

JAMAICA PRODUCERS GROUP LIMITED

FINANCIAL STATEMENTS

December 31, 2023



KPMG
Chartered Accountants
P.O. Box 436
6 Duke Street
Kingston
Jamaica, W.I.
+1 (876) 922 6640
firmmail@kpmg.com.jm

INDEPENDENT AUDITORS' REPORT

To the Members of
JAMAICA PRODUCERS GROUP LIMITED

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the separate financial statements of Jamaica Producers Group Limited (“the company”), set out on pages 8 to 40, which comprise the separate balance sheet as at December 31, 2023, the separate statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying separate financial statements give a true and fair view of the unconsolidated financial position of the company as at December 31, 2023, and of its unconsolidated financial performance and its unconsolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) and the Jamaican Companies Act.

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 *Auditors’ Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants including International Independence Standards (“the IESBA Code”), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
JAMAICA PRODUCERS GROUP LIMITED

Report on the Audit of the Separate Financial Statements (continued)

Key Audit Matters

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

1. *Measurement of investment properties*

<i>The key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>During the year, the company acquired significant interest in Pan Jamaica Group Limited during the year measured at \$32,097,000,000, which represents the consideration for the transfer of certain of its businesses under an amalgamation agreement.</p> <p>The amount recognised for the associate, being its cost; is determined as the fair value of the businesses transferred.</p> <p>The valuation models used to determine the fair value of the businesses transferred are complex and the fair value of forecasted cash flows used in the model are sensitive to changes such as discount rates, inflation rates and long-term growth rates.</p> <p>These inputs, being subject to significant judgement, are therefore, subject to higher risk of error.</p> <p><i>See notes 1, 8 and 23 of the financial statements.</i></p>	<p>Our main audit procedures included the following:</p> <ul style="list-style-type: none"> • Using our own valuation specialists in evaluating the appropriateness of methods used in the business valuation for each entity, evaluating the key inputs used in the business valuation models such as discount rates, inflation rates and long-term growth rates. Evaluating the rates by comparing the weighted average cost of capital for the transferred businesses to sector averages for the relevant markets in which the businesses operate. • Comparing projected inflation rates and long-term growth rates to externally derived data as well as our own assessments based on our knowledge of the industry of the businesses transferred. • Evaluating the inputs used in calculating the estimated cash flows by comparing them with historical performance and the company's plans, as well as our understanding of the industry and economic environment of the transferred businesses. • Assessing the disclosures relating to investment in associate to evaluate the clarity of those disclosures in communicating key judgements and estimation uncertainties.



INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
JAMAICA PRODUCERS GROUP LIMITED

Report on the Audit of the Separate Financial Statements (continued)

Key Audit Matters (continued)

2. Measurement of investment properties

<i>The key audit matter</i>	<i>How the matter was addressed in our audit</i>
<p>The company has investment properties that were transferred from property plant and equipment during the year and measured at fair value amounting to \$614,000,000. The fair values of these properties were determined by a qualified independent property valuator hired by the company, using the income capitalization approach.</p> <p>The fair value of the company's investment properties is sensitive to the company's selection of capitalization rates that is applied to the projected income of individual investment properties in the valuation methodology. A small percentage movement in the capitalisation rate across the portfolio can result in a significant financial impact to the investment properties balance.</p> <p><i>See notes 3(l) and 11 of the financial statements.</i></p>	<p>Our main audit procedures included the following:</p> <ul style="list-style-type: none">• With the support of our own valuation specialists, assessing the methodologies and assumptions applied in determining the fair value of investment properties. For each property, determining a range of prices and compared these to the values determined by management's expert. <p>Developing our range by assessing the appropriateness of the valuation model using our experience with properties of these types; making our own assessment of a range of capitalisation rates by reference to external sources to the extent available and performed our own fair value calculations to obtain the range;</p> <ul style="list-style-type: none">• Evaluating the competence, independence and experience of the group's independent valutors with reference to their qualification and industry experience and confirmation of independence.• Assessing the fair value disclosures in the financial statements relating to investment properties, to evaluate the clarity of those disclosures in communicating key judgements and estimation uncertainties..



Page 4

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
JAMAICA PRODUCERS GROUP LIMITED

Report on the Audit of the Separate Financial Statements (continued)

Other Information

Management is responsible for the other information. The other information comprises the information in the company's annual report for the year ended December 31, 2023, but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

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

In connection with our audit of the 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 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 Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the Jamaican Companies Act, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company'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 company or to cease operations, or has no realistic alternative but to do so.

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



Page 5

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
JAMAICA PRODUCERS GROUP LIMITED

Report on the Audit of the Separate Financial Statements (continued)

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 financial statements.

A further description of our responsibilities for the audit of the financial statements is included in the Appendix to this auditors' report. This description, which is located at pages 6 to 7, forms part of our auditors' report.

Report on additional matters as required by the Jamaican Companies Act

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been maintained, so far as appears from our examination of those records, and the financial statements, which are in agreement therewith, give the information required by the Jamaican Companies Act in the manner required.

The engagement partner on the audit resulting in this independent auditors' report is Cynthia Lawrence.

A handwritten signature in blue ink, appearing to read 'Cynthia Lawrence'.

Kingston, Jamaica

March 7, 2024



Page 6

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
JAMAICA PRODUCERS GROUP LIMITED

Appendix to the Independent Auditors' report

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

- Identify and assess the risks of material misstatement of the 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 company'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 company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.



Page 7

INDEPENDENT AUDITORS' REPORT (CONTINUED)

To the Members of
JAMAICA PRODUCERS GROUP LIMITED

Appendix to the Independent Auditors' report (continued)

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

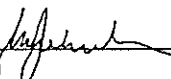
From the matters communicated with those charged with governance, we determine the matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matters 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.

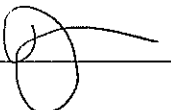
JAMAICA PRODUCERS GROUP LIMITED

Company Balance Sheet
 Year ended December 31, 2023

	<u>Notes</u>	<u>2023</u> \$'000	<u>2022</u> \$'000
CURRENT ASSETS			
Cash and bank	4	63,371	29,856
Short term investments	3(d),5	1,033,427	592,602
Reverse repurchase agreements	3(e)	395,473	584,471
Accounts receivable	6	37,947	19,205
Due from subsidiaries and associate	8	320,769	2,389,725
Taxation recoverable		<u>45,394</u>	<u>35,298</u>
Total current assets		<u>1,896,381</u>	<u>3,651,157</u>
CURRENT LIABILITIES			
Accounts payable	7	1,020,562	1,077,524
Due to subsidiaries and associate	8	110,990	2,834,412
Current portion of loans and borrowings	15	-	130,000
Current portion of lease liabilities	12(b)	<u>8,075</u>	<u>6,478</u>
Total current liabilities		<u>1,139,627</u>	<u>4,048,414</u>
WORKING CAPITAL SURPLUS/DEFICIT		<u>756,754</u>	<u>(397,257)</u>
NON-CURRENT ASSETS			
Interest in subsidiaries, associates and joint ventures	8	32,097,000	4,188,832
Investments	9	11,221	12,377
Property, plant and equipment	10	31,411	109,395
Investment properties.	11	614,000	-
Right-of-use assets	12(a)	<u>-</u>	<u>63,062</u>
Total non-current assets		<u>32,753,632</u>	<u>4,373,666</u>
Total assets less current liabilities		<u>33,510,386</u>	<u>3,976,409</u>
EQUITY			
Share capital	13	112,214	112,214
Reserves	14	<u>33,398,172</u>	<u>2,964,880</u>
Total equity attributable to stockholders		<u>33,510,386</u>	<u>3,077,094</u>
NON-CURRENT LIABILITIES			
Loans and borrowings	15	-	841,778
Lease liabilities	12(b)	<u>-</u>	<u>57,537</u>
Total non-current liabilities		<u>-</u>	<u>899,315</u>
Total equity and non-current liabilities		<u>33,510,386</u>	<u>3,976,409</u>

The financial statements on pages 8 to 40 were approved by the Board of Directors on March 7, 2024 and signed on its behalf by:

 Chairman
 C. H. Johnston

 Managing Director
 J. Hall

The accompanying notes form an integral part of the financial statements.

