



PAN JAMAICA
GROUP LIMITED

INTERIM REPORT

Six Months Ended 30 June 2023



PAN JAMAICA GROUP LIMITED
INTERIM REPORT

SIX MONTHS ENDED 30 JUNE 2023
Financial Highlights

\$127bn 

Solid Total Asset
Base

\$13bn 

Healthy Cash & Short-
term Investments

32% 

Disciplined Debt to
Equity Ratio

\$10.0bn 

Growing Revenues

\$2.3bn 

Increasing EBIT

\$1.1bn 

Improving
Shareholders' Profits



PAN JAMAICA GROUP LIMITED

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SIX MONTHS ENDED 30 JUNE 2023

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SIX MONTHS ENDED 30 JUNE 2023

Chairman's Statement

Pan Jamaica Group Limited ("PJG" or the "Group") earned consolidated net profits of \$1.4 billion for the three months ended 30 June, 2023 (the "Second Quarter"). Second Quarter profit attributable to shareholders was \$1.1 billion, a significant increase compared to \$694 million during the same period in the previous year. The Second Quarter result was generated from revenues of \$9 billion relative to revenues of \$489 million for the comparative period in the prior year.

The notable shift in the Group's earnings trajectory in the Second Quarter can be attributed to the successful amalgamation of the operating businesses of Jamaica Producers Group Limited with PanJam Investment Limited ("PanJam"). PanJam has since been renamed the Pan Jamaica Group Limited.

The amalgamation became effective on 1 April 2023. As a result, the earnings profile in the Second Quarter is markedly different from the comparative period in the prior year. PJG, a multinational conglomerate boasting a diverse investment portfolio, has now strategically organized its operational structure into distinct segments, namely Property and Infrastructure, Financial Services, Speciality Foods, and Global Services.

For the six months ended 30 June 2023 (the "First Half"), PJG achieved net profits attributable to shareholders of \$1.1 billion. This result reflects the additional income arising from the amalgamation but is partially offset by investment losses and significant transaction costs incurred by PanJam in connection with the amalgamation.

Property & Infrastructure

The Property & Infrastructure Division (the "P&I Division") is one of the foremost commercial property owners in Jamaica and over its long history has developed and curated a premium real estate portfolio, primarily situated in Kingston.

In addition to Jamaica Property Limited, which handles commercial property rentals and management, the P&I Division encompasses an array of interests including ROK Hotel Kingston (Tapestry Collection by Hilton), Caribe (Courtyard by Marriott Hotel), Williams Offices (holder of the regional franchise for Regus), and Capital Infrastructure Group, which is engaged in regional infrastructure projects.

The P&I Division generated profit before finance cost and taxation of \$608 million from revenues of \$1.9 billion in the First Half, an increase of 217% relative to the comparable period in 2022. PJG property and infrastructure business is, in general, delivering attractive returns to shareholders under current economic conditions.

Financial Services

The Financial Services Division (the "FS Division") reported a profit before finance cost and taxation of \$1.7 billion in the First Half, an increase of 66% relative to the restated comparable period in 2022. The division performed well but aspects of the portfolio were affected by weakness in certain financial asset markets arising from high interest rates and market volatility. Divisional performance reflected the change, effective this year, in the accounting treatment for insurance contracts under IFRS 17. This change also resulted in a prior year re-statement.

In addition to Sagicor Group Jamaica Limited ("Sagicor"), the FS Division also includes Term Finance (Jamaica) Limited. Sagicor is the largest single investment within PJG, with operations in Jamaica, Cayman Islands, and Costa Rica. Sagicor is the leading life and health insurer and pension fund manager



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in Jamaica. It also operates the largest local unit trust and has operations in investment banking, commercial banking, general insurance, and remittances.

