

JAMAICA PRODUCERS GROUP LIMITED

UNAUDITED GROUP RESULTS

39 Weeks Ended October 01, 2022





JAMAICA PRODUCERS GROUP LIMITED

UNAUDITED GROUP RESULTS

39 WEEKS ENDED OCTOBER 01, 2022

Table of Contents

Chairman's Statement	01-02
3 rd Quarter Unaudited Financial Results	03-13
JPG Top Ten Shareholders	14
Shareholdings of JPG Directors & Senior Officers	15



JAMAICA PRODUCERS GROUP LIMITED


UNAUDITED GROUP RESULTS

39 WEEKS ENDED OCTOBER 01, 2022

Performance Highlights

20% increase 
\$21.6bn


Growing Revenue

16% increase 
\$6.1bn


Improving Gross Profits

18% increase 
\$2.7bn

Increasing Net Profits

9% increase 
\$18.7bn

Solid Shareholders' Equity

6% growth 
\$11.3bn

Healthy Cash and Short-term Investments

9.3%

Low Debt to Equity with Borrowing Capacity



JAMAICA PRODUCERS GROUP LIMITED

UNAUDITED GROUP RESULTS

39 WEEKS ENDED OCTOBER 01, 2022

Chairman's Statement

For the 39-week period ended October 1, 2022 ("Q3 Year-to-Date"), Jamaica Producers Group Limited ("JP") delivered strong results. JP earned consolidated net profits of \$2.7 billion from revenues of \$21.6 billion. JP increased revenues by 20% over the prior year, with sales and earnings growth in both our business segments – Logistics & Infrastructure ("L&I") and Food & Drink ("F&D"). Year-to-date net profit attributable to shareholders was \$1.5 billion, an increase of 37% over the prior year.

JP Logistics & Infrastructure

The L&I Division is a diversified, multinational logistics group and accounts for the major share of the Group's net assets and, in turn, its profits. The Division includes our interests in port terminal operations, warehousing and third-party logistics services (Kingston Wharves Limited), freight consolidation and forwarding (JP Shipping Services and Miami Freight & Shipping) and liner services (Geest Line). The Group's logistics services all have a Caribbean connection but collectively serve a wide range of global markets. The L&I Division generated profit before finance cost and taxation for the 2022 Q3 Year-to-Date of \$3.2 billion, a 16% increase over the prior year. Divisional revenues of \$8.8 billion were up 21% over the same period in the prior year. The improved performance reflects our strategy to build a diversified Caribbean logistics platform through business development initiatives, capacity expansion and select acquisitions. Our recently acquired UK-based joint venture shipping line -- Geest Line -- and US-based freight consolidation business -- Miami Freight & Shipping -- both contributed to the improved profitability of the Division.

JP Food & Drink

JP's F&D Division is the largest contributor to the revenues of the Group. The Division earned profits before finance cost and taxation for the Q3 Year-to-Date of \$442 million on revenues of \$12.8 billion. Relative to the prior year, earnings increased 18% while revenue increased 19%. The F&D Division comprises our portfolio of businesses that are engaged in farming, manufacturing, distribution, and retail of a wide range of food and drink. The Division has production facilities in Europe (the Netherlands and Spain) and the Caribbean (Jamaica and the Dominican Republic) and operates a distribution centre in the United States. Our JP Farms business continues to lead in banana and pineapple production in Jamaica. Our range of specialty food and drink products includes fresh juices, tropical snacks, frozen foods, fresh fruit and rum and spirit-based baked goods. A.L. Hoogesteger Fresh Specialist B.V. ("Hoogesteger") is the largest contributor to the revenues and profits of the Division. This business is a market leader in fresh juice in Northern Europe and serves as a co-packer of juice for major supermarket and food service entities in the Netherlands, Belgium, Scandinavia and Switzerland. During the year, the Division experienced material increases in costs associated with raw material commodities, personnel and logistics. We intend to recover these cost increases, to the extent possible, through increases in selling price. The initiative to adjust prices to align with market conditions will continue. We have, however, experienced some margin compression in the instances where we delayed price increases to balance risks to demand or consumer confidence. The adverse impact of reduced margins has to-date been offset by the benefit of solid volume growth.