JAMAICA PRODUCERS GROUP LIMITEDCompany Statement of Profit or Loss and Other Comprehensive Income
Year ended December 31, 2023

	<u>Notes</u>	<u>2023</u> \$'000	<u>2022</u> \$'000
Revenue:			
Management fees - subsidiaries	16	6,484	50,659
- other	16	8,667	27,608
Interest income - subsidiaries		8,630	31,058
- other (effective interest method)		65,869	58,289
Dividends	17	182,643	403,042
Rent - subsidiaries	16	6,112	23,698
- other	16	<u>22,473</u>	<u>1,512</u>
		300,878	595,866
Administration and other operating expenses	18	<u>(288,836)</u>	<u>(656,044)</u>
Profit/(loss) from operations		12,042	(60,178)
Net gain/(loss) from fluctuation in exchange rates	17	55,470	(40,246)
(Loss)/gain on disposal of investments and property, plant and equipment		(9,719)	1,043
Decrease/(increase) in impairment allowance on loans and receivables - subsidiaries	8	182,792	(169,065)
Gain on the disposal of subsidiaries, associates and joint ventures	23	<u>29,984,161</u>	<u>-</u>
Profit/(loss) before finance cost and taxation		30,224,746	(268,446)
Finance cost - interest	17	<u>(51,964)</u>	<u>(120,905)</u>
Profit/(loss) before taxation		30,172,782	(389,351)
Taxation	19	<u>(11)</u>	<u>(12)</u>
Profit/(loss) for the year		<u>30,172,771</u>	<u>(389,363)</u>
Other comprehensive loss:			
Item that will not be reclassified to profit or loss:			
Revaluation of property, plant and equipment transferred to investment properties during the year (note 10)		577,342	-
Decrease in fair value of investments classified as fair through other comprehensive income ("FVOCI")		<u>(1,156)</u>	<u>(5,493)</u>
Total comprehensive income/(loss) for the year		<u>30,748,957</u>	<u>(394,856)</u>

The accompanying notes form an integral part of the financial statements.

JAMAICA PRODUCERS GROUP LIMITEDCompany Statement of Changes in Equity
Year ended December 31, 2023

	Share <u>capital</u> \$'000 (note 13)	Share <u>premium</u> \$'000 (note 14)	Capital <u>reserves</u> \$'000 (note 14)	Fair value <u>reserves</u> \$'000 (note 14)	Retained <u>profits</u> \$'000	Total <u>equity</u> \$'000
Balances at December 31, 2021	<u>112,214</u>	<u>135,087</u>	<u>1,546,244</u>	<u>(2,077)</u>	<u>2,007,462</u>	<u>3,798,930</u>
Total comprehensive income for 2022:						
Loss for the year	-	-	-	-	(389,363)	(389,363)
Other comprehensive income:						
Decrease in fair value of investments carried at fair value through other comprehensive income	-	-	-	(5,493)	-	(5,493)
Total comprehensive loss for the year	-	-	-	(5,493)	(389,363)	(394,856)
Transactions with owners of the company						
Capital distributions (note 20)	-	-	(336,643)	-	-	(336,643)
Unclaimed distributions to stockholders written back (note 20)	-	-	<u>9,663</u>	-	-	<u>9,663</u>
Balances at December 31, 2022	<u>112,214</u>	<u>135,087</u>	<u>1,219,264</u>	<u>(7,570)</u>	<u>1,618,099</u>	<u>3,077,094</u>
Total comprehensive income for 2023:						
Profit for the year	-	-	-	-	30,172,771	30,172,771
Other comprehensive income:						
Revaluation of property, plant and equipment transferred to investment property	-	-	577,342	-	-	577,342
Decrease in fair value of investments carried at fair value through other comprehensive income	-	-	-	(1,156)	-	(1,156)
Total comprehensive income /(loss) for the year	-	-	<u>577,342</u>	<u>(1,156)</u>	<u>30,172,771</u>	<u>30,748,957</u>
Transactions with owners of the company						
Capital distributions (note 20)	-	-	(336,643)	-	-	(336,643)
Unclaimed distributions to stockholders written back (note 20)	-	-	<u>20,978</u>	-	-	<u>20,978</u>
Balances at December 31, 2023	<u>112,214</u>	<u>135,087</u>	<u>1,480,941</u>	<u>(8,726)</u>	<u>31,790,870</u>	<u>33,510,386</u>

The accompanying notes form an integral part of the financial statements.

JAMAICA PRODUCERS GROUP LIMITED

Company Statement of Cash Flows
Year ended December 31, 2023

	<u>Notes</u>	<u>2023</u> \$'000	<u>2022</u> \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) for the year		30,172,771	(389,363)
Adjustments for:			
Depreciation – plant, property and equipment	10	8,470	11,023
Depreciation – right-of-use assets	12	4,490	4,142
Impairment – plant, property and equipment	10	19,036	-
Impairment – right-of-use assets		9,530	-
Net unrealised exchange (gains)/loss		(50,417)	41,793
Loss/(gain) on disposal of property, plant and equipment and investments		9,719	(1,043)
(Decrease)/increase in impairment of loan to subsidiaries	8	(182,792)	169,065
Expected credit loss charge on trade receivables	18	(18,698)	10,282
Amortisation of bond issuance costs	15	3,222	744
Gain on disposal of subsidiaries, associates and joint ventures	23	(29,984,161)	-
Interest income	17	(74,499)	(89,347)
Interest expense	17	51,964	120,905
Current taxation charge	19	<u>11</u>	<u>12</u>
		(31,354)	(121,787)
Decrease/(increase) in current assets:			
Accounts receivable		14,420	(9,396)
Taxation recoverable		(10,097)	(14,399)
Due to/due from subsidiary and associate companies		757,867	(95,304)
(Decrease)/Increase in current liabilities:			
Accounts payable		(52,137)	191,132
Unclaimed dividends		<u>3,254</u>	<u>20,978</u>
Cash generated from operating activities		681,953	(28,776)
Taxation paid		(11)	(12)
Net cash provided by operating activities		<u>681,942</u>	<u>(28,788)</u>
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Purchase of short term investments		(1,748,839)	(514,273)
Redemption of short term investments		1,309,237	323,607
Purchase of reverse repurchase agreements		(199,854)	(56,919)
Redemption of reverse repurchase agreements		402,851	707,111
Additions to property, plant and equipment	10	(10,860)	(39,896)
Interest received		97,564	88,589
Proceeds from disposal of investments and property, plant and equipment		<u>14,961</u>	<u>1,043</u>
Net cash (used)/provided by investment activities		<u>(134,940)</u>	<u>509,262</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Distribution to stockholders	20	(315,665)	(280,536)
Interest paid		(183,238)	(59,569)
Lease payments	12(b)	(8,364)	(6,644)
Loans and borrowings	15	<u>-</u>	<u>(130,000)</u>
Net cash used by financing activities		<u>(507,267)</u>	<u>(476,749)</u>
Net increase in cash and bank		<u>39,735</u>	<u>3,725</u>
Effect of foreign exchange movement		(6,220)	2,174
Cash and bank at beginning of year		<u>29,856</u>	<u>23,957</u>
Cash and bank		<u>63,371</u>	<u>29,856</u>

The accompanying notes form an integral part of the financial statements.