Speciality Foods

The Speciality Foods Division (the "SF Division") is the largest contributor to the revenues of the Group. The SF Division earned revenues in the First Half of \$9.5 billion with profit before finance cost and taxation for the Division of \$223 million. The SF Division comprises our portfolio of subsidiaries that are engaged in farming and food processing. The SF Division operates modern food production sites in Europe and the Caribbean and a distribution centre in the United States. Our range of speciality food and drink products includes fresh juices in Europe (the "JP Juice Group") and tropical snacks, fresh fruit, water products and Caribbean spirit-based baked goods in the Caribbean (the "Caribbean Food Group").

The JP Juice Group, which comprises our juice production facilities in Holland, Spain and Belgium, is the largest contributor to the revenues and profits of the SF Division. This business is a market leader in fresh juice in Northern Europe, and through its subsidiaries, produces fresh juice for major supermarket and food service entities in the Netherlands, Belgium, Scandinavia, Switzerland and Italy, and operates a joint venture fresh juice manufacturer in Spain.

The Caribbean Food Group, the smaller part of the SF Division, is comprised of our food production and distribution entities in the Americas.

Global Services

The Global Services Division (the "GS Division") is a diversified, multinational logistics group with interests in business processing outsourcing and tourist attractions. The GS Division accounts for a significant share of the Group's net assets and, in turn, its profits.

The GS Division includes our interests in port terminal operations, warehousing and third-party logistics services (Kingston Wharves), freight consolidation and freight forwarding from the UK and the USA (JP Logistics Solutions) and shipping line services to and from Europe, the Caribbean and South America (Geest Line). The Group's logistics services all have a Caribbean connection but collectively serve a wide range of global markets. The GS Division also includes associate company interests in Outsourcing Management Limited, better known as "itel" (a regional customer experience provider, with operations in Jamaica, Belize, Colombia, Guyana, Honduras, St. Lucia and the United States) and Chukka Caribbean Adventures Limited (regional operator of tourism attractions with facilities in Jamaica, the Turks and Caicos, Belize, the Dominican Republic and Barbados).

The GS Division earned profit before finance cost and taxation for the First Half of \$1.9 billion, on divisional revenues of \$5.6 billion. The major share of the earnings arose from businesses that were transferred to the Group in the Second Quarter, in connection with the amalgamation of PanJam with the businesses of JP.

Outlook

In November 2022, PanJam entered into an agreement with JP that resulted in JP transferring its core operating businesses to PanJam in exchange for a 34.5% interest in PanJam. The transaction was completed at the beginning of the Second Quarter, and the combined enterprise was renamed



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Pan Jamaica Group Limited. We are convinced that the strength of the two business enterprises now operating as one will significantly enhance shareholder returns through growth within select major lines of business and a stronger platform and capital base for business development and acquisition-led growth.

2023 will naturally be a transition year in which the Pan Jamaica Group will combine and refocus the management and operations of the enterprise and account for transaction costs associated with the deal. Looking forward, we expect that the combined entity will benefit from the diverse portfolio of businesses that now include food and drink and logistics and infrastructure alongside property and investments in market-leading firms in financial services, hotels and attractions, and business process outsourcing. There will also be an important opportunity to rationalize the portfolio of interests over time, in order to focus our resources on those businesses that give us a competitive advantage and scale and can generate the highest returns for shareholders.

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



Stephen B. Facey

Chairman



PAN JAMAICA GROUP LIMITED
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SIX MONTHS ENDED 30 JUNE 2023
Unaudited Consolidated Income Statement