JAMAICA PRODUCERS GROUP LIMITED

UNAUDITED GROUP RESULTS

39 WEEKS ENDED OCTOBER 01, 2022

Chairman's Statement Cont'd

Outlook

Jamaica Producers Group Limited has been organised to generate revenues from a diverse range of business lines and, importantly, a diverse range of markets. Our Food & Drink business includes premium and travel retail products, as well as everyday snacks and basic food items. These businesses are aligned to general consumer trends such as the focus on health, convenience, and provenance, and they serve markets as diverse as the Caribbean and Caribbean diaspora, Northern Europe, North America and Caribbean travel retail and hospitality.

Our logistics businesses, also operating in Europe, the USA and the Caribbean, handle a wide range of commodities and service a large number of origin and destination markets. Our services range from shipping and freight forwarding to stevedoring, terminal operations, cold storage and logistics.

We see the diversity of our business as a strength. We are of the view, however, that inflation, supply chain shocks and disruptions to business confidence arising out of war, logistics challenges and adverse macroeconomic conditions all present general business challenges in the short term. Our strategy is to build on our core business capabilities in Food & Drink and Logistics & Infrastructure through active engagement and strategic alignment with key customers, efficiency enhancing capital investment projects and selective acquisitions. Core capital investments in our terminal, cranes and warehousing at Kingston Wharves are designed to expand capacity, gain market share, and drive efficiency in our logistics businesses.

Investment in food grade packaging lines, information technology systems, efficiency and hygiene, and health and safety are all expected to bolster the Food & Drink Division in the months ahead.

Importantly, based on our acquisition strategy, we will continue to seek other logistics services that support trade with the Caribbean, and Food & Drink businesses in markets that present definite new growth opportunities for the Group. The performance of JP gives us considerable confidence in our business model and management team. In light of this, we have now decided to consider select opportunities that will allow the Group over time to transform beyond Logistics and Food & Drink into other industries that, based on current valuations, can provide attractive long-term returns in the current environment. With shareholders' equity of \$18.8 billion (an increase of 9% relative to the prior year) and net cash and investments of \$11.2 billion, we believe that the JP Group has the balance sheet strength to support this new strategy.

I thank our board, management and team members for their commitment to our business and our shared values, and I am grateful to our customers and partners for their continued support.

Chairman

C.H. Johnston



JAMAICA PRODUCERS GROUP LIMITED

UNAUDITED GROUP RESULTS

39 WEEKS ENDED OCTOBER 01, 2022

Group Balance Sheet

	Unaudited as at October 01, 2022	Unaudited as at October 02, 2021	Audited as at December 31, 2021
	\$'000	\$'000	\$'000
Current assets			
Cash and cash equivalents	1,237,193	1,196,278	1,282,048
Short-term investments	706,428	399,600	416,110
Securities purchased under resale agreements	9,312,288	9,060,051	10,319,916
Accounts receivable	3,592,822	3,549,299	3,147,428
Taxation recoverable	157,198	57,281	63,701
Inventories	1,370,502	1,089,956	1,173,633
Total current assets	16,376,431	15,352,465	16,402,836
Current liabilities			
Accounts payable	4,272,674	3,938,740	4,547,419
Taxation	84,532	149,139	283,775
Loans and borrowings	807,933	884,036	833,250
Lease liabilities	130,917	176,454	158,957
Total current liabilities	5,296,056	5,148,369	5,823,401
Working capital	11,080,375	10,204,096	10,579,435
Non-current assets			
Biological assets	133,204	74,092	101,779
Interest in associates and joint ventures	1,435,243	381,704	969,891
Investments	463,307	609,693	511,058
Intangible assets	1,431,347	1,417,140	1,425,692
Deferred tax assets	3,470	9,664	9,056
Property, plant and equipment	23,375,724	22,904,288	22,809,785
Investment property	546,843	554,762	552,783
Right-of-use assets	424,716	587,254	582,413
Employee benefit asset	1,698,874	1,549,850	1,698,874
Total non-current assets	29,512,728	28,088,447	28,661,331
Total assets less current liabilities	40,593,103	38,292,543	39,240,766
Equity			
Share capital	112,214	112,214	112,214
Reserves	18,643,196	17,077,765	17,841,243
Total equity attributable to equity holders of the parent	18,755,410	17,189,979	17,953,457
Non-controlling interest	17,252,586	15,845,348	16,219,005
Total equity	36,007,996	33,035,327	34,172,462
Non-current liabilities			
Deferred tax liabilities	1,364,689	1,347,644	1,293,498
Loans and borrowings	2,530,758	3,114,567	2,941,367
Lease liabilities	292,911	410,488	436,690
Employee benefit obligations	396,749	384,517	396,749
Total non-current liabilities	4,585,107	5,257,216	5,068,304
Total equity and non-current liabilities	40,593,103	38,292,543	39,240,766
Parent company stockholders' equity per ordinary stock unit:			
Based on stock units in issue	\$16.71	\$15.32	\$16.00
After exclusion of stock units held by ESOP	\$17.86	\$16.42	\$17.10