JAMAICA PRODUCERS GROUP LIMITED

Notes to the Financial Statements Year December 31, 2023

1. The company

Jamaica Producers Group Limited ("the company") is incorporated and domiciled in Jamaica. The company's registered office is located at 60 Knutsford Boulevard, Kingston 5.

Its principal activities are the management of investments, the management of property and the provision of services to its subsidiaries and associates (note 24).

In November 2022, the company entered into an agreement with PanJam Investment Limited ("PanJam") that effectively resulted in the company transferring its core operating businesses to PanJam in exchange for a 34.5% interest in that entity. Following the shareholder's approval at an Extraordinary General Meeting on December 22, 2022 the transaction was completed on April 1, 2023, and the combined enterprise was renamed Pan Jamaica Group Limited (note 8 and 23).

On March 21, 2023, the company acquired 100% shareholding in two Belgian juice manufacturing entities, The Juicy Group NV and HPP Services BV. These were then transferred as part of the amalgamation with Pan Jamaica Group Ltd on April 1, 2023.

2. Statement of compliance and basis of preparation

(a) Statement of compliance:

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

Certain new, and revised standards and interpretations came into effect during the current financial year. The company has assessed them and has adopted those which are relevant to its financial statements but their adoption did not result in any material changes to amounts recognised or disclosed in these financial statements.

Standards issued but not yet effective

At the date of authorisation of the financial statements, certain new and amended standards have been issued which are not yet effective and which the company has not early adopted. The company has assessed these standards and amendments will not have a material impact on its financial statements.

(b) Basis of preparation:

These separate financial statements are intended to show the affairs of the company as a stand-alone business. They are not intended to, and do not, show the consolidated financial position, results of operations and cash flows of the company and its subsidiaries. The company's interests in subsidiaries [note 24] are measured at cost, less allowance for impairment. Unless otherwise indicated, references to "financial statements" herein are to the unconsolidated financial statements.

The financial statements are prepared on the historical cost basis, except investments, which are measured at fair value. The financial statements are presented in Jamaican dollars (J\$), which is the functional currency of the company.

JAMAICA PRODUCERS GROUP LIMITED

Notes to the Financial Statements (Continued)
Year December 31, 2023

2. Statement of compliance and basis of preparation (continued)

(c) Use of estimates and judgment:

The preparation of the financial statements in accordance with IFRS Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of, and disclosures relating to assets, liabilities, contingent assets and contingent liabilities at the reporting date and the income and expenses for the year then ended. Actual amounts could differ from those estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Information about assumptions and estimation uncertainties at the reporting date with a risk of material adjustment to the carrying amounts of assets recognised within the next financial year are discussed below:

Measurement of investment in associate

The investment in associate, the consideration for the purchase of shares in Pan Jamaica Group Limited; is the fair value of the businesses transferred. The determination of fair value of the businesses transferred involves judgment in the estimation of future cash flows and the selection of key inputs required in the valuation model such as discount rates, growth rates and inflation rates. See notes 8 and 23.

Valuation of investment properties

The fair value of investment properties is determined by a property valuation specialist engaged by management who uses recognised valuation techniques and the principles of IFRS 13 *Fair Value Measurement*. The properties are valued using the income capitalisation approach whereby the property values are determined by calculating the present value of the future income benefits to be derived from ownership of the property. The estimate of fair values is therefore dependent on the appropriate selection of capitalization rates associated with the properties and changes to these rates could have material impact on the balances and fair value movement reported in these financial statements. See note 11 (iii).

3. Material accounting policies

The company has consistently applied the accounting policies as set out in note 3 to all periods presented in these financial statements.

(a) Foreign currencies

Except for investments in foreign subsidiaries, foreign currency balances at the reporting date are translated at the buying rates of exchange ruling at that date [note 22(a)(ii)]. Investments in foreign subsidiaries are carried at historical rates of exchange.

Transactions in foreign currencies are converted at the rates of exchange ruling at the dates of those transactions. Gains and losses arising from fluctuations in exchange rates are included in profit or loss.

JAMAICA PRODUCERS GROUP LIMITED

Notes to the Financial Statements (Continued)
Year December 31, 2023

3. Material accounting policies (continued)

(b) Financial instruments – classification, recognition and de-recognition, and measurement

Financial instruments carried on the balance sheet include cash and bank, accounts receivable, reverse repurchase agreement, short-term investments, equity investments, accounts payable, loans and borrowing in the scope of IFRS 9 and lease liabilities.

*Financial assets**Initial recognition and measurement*

Financial assets that are not designated as at fair value through profit or loss and: a) are held within a business model whose objective is to hold assets to collect contractual cash flows, and b) have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are classified as “Held to collect” and measured at amortised cost.

Amortised cost represents the net present value (“NPV”) of the consideration receivable or payable as of the transaction date. This classification of financial assets comprises the following captions:

- Cash and bank;
- Accounts receivable;
- Reverse repurchase agreements; and
- Short-term investments.

Due to their short-term nature, the company initially recognises these assets at the original invoiced or transaction price.

Equity instruments

On initial recognition of an equity instrument, the company elects to irrevocably designate an equity investment at fair value through other comprehensive income (“OCI”). Subsequent changes in the investment at fair value are recorded in OCI.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification described in the particular recognition methods disclosed in their individual policy notes.

Impairment of financial assets

Impairment losses of financial assets, including receivables, are recognised using the expected credit loss model for the entire lifetime of such financial assets on initial recognition, and at each subsequent reporting period, even in the absence of a credit event or if a loss has not yet been incurred, considering past events and current conditions, as well as reasonable and supportable forecasts affecting collectability.

JAMAICA PRODUCERS GROUP LIMITED

Notes to the Financial Statements (Continued)
Year December 31, 2023

3. Material accounting policies (continued)

- (b) Financial instruments – classification, recognition and de-recognition, and measurement (continued)

*Financial assets (continued)**Derecognition*

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired, or the company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a “pass-through” arrangement; and either (a) the company has transferred substantially all the risks and rewards of the asset, or (b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Write-off

Financial assets are written off (either partially or in full) when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts, or that proceeds from collateral will not be sufficient to pay back the entire exposure. This assessment is carried out at the individual asset level.

Recoveries of amounts previously written off are included in ‘impairment losses on financial instruments’ in the statement of profit or loss and other comprehensive income.

*Financial liabilities**Initial recognition and measurement*

All financial liabilities are recognised initially at fair value, and in the case of loans and borrowings, plus directly attributable transaction costs. The company’s financial liabilities, which include accounts payable, are recognised initially at fair value.

Subsequent measurement

The subsequent measurement of financial liabilities depends on their classification as described in the particular recognition methods disclosed in their individual policy notes.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

JAMAICA PRODUCERS GROUP LIMITED

Notes to the Financial Statements (Continued)
Year December 31, 2023

3. Material accounting policies (continued)

(c) Cash and bank

Cash and bank comprises cash in hand and demand and call deposits with banks.

(d) Short-term investments

Short-term investments comprise fixed deposits with banks, money market securities and debt instruments at amortised cost due within one year. They are acquired for their earnings potential and for balancing the company's risks on its investment portfolio. Their nature, liquidity and risk are similar to those of cash and cash equivalents.

(e) Reverse repurchase agreements

When the company sells a financial asset and simultaneously enters into an agreement to repurchase the assets (or similar asset) at a fixed price on a future date (sale-and-repurchase agreement), the consideration received is accounted for as deposit, and the underlying asset continues to be recognised in the company's financial statements.

Reverse repos are accounted for as short-term collateralised lending.