	3 Months ended 30 June 2023 \$'000	(Restated) 3 Months ended 30 June 2022 \$'000	6 Months ended 30 June 2023 \$'000	(Restated) 6 Months ended 30 June 2022 \$'000
Gross operating revenue	9,032,510	489,097	9,974,150	953,965
Cost of operating revenue	<u>(6,559,011)</u>	<u>(267,320)</u>	<u>(6,917,099)</u>	<u>(495,623)</u>
Gross profit	2,473,499	221,777	3,057,051	458,342
Other income and expenses, net	512,961	75,199	572,694	142,880
Net investment expense	(12,969)	(280,505)	(2,836)	(43,561)
Selling, administration and other operating expenses	(1,871,557)	(318,718)	(2,908,407)	(633,606)
Share of profits in associates and joint ventures	922,041	1,234,856	1,595,202	1,003,056
Profit before finance costs and taxation	2,023,975	932,609	2,313,704	927,111
Finance costs	<u>(337,960)</u>	<u>(247,842)</u>	<u>(615,044)</u>	<u>(489,204)</u>
Profit before taxation	1,686,015	684,767	1,698,660	437,907
Taxation	<u>(271,000)</u>	<u>14,603</u>	<u>(289,203)</u>	<u>(56,588)</u>
Net profit	<u>1,415,015</u>	<u>699,370</u>	<u>1,409,457</u>	<u>381,319</u>
Attributable to:				
Parent company stockholders	1,075,812	694,372	1,064,695	370,577
Non-controlling interest	<u>339,203</u>	<u>4,998</u>	<u>344,762</u>	<u>10,742</u>
	<u>1,415,015</u>	<u>699,370</u>	<u>1,409,457</u>	<u>381,319</u>
Attributable to parent company stockholders:				
The company	(70,541)	(398,583)	(173,820)	884,662
Subsidiary companies	382,132	(126,384)	620,553	(228,522)
Associated companies and joint ventures	<u>764,221</u>	<u>1,219,339</u>	<u>587,962</u>	<u>(285,563)</u>
	<u>1,075,812</u>	<u>694,372</u>	<u>1,064,695</u>	<u>370,577</u>
Net profit per stock unit attributable to owners of the parent during the period				
Basic and fully diluted stock units in issue	\$0.80	\$0.66	\$0.79	\$0.35



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Unaudited Consolidated Statement of Comprehensive Income

	3 Months ended 30 June 2023 \$'000	(Restated) 3 Months ended 30 June 2022 \$'000	6 Months ended 30 June 2023 \$'000	(Restated) 6 Months ended 30 June 2022 \$'000
Net profit for the period	1,415,015	699,370	1,409,457	381,319
Other comprehensive expense net of taxes:				
<i>Items that will not be reclassified to profit or loss</i>				
Change in the fair value of equity instruments at fair value through other comprehensive income	(5,715)	(18,048)	(21,728)	(6,581)
Share of other comprehensive income of associated company	-	-	-	(1,084)
	<u>(5,715)</u>	<u>(18,048)</u>	<u>(21,728)</u>	<u>(7,665)</u>
<i>Items that may be subsequently reclassified to profit or loss</i>				
Exchange differences on translating foreign operations	(109,387)	126	(112,827)	(2,874)
Change in the fair value of debt instruments at fair value through other comprehensive income	673	(21,961)	(2,081)	(23,860)
Share of other comprehensive income of associated company	85,380	(1,557,862)	430,956	(2,552,462)
Other comprehensive (loss)/income for the period, net of tax	<u>(23,334)</u>	<u>(1,579,697)</u>	<u>316,047</u>	<u>(2,579,196)</u>
Total comprehensive income/(loss) for the period	<u>1,385,966</u>	<u>(898,375)</u>	<u>1,703,777</u>	<u>(2,205,542)</u>
Total comprehensive income/(loss) attributable to:				
Owners of the parent	1,039,914	(903,373)	1,352,166	(2,216,284)
Non-controlling interest	346,052	4,998	351,611	10,742
	<u>1,385,966</u>	<u>(898,375)</u>	<u>1,703,777</u>	<u>(2,205,542)</u>



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SIX MONTHS ENDED 30 JUNE 2023
Unaudited Consolidated Statement of Financial Position

