	2021
Manpower restructuring costs	-	-	-	61,925	102,832
Stockholding and inventory restructuring					
provision (reversal)	6,312	-	15,413	1,511	(4,977)
Demolition expenses	-	24,542	38,948	26,150	39,594
Inventory (write-back) write-off	(579)	-	559	23	184
Environmental costs	· -	-	-	13,461	13,461
Management fees	49,693	49,757	150,735	145,524	194,949
Royalty and service fee	135,477	-	401,641	-	· -
COVID-19-related expenses	1,188	1,224	3,398	1,224	75,800
Other (income) expense, net	(26,210)	9,954	(11,397)	27,922	22,087
	165.881	85.477	599.297	277.740	443.930

8. Impact of COVID-19

In March 2022, authorities removed the COVID-19 protocols from the Disaster Risk Management Act.

Management continues to review the effect of developments arising from the pandemic on the risks faced by the Company. Management believes the Group is in a sufficiently strong position to deal with the possible significant economic downturn. However, management is aware that the long duration of the pandemic and the associated containment measures could have a material adverse effect on the Group, its customers, employees and suppliers.

At the Annual General Meeting of Caribbean Cement Company Limited (CCCL) held on July 19, 2022, the shareholders of CCCL declared a final dividend of \$1.5032 per share, which was paid on September 9, 2022, to shareholders on record as at August 4, 2022, with an ex-dividend date of August 3, 2022.