The difference between the sale and repurchase consideration is recognised on the accrual basis over the period of the transaction and is included in interest income.

(f) Accounts receivable

Trade and other receivables are measured at amortised cost, less impairment losses.

(g) Accounts payable and provisions

Trade and other payables, including provisions, are measured at amortised cost.

(h) Property, plant and equipment

(i) Owned assets

Items of property, plant and equipment are measured at cost, less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of an asset. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment. Borrowing costs related to the acquisition or construction of qualifying assets are recognised as part of the cost of those qualifying assets.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and it can be measured reliably. The cost of day-to-day servicing of property, plant and equipment is recognised in profit or loss, as it is incurred.

JAMAICA PRODUCERS GROUP LIMITED

Notes to the Financial Statements (Continued)
Year December 31, 2023

3. Material accounting policies (continued)

(h) Property, plant and equipment (continued)

(ii) Depreciation

Property, plant and equipment, with the exception of freehold land, on which no depreciation is provided, are depreciated on the straight-line basis at annual rates estimated to write-off the assets over their expected useful lives. Depreciation methods, useful lives and residual values are reassessed at each reporting date.

The depreciation rates are as follows:

Leasehold land and buildings	5%
Freehold buildings	5%
Furniture and equipment	10%
Motor vehicles	20%
Computer equipment	33½%

(i) Impairment

Impairment of financial assets

The company recognises a loss allowance for expected credit losses (“ECLs”) on financial assets that are measured at amortised cost.

At each reporting date, based on the nature of the company’s financial assets included in note 3(b), these will not result in any material impairment in the financial statements.

Impairment of non-financial assets

At each reporting date, the company reviews the carrying amounts of its non-financial assets to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated.

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets.

The recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised in profit or loss if the carrying amount of an asset exceeds its recoverable amount.

JAMAICA PRODUCERS GROUP LIMITED

Notes to the Financial Statements (Continued)
Year December 31, 2023

3. Material accounting policies (continued)

(j) Leases

At inception of a contract, the company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the company uses the definition of a lease in IFRS 16.

(i) As a lessee

At commencement or on modification of a contract that contains a lease component, the company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices.

The company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the company by the end of the lease term or the cost of the right-of-use asset reflects that the company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. The right-of-use asset is reduced by impairment losses, if any, and periodically adjusted for remeasurements of the lease liability.

The lease liability is initially measured at the present value of the scheduled lease payments at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

The company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

JAMAICA PRODUCERS GROUP LIMITED

Notes to the Financial Statements (Continued)
Year December 31, 2023

3. Material accounting policies (continued)

(j) Leases (continued)

(i) As a lessee (continued)

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, if the company changes its assessment of whether it will exercise a purchase, extension or termination option, or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The company recognises the lease payments associated with these leases as an expense on the straight-line basis over the lease term.

(ii) As a lessor

When the company acts as a lessor, it makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease.

The company applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The company further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

(k) Employee benefits

Employee benefits are all forms of consideration given by the company in exchange for service rendered by employees. These include current or short-term benefits such as salaries, bonuses, NIS contributions, annual leave, and non-monetary benefits such as medical care and housing; post-employment benefits such as pensions; and other long-term employee benefits such as termination benefits.

Employee benefits that are earned as a result of past or current service are recognised in the following manner:

- short-term employee benefits are recognised as a liability, net of payments made, and charged as expense.
- the expected cost of vacation leave that accumulates is recognised when the employee becomes entitled to the leave.

JAMAICA PRODUCERS GROUP LIMITED

Notes to the Financial Statements (Continued)
Year December 31, 2023

3. Material accounting policies (continued)

(k) Employee benefits (continued)

Employee benefits that are earned as a result of past or current service are recognised in the following manner (continued):

- post-employment benefits are pensions provided through a defined contribution pension plan in which the company participates. The company's contributions to the plan are charged to profit or loss in the period in which they are due.
- the company operates an Employee's Share Ownership Plan ("ESOP"), which is regarded as a structured entity. The ESOP is managed under Trust and provides certain employee with the option to purchase shares at a discount using their annual bonus entitlement.

The fair value of the amount payable to the employees which are settled based on the choice of the employees is measured as an expense with corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the option. Any changes in the liability are recognised in profit or loss.

(l) Investment properties

Investment properties transferred from property, plant and equipment were initially recorded at cost, including related transaction costs, and were measured at fair value on transfer with valuation movement adjusted in other comprehensive income (OCI).

Fair value is determined by independent valuers using the income capitalization approach. Any gain or loss arising from a change in fair value is recognized in profit or loss.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the profit or loss during the financial period in which they are incurred.

On disposal of an investment property, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss. If an investment property is reclassified as real estate held for resale, its fair value at the date of reclassification becomes its cost for accounting purposes.

JAMAICA PRODUCERS GROUP LIMITED

Notes to the Financial Statements (Continued)
Year December 31, 2023

3. Material accounting policies (continued)

(m) Revenue

Performance obligations and revenue recognition policies:

Revenue is measured based on the consideration specified in a contract with a customer. The company recognises revenue over time as the service is provided.

The nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policy is as follows:

Performance obligations and revenue recognition policies:

<u>Type of revenue</u>	<u>Nature and timing of satisfaction of performance obligations, including significant payment terms.</u>	<u>Revenue recognition under IFRS 15</u>
Management fees	The company provides strategic business management services, accounting and legal services under management agreement to its subsidiaries. Fees are based on the provision of comparable services in the market and are charged on a monthly basis.	Recognised over time as the services are provided.

(n) Dividend and rental income

The company earns dividends from subsidiaries and associated companies and equity investments. Dividend income is recognised at the point in time that the company's right to receive payment is established.

The company rents land and buildings to tenants. Rental income is based on market rates and charged monthly according to an agreement and is recognised monthly over the term of the lease agreement.

(o) Finance costs

Finance costs represent interest payable on borrowings together with amortised transaction costs and are recognised in profit or loss using the effective interest method.

(p) Interest income

Interest income is recognised in profit or loss as it accrues, taking into account the effective interest on the asset.

JAMAICA PRODUCERS GROUP LIMITED

Notes to the Financial Statements (Continued)
Year December 31, 2023

3. Material accounting policies (continued)

(q) Taxation

Income tax on the profit or loss for the year comprises current and deferred tax. Income tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income, in which case it is also recognised in other comprehensive income.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted at the reporting date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(r) Investment in associate and subsidiaries

Interests in associate and subsidiaries are measured at cost, less allowance for impairment.

An associate is an entity over which the company has significant influence, but not control or joint control over the financial and operating decisions, generally accompanying a shareholding of between 20% and 50% of the voting rights.

Subsidiaries are those entities controlled by the company. The company 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.

(s) Common control transaction

Common control transactions refer to business combination activities involving entities or business that are under the control of the same ultimate parent company.

The company accounts for common control transactions using the book value approach, whereby assets and liabilities are transferred between subsidiaries at the carrying value in the respective financial statements at the date of the transfer as the entities under common control are part of a larger economic group.

JAMAICA PRODUCERS GROUP LIMITEDNotes to the Financial Statements (Continued)
Year December 31, 20233. Material accounting policies (continued)

(o) Segment reporting

An operating segment is a component of the company that engages in business activities from which it may earn revenues and incur expenses; whose operating results are regularly reviewed by the entity's Chief Executive Officer ("CEO") to make decisions about resources to be allocated to the segment and assesses its performance; and for which specific financial information is available.

The operations of the company are reviewed as a whole and not in segments by its CEO. The company is categorised into one main business segment and the company uses profit or loss before finance cost and taxation to measure performance of its business as a whole. See note 16.