	As at 30 June 2023 \$'000	(Restated) As at 30 June 2022 \$'000	(Restated) As at 31 December 2022 \$'000
ASSETS			
Cash and deposits	2,681,198	715,045	3,282,759
Securities purchased under agreement to resell	10,476,669	499,145	432,724
Investment securities	7,843,408	9,740,404	8,284,089
Receivables	6,540,715	2,306,081	1,607,687
Inventories	1,951,314	53,170	55,957
Taxation recoverable	262,307	85,218	167,428
Properties for development and sale	1,025,787	1,179,620	1,588,234
Investment in associates and joint venture	30,091,351	26,300,586	26,807,159
Investment properties	10,930,782	10,101,552	10,398,827
Intangible assets	10,744,834	50,744	62,341
Property, plant and equipment	43,830,459	4,574,702	5,329,958
Deferred tax assets	50,882	-	59,823
Retirement benefit assets	558,899	-	-
Total assets	126,988,605	55,606,267	58,076,986
Liabilities			
Loan liabilities	23,562,632	13,592,552	13,953,132
Lease liabilities	895,699	25,132	49,873
Payables and other liabilities	6,065,291	737,766	1,005,204
Taxation	304,250	2,658	-
Deferred tax liabilities	1,525,939	284,083	-
Retirement benefit obligations	508,848	706,486	234,161
	32,862,659	15,348,677	15,242,370
Equity			
Capital and reserves attributable to the company's owners			
Share capital	31,966,709	2,141,985	2,141,985
Property revaluation reserves	5,923,583	5,515,454	5,866,583
Capital and fair value reserves	1,112,900	1,608,123	1,027,563
Retained earnings	33,988,012	30,638,708	33,381,841
Other reserves	121,628	136,347	136,438
Treasury stock	(187,120)	(129,361)	(103,143)
	72,925,712	39,911,256	42,451,267
Non-controlling interest	21,200,234	346,333	383,349
Total Equity	94,125,946	40,257,589	42,834,616
Total Equity and Liabilities	126,988,605	55,606,267	58,076,986

Stephen B. Facey
 Chairman

Jeffrey Hall
 Chief Executive Officer



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SIX MONTHS ENDED 30 JUNE 2023

Unaudited Consolidated Statement of Changes in Equity

	/-----Attributable to Owners of the Parent-----\							Non-controlling Interests \$'000	Total \$'000
	Share Capital \$'000	Equity Compensation Reserve \$'000	Property Revaluation Reserves \$'000	Investment and Other Reserves \$'000	Retained Earnings \$'000	Treasury Stock \$'000			
Restated balance at 1 January 2022 (Note 4)	2,141,985	124,734	5,438,654	4,208,660	31,323,991	(135,900)	335,591	43,437,715	
Comprehensive income									
Net profit	-	-	-	-	370,577	-	10,742	381,319	
Other comprehensive income	-	-	-	(2,586,861)	-	-	-	(2,586,861)	
Total comprehensive income for the period	-	-	-	(2,586,861)	370,577	-	10,742	(2,205,542)	
Transactions with owners									
Employee share incentive scheme value of services provided	-	17,984	-	-	-	-	-	17,984	
Employee share grants issued and options exercised	-	(6,371)	-	(13,568)	-	44,863	-	24,924	
Dividends paid to equity holders of the company	-	-	-	-	(979,060)	-	-	(979,060)	
Share purchase plan	-	-	-	(108)	-	33,101	-	32,993	
Acquisition of treasury stock	-	-	-	-	-	(71,425)	-	(71,425)	
Transfer of unrealised property revaluation gains	-	-	76,800	-	(76,800)	-	-	-	
Balance at 30 June 2022	2,141,985	136,347	5,515,454	1,608,123	30,638,708	(129,361)	346,333	40,257,589	



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Unaudited Consolidated Statement of Changes in Equity (Continued)