JAMAICA PRODUCERS GROUP LIMITED

UNAUDITED GROUP RESULTS

39 WEEKS ENDED OCTOBER 01, 2022

Group Profit and Loss Account

	Notes	Unaudited 13 weeks ended October 01, 2022 \$'000	Unaudited 13 weeks ended October 02, 2021 \$'000	Unaudited 39 weeks ended October 01, 2022 \$'000	Unaudited 39 weeks ended October 02, 2021 \$'000
Gross operating revenue	3	7,175,925	6,577,621	21,565,725	17,979,483
Cost of operating revenue		(5,074,927)	(4,590,136)	(15,469,083)	(12,701,177)
Gross profit		2,100,998	1,987,485	6,096,642	5,278,306
Other income and expenses, net		139,466	58,254	195,717	438,632
Selling, administration and other operating expenses		(1,154,429)	(962,256)	(3,545,424)	(2,892,298)
Profit from operations		1,086,035	1,083,483	2,746,935	2,824,640
Share of profits in associates and joint ventures		234,323	79,695	571,724	127,775
Profit before finance cost and taxation		1,320,358	1,163,178	3,318,659	2,952,415
Finance cost		(51,445)	(44,819)	(166,055)	(170,287)
Profit before taxation		1,268,913	1,118,359	3,152,604	2,782,128
Taxation charge		(170,326)	(180,521)	(463,532)	(499,852)
Profit for the period		1,098,587	937,838	2,689,072	2,282,276
Attributable to:					
Parent company stockholders		590,557	454,288	1,454,622	1,063,867
Non-controlling interest		508,031	483,550	1,234,450	1,218,409
		<u>1,098,587</u>	<u>937,838</u>	<u>2,689,072</u>	<u>2,282,276</u>
Profit per ordinary stock unit:	4				
Based on stock units in issue		<u>52.63</u> ¢	<u>40.48</u> ¢	<u>129.63</u> ¢	<u>94.81</u> ¢
Excluding stock units held by ESOP		<u>56.25</u> ¢	<u>43.40</u> ¢	<u>138.48</u> ¢	<u>101.58</u> ¢