4. Cash and bank

This comprises cash and bank balances that are demand deposits.

5. Short term investments

This comprises fixed deposits bearing interest of 3.7% to 8.5% annually.

6. Accounts receivable

	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
Staff receivables	1,070	2,773
Prepayment	6,092	3,506
Other receivables and prepayments	<u>36,241</u>	<u>37,200</u>
	43,403	43,479
Less: Allowance for impairment	<u>(5,456)</u>	<u>(24,274)</u>
	<u>37,947</u>	<u>19,205</u>

The movement in the allowance for impairment in respect of accounts receivable during the year is as follows:

	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
Balance at January 1	24,274	14,374
Impairment losses recognised	-	10,282
Impairment losses written back	(19,331)	-
Exchange loss/(gain)	<u>513</u>	<u>(382)</u>
Balance at end of year	<u>5,456</u>	<u>24,274</u>

JAMAICA PRODUCERS GROUP LIMITEDNotes to the Financial Statements (Continued)
Year December 31, 20237. Accounts payable

	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
Dividends payable	336,643	336,643
Loan from ESOP	318,039	296,237
Loan from Trusts	237,731	171,423
Accrued staff costs	38,254	134,407
Accrued expenses	34,913	90,294
Interest payable	-	12,872
Trade payables	2,115	2,446
Unclaimed dividends (a)	17,544	20,798
Other	<u>35,323</u>	<u>12,404</u>
	<u>1,020,562</u>	<u>1,077,524</u>

(a) Article 121 of the amended Articles of Association provides that all dividends declared may be utilised for the benefit of the company until claimed. Dividends unclaimed for after a period of twelve years from the date of declaration, may be forfeited and revert to the company.

8. Interest in subsidiaries, associates and joint ventures

	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
Investment in subsidiaries, associates and joint ventures:		
Shares subsidiaries, at cost (note 1)	2,495	4,151,890
Shares in associate and joint ventures, at cost (note 1)	<u>32,097,000</u>	<u>36,942</u>
	32,099,495	4,188,832
Provision for loss in investment in subsidiary	(2,495)	-
	<u>32,097,000</u>	<u>4,188,832</u>
Due to/due from subsidiaries, associates and joint ventures:		
Due from:		
Loan accounts receivable-subsiidiaries	780,156	269,546
Current accounts receivable-subsiidiaries	313,121	2,793,836
Loan and current accounts -associates and joint ventures	<u>7,648</u>	<u>285,963</u>
	1,100,925	3,349,345
Less: Impairment allowance- for subsidiary balances	(780,156)	(959,620)
	<u>320,769</u>	<u>2,389,725</u>
Due to:		
Loan accounts payable	-	2,650,118
Current accounts payable	<u>110,990</u>	<u>184,294</u>
Interest in subsidiaries	<u>110,990</u>	<u>2,834,412</u>

During the prior year shares held in a subsidiary were pledged as security against a term loan (note 15). These shares along with the loan were disposed of as part of the amalgamation agreement (note 1).

The recoverable amount of the company's investment in each subsidiary is reviewed annually for impairment. The impairment review at the end of the year resulted in a decrease (2022: increase) in the impairment allowance of \$182,792,000 (2022: \$169,065,000).

JAMAICA PRODUCERS GROUP LIMITED

Notes to the Financial Statements (Continued)
Year December 31, 2023

8. Interest in subsidiaries, associates and joint ventures (continued)

On 1 April, 2023 the company transferred its core business operations to Pan Jamaica Group Limited ("PJG") (formerly PanJam Investments Limited) in exchange for newly issued shares in PJG equal to 34.5% of PJG's issued share capital. In order to facilitate the transfer of businesses to PJG, immediately prior to that transfer, the company completed a legal restructure, including an approved scheme of reorganisation, to move all transferring operations into a newly incorporated holding company, JP Global Holdings Limited ("JPGH"). The company then exchanged 100% of the issued shares of JPGH for shares in PJG.

In accordance with IFRS Accounting Standards, the following transactions were completed:

- (i) The transfer of ownership of all subsidiaries to JPGH in return for increase investment in the newly incorporated entity. Within this transaction, certain assets and liabilities were transferred between subsidiaries of the company under an approved scheme of reorganization. In determining the appropriate accounting for the transaction, management evaluated the economic drivers and rationale behind the transaction. All transactions were carried out at net book value by applying the common control transaction guidance in IFRS 3 *Business Combination*.
- (ii) The loss of control of investment in subsidiary, JPGH, in return for shares in associate company PJG. This transaction represents a change in the control status of the JPGH businesses and is separately treated as a full disposal of subsidiary and; an acquisition of an associate. See note 23.

9. Investments

This comprises quoted equity investments measured at fair value through other comprehensive income.

10. Property, plant and equipment

	Work -in- progress \$'000	Freehold land and buildings \$'000	Leasehold land and buildings \$'000	Equipment, vehicles and furniture \$'000	Total \$'000
Cost					
December 31, 2021	125	74,033	39,569	133,231	246,958
Additions	14,610	-	744	24,542	39,896
Disposals	-	-	-	(5,510)	(5,510)
December 31, 2022	14,735	74,033	40,313	152,263	281,344
Additions	8,019	-	-	2,841	10,860
Revaluation	-	577,342	-	-	577,342
Transfers [note 11(ii)]	-	(627,212)	-	-	(627,212)
Disposals	-	(1,227)	-	(144,719)	(145,946)
December 31, 2023	<u>22,754</u>	<u>22,936</u>	<u>40,313</u>	<u>10,385</u>	<u>96,388</u>
Depreciation					
December 31, 2021	-	30,620	15,849	119,967	166,436
Charge for the year	-	2,168	1,272	7,583	11,023
Eliminated on disposal	-	-	-	(5,510)	(5,510)
December 31, 2022	-	32,788	17,121	122,040	171,949
Charge for the year	-	1,557	268	6,645	8,470
Impairment	-	-	19,036	-	19,036
Transfer	-	(13,212)	-	-	(13,212)
Eliminated on disposal	-	-	-	(121,266)	(121,266)
December 31, 2023	-	<u>21,133</u>	<u>36,425</u>	<u>7,419</u>	<u>64,977</u>
Net book values					
December 31, 2023	<u>22,754</u>	<u>1,803</u>	<u>3,888</u>	<u>2,966</u>	<u>31,411</u>
December 31, 2022	<u>14,735</u>	<u>41,245</u>	<u>23,192</u>	<u>30,223</u>	<u>109,395</u>

JAMAICA PRODUCERS GROUP LIMITED

Notes to the Financial Statements (Continued)
Year December 31, 2023

11. Investment properties

	<u>2023</u>
	\$'000
Transferred from property, plant and equipment:	
revalued properties from cost (note 10)	627,212
Accumulated depreciation	<u>(13,212)</u>
	<u>614,000</u>

- (i) Investment properties transferred from property, plant and equipment during the year include two separate commercial properties located in Kingston, Jamaica valued at \$426,000,000 and \$188,000,000. These properties were previously treated as owner occupied properties as they were rented to subsidiaries of the company. Effective April 1, 2023, the subsidiaries were sold to Pan Jamaica Group under an amalgamation agreement, see note 1. The investment properties include land with fair value of \$48,000,000, that was pledge for loan held by a related party.

- (ii) Amounts recognised in profit or loss

	<u>2023</u>
	\$'000
Operating expense	1,425
Lease rental income	<u>28,585</u>

- (iii) Measurement of fair values

The properties are stated at fair market value, as appraised by a qualified independent valuator, NAI Jamaica Langford and Brown as at December 31, 2023. The valuation model has been applied in accordance with those recommended by the International Valuation Standards Committee and is consistent with the principles of IFRS 13. The fair value measurement for the company's investment properties is valued under the income capitalisation approach and categorised as Level 3 in the fair value hierarchy based on certain unobservable inputs that the valuation technique used. The unobservable inputs and the valuation technique used are as shown in the table below.