	Attributable to Owners of the Parent							Total \$'000
	Share Capital \$'000	Equity Compensation Reserve \$'000	Property Revaluation Reserve \$'000	Investment and Other Reserves \$'000	Retained Earnings \$'000	Treasury Stock \$'000	Non-controlling Interests \$'000	
Restated balance at 1 January 2023 (Note 4)	2,141,985	136,438	5,866,583	1,027,563	33,381,841	(103,143)	383,349	42,834,616
Comprehensive income								
Net profit	-	-	-	-	1,064,695	-	344,762	1,409,457
Other comprehensive income	-	-	-	287,471	-	-	6,849	294,320
Total comprehensive income for the period	-	-	-	287,471	1,064,695	-	351,611	1,703,777
Non-controlling interest on acquisition	-	-	-	(100,451)	-	-	21,170,245	21,069,794
Distribution to non-controlling interest	-	-	-	-	-	-	(204,613)	(204,613)
Net movement in subsidiary ESOP	-	-	-	-	-	-	(500,358)	(500,358)
Transactions with owners								
Issue of shares	29,824,724	-	-	-	-	-	-	29,824,724
Employee share incentive scheme value of services provided	-	16,060	-	-	-	-	-	16,060
Employee share grants issued and options exercised	-	(30,869)	-	(101,110)	-	224,022	-	92,042
Dividends paid to equity holders of the company	-	-	-	-	(401,524)	-	-	(401,524)
Share purchase plan	-	-	-	(573)	-	2,288	-	1,715
Acquisition of treasury stock	-	-	-	-	-	(310,287)	-	(310,287)
Transfer of unrealised property revaluation gains	-	-	57,000	-	(57,000)	-	-	-
Balance at 30 June 2023	31,966,709	121,628	5,923,583	1,112,900	33,988,012	(187,120)	21,200,234	94,125,946



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Unaudited Consolidated Statement of Cashflows

	6-Months ended 30 June 2023 \$'000	(Restated) 6-Months ended 30 June 2022 \$'000
Net profit	1,409,457	381,319
Adjustments to reconcile net profit to cash flows provided by operating activities:		
Share of profits in associates and joint ventures (note 4)	(1,595,202)	(1,003,056)
Fair value gains on investment properties	(57,000)	(76,800)
Gains on foreign currency denominated investments	(434,567)	51,165
Other	1,484,413	656,149
	807,101	8,777
Changes in operating assets and liabilities		
Other assets	(601,140)	(667,352)
Other liabilities	(1,408,426)	158,897
Net disposal of financial assets at fair value through profit or loss	243,333	795,179
	(959,132)	295,501
Interest received	230,594	63,232
Income tax paid	(11,486)	(71,860)
Net cash (used in)/provided by operations	(740,024)	286,873
Cash flows from investing activities		
Acquisition of property, plant and equipment	(2,557,116)	(997,038)
Net cash on acquisition of subsidiary	10,211,361	-
Proceeds from sale of residential units	833,423	-
Proceeds from disposal of property, plant and equipment	282,695	731
Expenditure on properties for development and sale	(82,907)	(212,501)
Additional investment in associated company	(344,183)	(4,909)
Dividends from associated companies	849,420	1,288,619
Disposal of investment securities, net	284,520	63,284
Other investment activities	-	(1,757)
Net cash provided by investing activities	9,477,213	136,429
Cash flows from financing activities		
Loan received	3,420,690	-
Loans repaid	(880,715)	(48,131)
Interest paid	(548,563)	(445,338)
Other financing activities	(50,672)	(4,506)
Acquisition of treasury stock	(810,645)	(71,425)
Disposal of treasury stock	93,758	57,917
Dividends paid to equity holders	(401,524)	(1,282,351)
Net cash provided by/(used in) financing activities	822,329	(1,793,834)
Net increase/(decrease) in cash and cash equivalents	9,559,518	(1,370,532)
Cash & cash equivalents at beginning of the period	3,434,477	2,503,301
Cash & cash equivalents at end of the period	12,993,995	1,132,769
Comprising of:		
Cash at bank and in hand	1,293,608	289,495
Short term deposits	1,221,638	342,458
Securities purchased under agreement to resell	10,478,748	500,815
	12,993,995	1,132,769