JAMAICA PRODUCERS GROUP LIMITED

UNAUDITED GROUP RESULTS

39 WEEKS ENDED OCTOBER 01, 2022

Group Statement of Profit or Loss and Other Comprehensive Income

	Unaudited 13 weeks ended October 01, 2022	Unaudited 13 weeks ended October 02, 2021	Unaudited 39 weeks ended October 01, 2022	Unaudited 39 weeks ended October 02, 2021
	\$'000	\$'000	\$'000	\$'000
Profit for the period	<u>1,098,587</u>	<u>937,838</u>	<u>2,689,072</u>	<u>2,282,276</u>
Other comprehensive income:				
Items that will not be reclassified to profit or loss:				
Change of fair value through other comprehensive income (FVOCI) investments	(1,253)	(1,447)	(4,180)	(1,422)
Items that may be reclassified to profit or loss:				
Exchange (losses)/ gains on translating foreign operations	(266,256)	(146,368)	(702,770)	13,402
	<u>(267,509)</u>	<u>(147,815)</u>	<u>(706,950)</u>	<u>11,980</u>
Total comprehensive income for the period	<u>831,078</u>	<u>790,023</u>	<u>1,982,122</u>	<u>2,294,256</u>
Attributable to:				
Parent company stockholders	322,892	318,376	755,526	1,057,878
Non-controlling interest	508,186	471,647	1,226,596	1,236,379
	<u>831,078</u>	<u>790,023</u>	<u>1,982,122</u>	<u>2,294,257</u>



JAMAICA PRODUCERS GROUP LIMITED

UNAUDITED GROUP RESULTS

39 WEEKS ENDED OCTOBER 01, 2022

Group Statement of Changes in Equity

	Share Capital \$'000	Share Premium \$'000	Capital Reserves \$'000	Fair Value Reserve \$'000	Reserve For Own Shares \$'000	Retained Profits \$'000	Parent Company Stockholders' Equity \$'000	Non- Controlling Interest \$'000	Total Equity \$'000
Balances at December 31, 2020	112,214	135,087	4,685,139	(25,176)	(50,276)	11,275,112	16,132,100	14,799,759	30,931,859
Changes in equity:									
Profit for the period	-	-	-	-	-	1,063,867	1,063,867	1,218,409	2,282,276
Other comprehensive income									
Exchange (losses)/gains arising on translation of foreign operations	-	-	(4,566)	-	-	-	(4,566)	17,968	13,402
Change of fair value through other comprehensive income (FVOCI) investments	-	-	-	(1,422)	-	-	(1,422)	-	(1,422)
Total other comprehensive (loss)/income	-	-	(4,566)	(1,422)	-	-	(5,988)	17,968	11,980
Total comprehensive (loss)/income for the period	-	-	(4,566)	(1,422)	-	1,063,867	1,057,879	1,236,377	2,294,256
Other reserve movements									
Other transfer to capital reserve	-	-	9,595	-	-	(9,595)	-	-	-
Transactions with owners recorded directly in equity									
Contributions and distributions									
Distributions to non-controlling interests	-	-	-	-	-	-	-	(190,788)	(190,788)
Total transactions with owners recorded directly in equity	-	-	-	-	-	-	-	(190,788)	(190,788)
Total increase/(decrease) in equity	-	-	5,029	(1,422)	-	1,054,272	1,057,879	1,045,589	2,103,468
Balances at October 02, 2021	112,214	135,087	4,690,168	(26,598)	(50,276)	12,329,384	17,189,979	15,845,348	33,035,327
Retained in the financial statements of:									
The company	112,214	135,087	787,497	(2,440)	-	2,983,177	4,015,535		
Subsidiary companies	-	-	3,902,671	(24,158)	(50,276)	9,226,338	13,054,575		
Associate companies	-	-	-	-	-	119,869	119,869		
Balances at October 02, 2021	112,214	135,087	4,690,168	(26,598)	(50,276)	12,329,384	17,189,979		