Valuation techniques	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
<p><i>Income approach:</i> This is an approach whereby the present value of the estimated or actual future cash benefits or income stream is calculated. The approach applies the use of valuation tables derived for professional valuation purposes.</p>	<p>Capitalisation rate of 8.5% (based on the length of the lease).</p>	<p>The estimated fair value would increase/(decrease) if: Capitalisation rate is higher/ lower.</p>

JAMAICA PRODUCERS GROUP LIMITEDNotes to the Financial Statements (Continued)
Year December 31, 202312. Leases

(a) Right-of-use assets

	<u>Leasehold land and buildings</u>
	\$'000
Cost	
December 31, 2022	79,282
Adjustment to lease term [note 12(c)]	<u>(58,572)</u>
December 31, 2023	<u>20,710</u>
Depreciation	
December 31, 2021	12,078
Charge for the year	<u>4,142</u>
December 31, 2022	16,220
Charge for the year	<u>4,490</u>
December 31, 2023	<u>20,710</u>
Net book values	
December 31, 2023	<u>-</u>
December 31, 2022	<u>63,062</u>

(b) Lease liabilities

	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
Maturity analysis - contractual cash flows:		
Less than one year	8,075	8,780
One to five years	-	44,239
More than five years	<u>-</u>	<u>86,451</u>
Total contractual cash flows	8,075	139,470
Less: future interest	<u>-</u>	<u>(75,455)</u>
	8,075	64,015
Less: current portion	<u>(8,075)</u>	<u>(6,478)</u>
Non-current	<u>-</u>	<u>57,537</u>
Amounts recognised in profit or loss:		
Interest on lease liabilities (note 17)	<u>(1,466)</u>	<u>(1,452)</u>
Amounts recognised in the statement of cash flows:		
Total cash outflow for leases	<u>8,364</u>	<u>6,644</u>

JAMAICA PRODUCERS GROUP LIMITED

Notes to the Financial Statements (Continued)
Year December 31, 2023

12. Leases (continued)

(c) Real estate leases

The company leases land and buildings for its office space. The leases of office space typically run for a period of 5-10 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term. During the year the company decided to exercise the option not to extend its lease and therefore adjusted the lease term, see note 12 (a).

Some leases provide for additional rent payments that are based on changes in local price indices in the period. Some also require the company to make payments that relate to the property taxes levied on the lessor and insurance payments made by the lessor. These amounts are generally determined annually.

(d) As the lessor

Leases relate to property owned by the company that is leased to a related party with lease terms of between 2 to 7 years, with options to extend for a further 1 to 7 years. The lessees do not have the option to purchase the property at the expiry of the lease period.

Income and expenses associated with leased properties are disclosed in note 11(ii).

Commitments for income under non-cancellable operating leases at year-end are as follows:

	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
Within one year	29,000	25,724
In the second to fifth year inclusive	<u>152,250</u>	<u>73,269</u>
	<u>181,250</u>	<u>98,993</u>

13. Share capital

Authorised:

1,500,000,000 ordinary shares at no par value.

Stated capital, comprises 1,122,144,036 issued and fully paid stock units.

Holders of these shares are entitled to dividends as declared from time to time and entitled to one vote per share at general meetings of the company.

The company's stated capital does not include share premium which is retained in capital reserves (note 14) in accordance with Section 39 (7) of the Companies Act.

JAMAICA PRODUCERS GROUP LIMITED

Notes to the Financial Statements (Continued)
Year December 31, 2023

14. Reserves

	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
Capital:		
Share premium (note 13)	135,087	135,087
Other	1,480,941	1,219,262
Fair value reserve	<u>(8,726)</u>	<u>(7,570)</u>
	1,607,302	1,346,779
Accumulated profits:		
Retained profits	<u>31,790,870</u>	<u>1,618,101</u>
	<u>33,398,172</u>	<u>2,964,880</u>

Other capital reserves comprise gains on disposal of property, plant and equipment and investments up to December 31, 2023, unrealised exchange gains, unrealised gains on valuation of investment property and unclaimed dividends to stockholders (note 20). Fair value reserve comprises of fair value movement on equity investments carried at fair value through other comprehensive income.

The company declared a capital distribution of \$0.30 (2022: \$0.30) per share unit effective December 20, 2023 (note 20).

15. Loans and borrowings

	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
Balance at, January 1	975,000	1,105,000
Repayment of loan	-	(130,000)
Loan transferred as part of amalgamation (note 1)	<u>(975,000)</u>	<u>-</u>
Balance at December 31	<u>-</u>	<u>975,000</u>
Less borrowing cost:		
Balance at beginning of the year	(3,222)	(3,966)
Amortised for the year	<u>3,222</u>	<u>744</u>
	<u>-</u>	<u>(3,222)</u>
	<u>-</u>	<u>971,778</u>
Total carrying value of long-term loan	-	971,778
Less: current portion long term loan	<u>-</u>	<u>(130,000)</u>
Non-current portion of long term loan	<u>-</u>	<u>841,778</u>

A term loan of \$1,300,000,000 was entered into on March 30, 2020 with The Bank of Nova Scotia Jamaica Limited. It was secured by shares in Kingston Wharves Limited and was repayable by April 2027 with principal repayable in 13 semi-annual payments of \$65,000,000 and a final payment of \$455,000,000 in April 2027. Interest accrues at a rate of 5.35% p.a.

Effective April 1, 2023, as part of the amalgamation agreement the loan was assigned to JP Global Holdings Limited (JPGH). At the same date the underlying security of shares in Kingston Wharves Limited was also transferred to JPGH. All payments and obligations due after April 1 are now the responsibility of JPGH.

JAMAICA PRODUCERS GROUP LIMITED

Notes to the Financial Statements (Continued)
Year December 31, 2023

16. Revenue

Revenue comprises management fees and rental income earned by the company for services rendered to its subsidiaries and joint ventures.

The company has no material reportable segments into which its business may be broken down other than as disclosed in these financial statements.

The following table shows a disaggregation of contract revenue by primary markets, major products and services and timing of recognition:

	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
Primary Geographic Market		
Europe	10,841	44,824
Caribbean and North America	<u>32,895</u>	<u>58,653</u>
	<u>43,736</u>	<u>103,477</u>
Major Service		
Corporate services	15,151	78,267
Property rental	<u>28,585</u>	<u>25,210</u>
	<u>43,736</u>	<u>103,477</u>
Timing of recognition		
Services transferred over time	<u>43,736</u>	<u>103,477</u>

17. Financial income and expenses

	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
Finance income:		
Interest income on bank deposits, loans and receivables	74,499	89,347
Dividend income	182,643	403,042
Net foreign exchange gain	<u>55,470</u>	<u>-</u>
	<u>312,612</u>	<u>492,389</u>
Finance costs:		
Interest expense on financial liabilities measured at amortised cost	(50,498)	(119,453)
Interest expense – lease liability [note 12(b)]	<u>(1,466)</u>	<u>(1,452)</u>
	(51,964)	(120,905)
Net foreign exchange loss	<u>-</u>	<u>(40,246)</u>
	<u>(51,964)</u>	<u>(161,151)</u>
Net finance income	<u>260,648</u>	<u>331,238</u>

JAMAICA PRODUCERS GROUP LIMITEDNotes to the Financial Statements (Continued)
Year December 31, 202318. Administrative and other operating expenses