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Unaudited Business Segments

	30 June 2023					
	Property & Infrastructure	Financial Services	Global Services	Specialty Foods	Corporate	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross revenue	1,924,232	-	2,733,819	5,338,170	24,417	10,020,638
Inter-segment revenue	(22,071)	-	-	-	(24,417)	(46,488)
Revenue from external customers	1,902,161	-	2,733,819	5,338,170	-	9,974,150
Profit/(loss) before finance cost and taxation	608,435	1,676,871	736,342	192,755	(900,699)	2,313,704
Finance costs						(615,044)
Profit before taxation						1,698,660
Taxation						(289,203)
Non-controlling interest						(344,762)
Net profit attributable to parent company stockholders						1,064,695

	30 June 2022 (Restated)					
	Property & Infrastructure	Financial Services	Global Services	Specialty Foods	Corporate	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Gross revenue	972,376	-	-	-	-	972,376
Inter-segment revenue	(18,411)	-	-	-	-	(18,411)
Revenue from external customers	953,965	-	-	-	-	953,965
Profit/(loss) before finance cost and taxation	193,563	1,008,369	(19,980)	35,321	(290,162)	927,111
Finance costs						(489,204)
Profit before taxation						437,907
Taxation						(56,588)
Non-controlling interest						(10,742)
Net profit attributable to parent company stockholders						370,577



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Notes to the Unaudited Financial Statements

1. Group's Operations and Activities

Pan Jamaica Group Limited ("the company" or PJG) (formerly PanJam Investment Limited) is incorporated and domiciled in Jamaica. The company's registered office is located at 60 Knutsford Boulevard, Kingston 5

The main activities of the company, its subsidiaries (collectively, "group"), joint ventures, and associates are property management, hotel management, port terminal operations, shipping, and logistics, specialty food and drink manufacturing, agriculture, financial services, and the holding of investments.

2. Amalgamation of Business

In November 2022, PanJam Investment Limited (PanJam) entered into an agreement with Jamaica Producers Group Limited ("Jamaica Producers") to acquire the core operating businesses of Jamaica Producers in exchange for 34.5% newly issued shares in PanJam. This was approved by shareholders at an Extraordinary General Meeting on 22 December 2022.

Effective 1 April 2023 PanJam and Jamaica Producers have completed the amalgamation of their businesses. PanJam acquired 100% of the issued shared capital of JP Global Holdings (JPGH), a wholly owned subsidiary of Jamaica Producers that held its core operating businesses, in return for issuing new shares to Jamaica Producers equal to 34.5% of PanJam. PanJam has since been renamed the Pan Jamaica Group Limited. This transaction is treated as an acquisition under IFRS 3 Business Combinations, as such PJG brings onto the books at 1 April 2023 the fair value of all acquired assets and liabilities.

3. 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.

4. Prior year restatement

Effective 1 January 2023, the Group applied IFRS 17 – Insurance Contracts, which replaces IFRS 4 Insurance Contracts for accounting periods commencing on or after 1 January 2023 and establishes new principles for the recognition, measurement, presentation and disclosures of insurance and reinsurance contracts. In accordance with the transition requirements of IFRS 17, Sagicor Group Jamaica Limited ("Sagicor"), a 30.2% associated company of Pan Jamaica Group Limited (PJG), was required to restate its prior year financial statements. The significant impact of Sagicor's initial adoption of IFRS 17 on PanJam's results has required PanJam to also restate its prior year financial statements.

This has resulted in reductions of \$8.5 billion and \$9.3 billion in the stated value of Investment in Associated Companies as at 30 June 2022 and 31 December 2022, respectively, and a \$799



4. Prior year restatement cont'd

million reduction in the Share of Profits of Associates Companies for the six-month period ended 30 June 2022.

5. Gross operating revenue

Gross operating revenue comprises property income and the gross sales of goods and services of the group. This is shown after deducting returns, rebates, discounts and consumption taxes and eliminating sales within the group.