JAMAICA PRODUCERS GROUP LIMITED

UNAUDITED GROUP RESULTS

39 WEEKS ENDED OCTOBER 01, 2022

Group Statement of Changes in Equity Cont'd

	Share Capital \$'000	Share Premium \$'000	Capital Reserves \$'000	Fair Value Reserve \$'000	Reserve For Own Shares \$'000	Retained Profits \$'000	Parent Company Stockholders' Equity \$'000	Non- Controlling Interest \$'000	Total Equity \$'000
Balances at December 31, 2021	<u>112,214</u>	<u>135,087</u>	<u>4,492,620</u>	<u>(62,983)</u>	<u>(64)</u>	<u>13,276,583</u>	<u>17,953,457</u>	<u>16,219,005</u>	<u>34,172,462</u>
Changes in equity:									
Profit for the period	-	-	-	-	-	1,454,622	1,454,622	1,234,450	2,689,072
Other comprehensive income									
Exchange losses arising on retranslation of foreign operations	-	-	(694,916)	-	-	-	(694,916)	(7,854)	(702,770)
Change of fair value through other comprehensive income (FVOCI) investments	-	-	-	(4,180)	-	-	(4,180)	-	(4,180)
Total other comprehensive loss	-	-	(694,916)	(4,180)	-	-	(699,096)	(7,854)	(706,950)
Total comprehensive (loss)/ income for the period	-	-	(694,916)	(4,180)	-	1,454,622	755,526	1,226,596	1,982,122
Other reserve movements									
Other transfer to capital reserve	-	-	9,795	-	-	(9,795)	-	-	-
Transactions with owners recorded directly in equity									
Contributions and Distributions									
Own shares sold by ESOP	-	-	-	-	46,427	-	46,427	-	46,427
Net movement in subsidiary ESOP	-	-	-	-	-	-	-	6,070	6,070
Distributions to non-controlling interests	-	-	-	-	-	-	-	(199,085)	(199,085)
Total transactions with owners recorded directly in equity	-	-	-	-	46,427	-	46,427	(193,015)	(146,588)
Total (decrease)/ increase in equity	-	-	(685,121)	(4,180)	46,427	1,444,827	801,953	1,033,581	1,835,534
Balances at October 1, 2022	<u>112,214</u>	<u>135,087</u>	<u>3,807,499</u>	<u>(67,163)</u>	<u>46,363</u>	<u>14,721,410</u>	<u>18,755,410</u>	<u>17,252,586</u>	<u>36,007,996</u>
Retained in the financial statements of:									
The company	112,214	135,087	517,013	(6,257)	-	2,776,677	3,534,734		
Subsidiary companies	-	-	3,290,486	(60,906)	46,363	11,128,936	14,404,879		
Associate companies and joint ventures	-	-	-	-	-	815,797	815,797		
Balances at October 1, 2022	<u>112,214</u>	<u>135,087</u>	<u>3,807,499</u>	<u>(67,163)</u>	<u>46,363</u>	<u>14,721,410</u>	<u>18,755,410</u>		



JAMAICA PRODUCERS GROUP LIMITED

UNAUDITED GROUP RESULTS

39 WEEKS ENDED OCTOBER 01, 2022

Group Statement of Cash Flows

	Unaudited as at 39 weeks ended October 01, 2022	Unaudited as at 39 weeks ended October 02, 2021
	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	2,689,072	2,282,276
Adjustments for items not affecting cash:		
Depreciation and amortisation	1,119,831	1,103,747
Share of (profits)/losses in associate companies and joint ventures	(571,724)	(127,775)
Gains on disposal of fixed assets and investments	73,027	(1,329)
Exchange movement	(102,218)	(54,245)
Taxation charge	463,532	499,850
Net interest income	(175,564)	(72,653)
Other items	(11,259)	186
	<u>3,484,697</u>	<u>3,630,056</u>
Increase in current assets	(700,806)	(788,936)
(Decrease)/Increase in current liabilities	(399,904)	17,059
CASH PROVIDED BY OPERATING ACTIVITIES	<u>2,383,987</u>	<u>2,858,180</u>
CASH FLOWS FROM INVESTMENT ACTIVITIES		
Additions to property, plant, equipment, intangible assets and biological assets	(1,998,746)	(1,531,483)
Proceeds from disposal of property, plant and equipment and investments	13,657	1,366
Movement in short term investments and repos	717,310	(722,135)
Net movement in interest in associates	(79,344)	(255,505)
Net movement in own shares held by group ESOPs	52,496	-
Acquisition of shares in subsidiary, net of cash acquired	(4,280)	-
Long term loans receivable	55,015	-
Interest received	328,480	247,641
CASH USED BY INVESTMENT ACTIVITIES	<u>(915,412)</u>	<u>(2,260,116)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net movement in loans	(490,155)	370,165
Net movement in right-of-use liabilities	(133,304)	(89,107)
Interest paid	(121,179)	(138,699)
Distributions to non-controlling interest	(506,006)	(476,912)
Distributions to stockholders, net	(262,787)	(194,317)
CASH USED BY FINANCING ACTIVITIES	<u>(1,513,430)</u>	<u>(528,870)</u>
Net decrease in cash and cash equivalents	<u>(44,855)</u>	<u>69,194</u>
Cash at beginning of the period	<u>1,282,048</u>	<u>1,127,084</u>
Cash at end of the period	<u>1,237,193</u>	<u>1,196,278</u>