	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
Administrative and other expenses:		
Advertising & promotion	2,454	7,870
Auditors' remuneration – current year	22,757	22,243
Auditors' remuneration - non-audit services	2,994	2,528
Bad debt (recovered)/expense	(18,698)	10,282
Bank charges	818	1,423
Depreciation – property, plant and equipment	8,470	11,023
Asset impairment	28,566	-
Depreciation – right-of-use assets	4,490	4,142
Director's emoluments – fees	13,570	12,640
Donations	9,192	10,724
Insurance	3,316	2,807
IT & communications	3,416	7,062
Legal & professional	44,163	78,267
Office costs	317	1,390
Other property costs, maintenance, security, cleaning	11,104	10,240
Staff costs	110,009	389,527
Transport, automobile and associated costs	2,713	5,326
Travel	13,857	48,448
Utilities	2,621	3,835
Other	<u>22,707</u>	<u>26,267</u>
Total administrative and other operating expenses	<u>288,836</u>	<u>656,044</u>

19. Taxation

- (a) The taxation charge is based on the company's results for the year, as adjusted for tax purposes and comprises:

	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
Current tax expense:		
Withholding tax at source on dividend	<u>11</u>	<u>12</u>

- (b) Reconciliation of actual taxation charge:

The effective tax rate for 2023 was 0.01% (2022: 0.27%) compared to a statutory rate of 25% (2021: 25%). The actual tax charge differs from the "expected" tax charge for the year as follows:

	<u>2023</u>	<u>2022</u>
	\$'000	\$'000
Profit/(loss) before taxation	<u>30,172,782</u>	<u>(389,363)</u>
Computed "expected" tax charge at 25%	7,543,196	(97,341)
Taxation difference between profit for financial statements and tax reporting purposes on:		
Gain on disposal of investment and property, plant and equipment	(7,493,613)	(261)
Foreign currency loss/(gain) on capital items	(8,981)	37,065
Disallowed income and expenses, depreciation and other items	<u>(40,591)</u>	<u>60,525</u>
Actual tax charge recognised in the profit and loss account	<u>11</u>	<u>(12)</u>

JAMAICA PRODUCERS GROUP LIMITEDNotes to the Financial Statements (Continued)
Year December 31, 202319. Taxation (continued)

- (c) At December 31, 2023, taxation losses subject to agreement by the Commissioner General, Tax Administration Jamaica, available for relief against future taxable profits amounted to approximately \$2,224,645,116 (2022: \$1,904,325,368). As of January 1, 2014, tax losses may be carried forward indefinitely; however, the amount that can be utilised is restricted to 50% of chargeable income (before prior year losses) in any one year.

A deferred tax asset of \$556,161,279 (2022: \$476,081,342) has not been recognised as management considers its realisation within the foreseeable future to be uncertain.

20. Capital distributions

	<u>2023</u> \$'000	<u>2022</u> \$'000
Capital distributions:		
First interim - \$0.30¢ (2022: \$0.30¢) per stock unit - gross	336,643	336,643
Unclaimed capital distributions written back to capital reserves (note 14)	(20,978)	(9,663)
	<u>315,665</u>	<u>326,980</u>

21. Related parties

- (a) Identity of related parties:

The company has related party relationships with its directors and officers. The company's executive directors and officers are collectively referred to as "key management personnel".

- (b) Transactions with directors and other key management personnel:

Directors and officers of the company, their immediate relatives and entities over which they have significant influence control 22% (2022: 22%) of the voting shares of the company. In addition to their salaries, the company contributes to post-employment benefit plans on behalf of key management personnel.

	<u>2023</u> \$'000	<u>2022</u> \$'000
Short-term employment and other benefits	32,296	222,453
Post-employment benefits	10,261	14,958
Total remuneration, included in directors' emoluments and staff costs, where applicable (note 18)	<u>42,557</u>	<u>237,411</u>

JAMAICA PRODUCERS GROUP LIMITED

Notes to the Financial Statements (Continued)
Year December 31, 2023

21. Related parties (continued)

(c) Transactions with other related parties, directors and key management personnel in other capacities:

<u>Category and nature of relationship</u>	<u>Nature of transactions</u>	<u>Transactions in year (income)/expense</u>		<u>(Payable)/receivable at end of year</u>		<u>Terms and conditions *</u>
		<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
50% Joint venture	Management Fee	(8,667)	(27,608)	-	-	2,3
34.5% Associate	Management Fee	7,500	-	7,500	-	2,3
Transactions with directors and key management personnel or entities under their control and/or significant influence:						
Director fees		13,570	12,640	-	-	2,3
Company under their control	Insurance premiums charged to company by broker	2,996	2,811	-	-	1,2,3
Company under their control	legal services charged to company	-	37,753	-	-	1,2,3
Company related through associate	Management Fee	15,016	-	-	-	2,3
Company related through associate	Management Fee	(1,077)	-	-	-	2,3
Company related through associate	Rental income	(21,750)	-	-	-	2,3

*The number in each row represents the terms and conditions that are applicable to the stated transactions and their meanings are as follows:

1. Credit of up to 30 days
2. Unsecured
3. Settlement in cash
4. Credit over 30 days

22. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one enterprise and a financial liability or equity instrument of another enterprise. For the purpose of the financial statements, financial assets have been determined to include cash and cash equivalents, short-term investments, reverse repurchase agreements, accounts receivable and investments. Financial liabilities include long-term loans and accounts payable and lease liabilities.

(a) Fair value of financial instruments:

Fair value amounts represent estimates of the arm's length consideration for which an asset could be exchanged or a liability settled between knowledgeable, willing parties who are under no compulsion to act. Fair value is best evidenced by a quoted market price, if one exists.

JAMAICA PRODUCERS GROUP LIMITED

Notes to the Financial Statements (Continued)
Year December 31, 2023

22. Financial instruments (continued)

(a) Fair value of financial instruments (continued):

The fair value of cash and bank, reverse repurchase agreements, short-term investments, accounts receivable and accounts payable are assumed to approximate their carrying values due to their relatively short-term nature and are included in level 2 fair value hierarchy. The fair value of long-term loans is assumed to approximate the carrying value as the interest rate reflects the market rate and is included in level 2 fair value hierarchy. Fair value of quoted investments is the market value. This method falls within the level 1 fair value hierarchy and is defined as quoted prices (unadjusted) in an active market for identical assets.

The Group has determined that assets will transfer from level 2 hierarchy to level 1 if observable information becomes available in an active market. Assets will also be transferred from level 1 fair value hierarchy to level 2 or 3, if an active market is no longer available. There were no transfers between levels during the year or in prior year.

(b) Financial investment risks

The company has exposure to the following risks from its use of financial instruments: credit risk, liquidity risk and market risk including interest rate risk, currency risk and price risk. Information about the company's exposure to each of the above risks, and the company's objectives, policies and processes for measuring and managing risk are detailed below.

The Board of Directors has overall responsibility for the establishment and oversight of the company's risk management framework.

The risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities. Management standards and procedures aim to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

(i) Credit risk

Credit risk is the risk of financial loss to the company if a counterparty to a financial instrument fails to meet its contractual obligations. This arises principally from amounts due from related party customers, reverse repurchase agreements, other investments and cash and cash equivalents.

The maximum exposure to credit risk at the reporting date is equal to its carrying value.

The company manages this risk as follows:

- Cash and cash equivalents and short-term investments

The company maintains cash resources and short-term deposits with reputable financial institutions. The credit risk is considered to be low.

No allowance for impairment is deemed necessary.