6. Net profit per stock unit

Net profit per stock unit is calculated by dividing the profit attributable to the group for the quarter of \$1,064,695,000 by 1,342,692,860 being the weighted average number of ordinary stock units in issue (excluding those held by the ESOP) during the period. The weighted average number of ordinary stock units in issue (excluding those held by the ESOP) for the period ended June 30, 2023, was 1,342,692,860 (2022 - 1,064,193,158) stock units.

7. 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.



7. Accounting Policies cont'd

c. Associates cont'd

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

d. Joint ventures

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

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

e. Intangible assets and goodwill

(i) Goodwill

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

(ii) Other intangible assets

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

(iii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure



7. Accounting Policies cont'd

e. Intangible assets and goodwill cont'd

(iii) Subsequent expenditure cont'd

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.

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 five business segments.

- Property and Infrastructure - This comprises businesses that are engaged in property rental and management, hotel management and other infrastructure related activities.
- Financial Services- This comprises businesses that are engaged in financial services.
- Global Services - This comprises businesses that are engaged in port operations, shipping, logistics, business process outsourcing and tourism attractions.
- Speciality Foods - This comprises businesses that are engaged in agriculture, processing, distribution and/or retail of food and drink.
- Corporate Services - This comprises interest and investment income, net of the cost of corporate functions not directly charged to business units.

8. 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.



PAN JAMAICA GROUP LIMITED

INTERIM REPORT

SIX MONTHS ENDED 30 JUNE 2023

Top Ten Shareholders

<u>SHAREHOLDERS</u>	<u>STOCK HELD</u>	<u>OWNERSHIP (%)</u>
Jamaica Producers Group Limited	561,565,133	34.50%
Boswell Investment Limited	344,361,400	21.16%
Sagicor Pooled Equity Fund	118,703,610	7.29%
National Insurance Fund	61,081,670	3.75%
SJIML A/C 3119	41,208,930	2.53%
Facey, Stephen and Wendy	37,099,896	2.28%
Guardian Life Limited	23,233,800	1.43%
ATL Group Pension Fund Trustees Nom Ltd	21,403,013	1.31%
NCB Insurance Company Ltd WT109	17,037,655	1.05%
JCSD Trustee Services Ltd - Sigma Equity	15,273,662	0.94%
Total Top Ten (10) Shareholdings	1,240,968,769	76.24%
Other Shareholdings	386,756,254	23.76%
Total Issued Shares	1,627,725,023	100.00%
Total no. of stockholders	5,328	



PAN JAMAICA GROUP LIMITED

INTERIM REPORT

SIX MONTHS ENDED 30 JUNE 2023

Shareholdings of Directors and Senior Officers

SHAREHOLDINGS OF DIRECTORS AS AT 30 JUN 2023

<u>NAME</u>	<u>PERSONAL</u>	<u>CONNECTED PARTY</u>
Joanna Banks	221,016	NIL
Christopher Barnes	133,852	NIL
Alan Buckland	NIL	NIL
Paul Facey	15,117,640	394,117,823
Stephen B Facey	37,099,896	416,100,079
Jeffrey Hall	NIL	NIL
Paul Hanworth	1,737,606	1,300,000
Charles Johnston	NIL	2,720
Kathleen Moss	131,094	NIL
Ian Parsard	280,081	NIL
T. Matthew Pragnell	180,374	NIL
Angella Rainford	31,993	NIL

SHAREHOLDINGS OF SENIOR OFFICERS AS AT 30 JUN 2023

<u>NAME</u>	<u>PERSONAL</u>	<u>CONNECTED PARTY</u>
Phillip Armstrong	90,000	NIL
Claudette Ashman-Ivey	54,627	NIL
Antoinette Livingston	NIL	NIL
David Martin	NIL	NIL
Camelia Nelson	82,700	NIL
Simone Pearson	NIL	NIL
Eric Scott	NIL	NIL
Karen Vaz	276,999	NIL