JAMAICA PRODUCERS GROUP LIMITED

UNAUDITED GROUP RESULTS

39 WEEKS ENDED OCTOBER 01, 2022

Notes to the Financial Statements

1. Group's Operations and Activities

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

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

On January 3, 2022, the group acquired a 100% shareholding in Miami Freight & Shipping Company ("MFS"). MFS is a Miami, Florida, based company engaged in freight handling, logistics and shipping primarily between North America and the Caribbean.

During the prior year the group made the following acquisitions:

- (i) On April 9, 2021, the group acquired a 50% shareholding in Geest Line Limited ("Geest"). Geest, based in the UK, operates a shipping line connecting Europe and the Caribbean.
- (ii) On September 1, 2021, the group acquired a 50% shareholding in CoBeverage Lab S.L. ("CBL"). CBL is a producer of fruit and vegetable juices based in Barcelona, Spain.
- (iii) On October 16, 2021, the company acquired a 50% shareholding in Grupo Frontera Limited ("GFL"), a joint venture holding company, by subscription of shares and through a long-term loan. On the same date a subsidiary of GFL acquired the assets of Grupo Alaska, an ice and bottled water producer and distributor in the Dominican Republic.

2. Basis of Presentation

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

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

3. Gross operating revenue

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

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

Profit per ordinary stock unit is calculated by dividing the profit attributable to the group for the quarter of \$590,557,000 by 1,122,144,036, being the total number of ordinary stock units in issue during the quarter and a weighted average number of ordinary stock units in issue (excluding those held by the ESOP) during the quarter. The weighted average number of ordinary stock units in issue (excluding those held by the ESOP) for the quarter ended October 01, 2022 was 1,051,356,172 (2021 - 1,046,865,148) stock units.



4. Profit per stock unit and stockholders' equity per stock unit (cont'd)

Stockholders' equity per ordinary stock unit is calculated by dividing the parent company stockholders' equity by 1,122,144,036 being the total number of ordinary stock units in issue at the end of the quarter and 1,052,385,235 (2021 – 1,046,865,148), representing the total number of ordinary stock units in issue for the quarter ended October 01, 2022 less those held by the ESOP at the same date.

5. Accounting Policies

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

a. Business combinations

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

b. Subsidiaries

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

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

c. Associates

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

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

d. Joint ventures

A joint venture is a contractual arrangement in which the group has joint control and whereby the group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.



5. Accounting Policies (cont'd)

d. Joint ventures (cont'd)

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

e. Intangible assets and goodwill

(i) Goodwill

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

(ii) Other intangible assets

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

(iii) Subsequent expenditure

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

(iv) Amortisation

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

The estimates of useful lives are as follows:

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

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

f. Segment reporting

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



5. Accounting Policies (cont'd)

f. Segment reporting (cont'd)

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

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

Segment Results

	2022			Group
	JP Food & Drink	JP Logistics & Infrastructure	Corporate Services	
	\$'000	\$'000	\$'000	\$'000
Gross revenue	12,798,660	8,752,585	118,960	21,670,205
Inter - segment revenue	(7,609)	-	(96,871)	(104,480)
Revenue from external sources	<u>12,791,051</u>	<u>8,752,585</u>	<u>22,089</u>	<u>21,565,725</u>
Profit/(loss) before finance cost and taxation	<u>442,005</u>	<u>3,192,421</u>	<u>(315,766)</u>	3,318,659
Finance cost				(166,055)
Profit before taxation				3,152,604
Taxation				(463,532)
Non-controlling interest				(1,234,450)
Net profit attributable to parent company stockholders				<u>1,454,622</u>
	2021			
	JP Food & Drink	JP Logistics & Infrastructure	Corporate Services	Group
	\$'000	\$'000	\$'000	\$'000
Gross revenue	10,767,527	7,215,014	99,590	18,082,131
Inter - segment revenue	(6,437)	-	(96,211)	(102,648)
Revenue from external sources	<u>10,761,090</u>	<u>7,215,014</u>	<u>3,379</u>	<u>17,979,483</u>
Profit/(loss) before finance cost and taxation	<u>375,840</u>	<u>2,759,421</u>	<u>(182,846)</u>	2,952,415
Finance cost				(170,287)
Profit before taxation				2,782,128
Taxation				(499,852)
Non-controlling interest				(1,218,409)
Net profit attributable to parent company stockholders				<u>1,063,867</u>



JAMAICA PRODUCERS GROUP LIMITED

UNAUDITED GROUP RESULTS

39 WEEKS ENDED OCTOBER 01, 2022

Notes to the Financial Statements Cont'd

6. Seasonal Variations

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

7. Foreign Currency Translation

Overseas revenues and expenses have been translated at average exchange rates of J\$144.79 (2021: J\$171.41) to €1, J\$170.13 (2021: J\$201.72) to £1 and J\$150.47 (2021: J\$149.34) to US\$1.

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

	<u>J\$/€</u>	<u>J\$/£</u>	<u>J\$/US\$</u>
October 01, 2022	144.32	165.83	151.22
December 31, 2021	167.78	208.11	152.75
October 02, 2021	167.87	199.71	147.77
December 31, 2020	170.46	186.97	140.77

Chairman

C.H Johnston

Group Managing Director

J.Hall

On behalf of the Board

November 14, 2022



JAMAICA PRODUCERS GROUP LIMITED
UNAUDITED GROUP RESULTS
39 WEEKS ENDED OCTOBER 01, 2022
Shareholdings

Top Ten Shareholders

McGowan Properties Limited	112,178,507
Sagicor Pooled Equity Fund	108,873,329
Lennox Portland Ltd. et al	105,157,263
Shareholder Services Trust J.P.	86,307,705
Shareholder Services Trust J.B.P.A.	86,155,490
Trustees - Jamaica Producers Group Limited ESOP	69,733,801
National Insurance Fund	54,166,633
David and Kathleen Moss	37,610,468
Jeffrey McGowan Hall	30,199,687
JMMB Pension Fund	13,416,244



JAMAICA PRODUCERS GROUP LIMITED

UNAUDITED GROUP RESULTS

26 WEEKS ENDED JULY 02, 2022

Shareholdings Cont'd

Directors & Senior Officers

	Personal shareholdings	Shareholdings in which Director/Officer has a controlling interest	Total
DIRECTORS			
Mr. A. Buckland	2,051,996	-	2,051,996
Mrs. P. R. Francis	-	-	-
Mrs. S. M. Goffe	-	-	-
Mr. J. McG. Hall	30,199,687	-	30,199,687
Dr. the Hon. M. McG. Hall	-	112,178,507	112,178,507
Mr. C. H. Johnston	3,916,684	101,240,579	105,157,263
Mrs. D. E. Kelly	1,269,198	-	1,269,198
Mrs. K.A.J. Moss	15,249,428	22,361,040	37,610,468
Mr. G. St. J. Stephenson	-	-	-
Prof. A.G. Wint	49,368	-	49,368
OFFICERS			
Mr. David Martin	575,188	-	575,188
Ms. Simone M. Pearson	28,453	-	-
Mata Walrond	-	-	-
TRUSTEES			
Jamaica Producers Group Limited ESOP	69,733,801	-	69,733,801



**JAMAICA PRODUCERS
GROUP LIMITED**

4 Fourth Avenue, Newport West,
Kingston 13, Jamaica W.I.
Tel: (876) 926-3503 / (876) 618-1134 to 7

www.jpjamaica.com

For investor relations please contact:

Simone M. Pearson, Corporate Secretary or
Lisa McG. Johnston, Corporate Affairs Manager
www.jpjamaica.com/contact-us or headoffice@jpjamaica.com