JAMAICA PRODUCERS GROUP LIMITED

Notes to the Financial Statements (Continued)
Year December 31, 2023

22. Financial instruments (continued)

(b) Financial instrument risks (continued):

(i) Credit risk (continued)

- Reverse repurchase agreements

Assigned collateral, with a fair value of \$416,741,000 (2022: \$639,732,000) was held for securities purchased under resale agreements [note 3(e)]. These collaterals represent Government of Jamaica Benchmark notes, Bank of Jamaica Bonds and certificate of deposits maturing 2024 to 2029. Interest rate on these instruments ranges between 2.2% and 5.67%.

The allowance for impairment is immaterial.

(ii) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposure within acceptable parameters, while optimising the return on assets.

The company manages this risk by conducting research and monitoring the price movement of securities on the local and international markets.

There were no changes in the company's approach to managing market risk during the year.

Currency risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The company is exposed to foreign currency risk on transactions that are denominated in currencies other than the Jamaican dollar. The main currencies giving rise to this risk are the pound sterling ("GBP"), Euro ("EUR") and United States dollar ("USD").

The company manages this risk by matching foreign currency assets with liabilities as far as possible. Interest on borrowings is denominated in currencies that match the cash flows generated by the underlying operations in which the borrowings are invested. This provides an economic hedge and no derivatives are entered into.

There were no changes in the company's approach to managing foreign currency risk during the year.

There were no material foreign currency financial assets or liabilities at year-end.

Foreign currency sensitivity analysis

The following table details the company's sensitivity to a 4% strengthening or 1% weakening of the relevant currencies against the Jamaica dollar and the resultant net exchange gains or losses based on the net foreign currency assets or liabilities at year-end.

JAMAICA PRODUCERS GROUP LIMITED

Notes to the Financial Statements (Continued)
Year December 31, 2023

22. Financial instruments (continued)

(b) Financial instrument risks (continued):

(ii) Market risk (continued)

Currency risk (continued)

These percentages represent management's assessment of the reasonably possible change in foreign currency rates.

Foreign currency sensitivity analysis (continued)

This analysis assumes that all other variables, in particular interest rates, remain constant. This analysis is performed on the same basis as in the previous year.

(i) 4% (2022: 4%) Depreciation of JMD

	<u>Effect on profit</u>	
	<u>2023</u>	<u>2022</u>
USD	38,054	47,108
GBP	<u>12,525</u>	<u>1,179</u>

(ii) 1% (2022: 1%) Appreciation of JMD

	<u>Effect on profit</u>	
	<u>2023</u>	<u>2022</u>
USD	9,514	11,777
GBP	<u>3,131</u>	<u>295</u>

Buying exchange rates at:

	<u>December 31</u>	
	<u>2023</u>	<u>2022</u>
USD 1 to JMD 1	153.59	149.96
GBP 1 to JMD 1	190.98	176.90
EUR 1 to JMD 1	<u>171.54</u>	<u>154.68</u>

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Bank loan is subject to interest rates which may be varied with appropriate notice from the lender.

At the reporting date the interest rate profile of the company's interest-bearing financial instruments was:

	<u>2023</u>	<u>2022</u>
	<u>\$'000</u>	<u>\$'000</u>
Fixed-rate instruments:		
Financial liabilities	<u>-</u>	<u>975,000</u>

There were no changes in the company's approach to managing interest rate risk during the year.

JAMAICA PRODUCERS GROUP LIMITED

Notes to the Financial Statements (Continued)
Year December 31, 2023

22. Financial instruments (continued)

(b) Financial instrument risks (continued):

(ii) Market risk (continued)

Other price risk

Other price risk is the risk that the value of certain financial instruments will fluctuate as a result of changes in market prices, whether caused by factors specific to an individual investment or its issuer, or all factors affecting instruments traded in the market generally. As the company's financial equity investments, are carried at fair value with fair value changes recognised in the reserves, all changes in market conditions would affect other comprehensive income ("OCI").

The company's exposure to price risk is represented by the total carrying value of equity investments of \$11,221,000 (2022: \$12,377,000).

Sensitivity to movements in equity prices:

Sensitivity is measured by computing the impact on shareholders' equity of a reasonably probable change in equity prices.

The company's equity investments are listed locally on the Jamaica Stock Exchange. A 6% (2022: 6%) increase in stock prices at the reporting date would have increased other comprehensive income by \$673,000 (2022: \$742,620); an equal decrease would have decreased other comprehensive income by an equal amount.

(iii) Liquidity risk

Liquidity risk, also referred to as funding risk, is the risk that the company will not be able to meet its financial obligations as they fall due and/or encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset quickly at, or close to, its fair value. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed facilities.

The management of the company aims at maintaining flexibility in funding by ensuring that sufficient cash resources are held or placed in short-term marketable instruments to meet financial obligations when they fall due.

There were no changes in the company's approach to liquidity risk management during the year. The company had no non-current financial liabilities at year end.

(c) Capital management

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board of Directors monitors the return on capital, which the company defines as total shareholders' equity. The level of dividends to ordinary shareholders is also monitored in accordance with the company's stated dividend policy.

JAMAICA PRODUCERS GROUP LIMITED

Notes to the Financial Statements (Continued)
Year December 31, 2023

22. Financial instruments (continued)

(c) Capital management (continued)

The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position.

There were no changes in the company's approach to capital management during the year.

Neither the company nor any of its subsidiaries are subject to externally imposed capital requirements.

23. Disposal of subsidiary

	<u>2023</u> \$'000
Cost of investments received (i)	32,097,000
Less: carrying amount of investment in subsidiary	<u>(2,112,839)</u>
Gains on disposal	<u>29,984,161</u>

- (i) The cost of investment in associate represents the fair value of the businesses transferred to Pan Jamaica Group under an amalgamation agreement (note 1).

The fair values of significant businesses transferred were calculated by estimating their future cash flows and discounting those cash flows using long-term discount rates applicable to the countries in which the businesses operate. Future sustainable cash flows were estimated based on the most recent forecasts, after taking account of past experience. In all cases projected cash flows were estimated over 5 years, followed by a terminal value calculated based on the discount rates and growth rates.

The range of significant assumptions used are as follow:

<u>Significant business sector</u>	<u>2023</u>	
	<u>Discount rates</u>	<u>Terminal growth rates</u>
Juice manufacturing business	11%-13%	2.0%
Other food manufacturing business	13%-15%	2.0%
Logistics business	<u>13%-15%</u>	<u>2.0%-5.0%</u>

JAMAICA PRODUCERS GROUP LIMITED

Notes to the Financial Statements (Continued)
Year December 31, 2023

24. Subsidiaries and associates and joint venture companies

The company had investments in the following subsidiaries and associates, some of which were held up to March 31, 2023 (see note 1). The results of these companies are not included in these financial statements [see note 2(b)]. Subsidiaries of subsidiaries are indented under their respective parent in the list below. Inactive subsidiaries are excluded.

January 1, 2023 to March 31, 2023:

	<u>% equity held</u>		<u>Place of business</u>
	<u>2023</u>	<u>2022</u>	
SUBSIDIARY COMPANIES			
JP Tropical Group Limited	100	100	Jamaica
Agualta Vale Limited	100	100	Jamaica
Agri Services Limited	100	100	Jamaica
Eastern Banana Estates Limited	100	100	Jamaica
St. Mary Banana Estates Limited	100	100	Jamaica
JP Tropical Foods Limited	100	100	Jamaica
JP Snacks Caribbean Limited	70	70	Cayman Islands
Antillean Foods, Inc.	100	100	Cayman Islands
Jamaica Producers Shipping Company Limited	60	60	Jamaica
Kingston Wharves Limited	42	42	Jamaica
Harbour Cold Stores Limited	100	100	Jamaica
Security Administrators Limited	67	67	Jamaica
Western Storage	100	100	Jamaica
Western Terminals Limited	100	100	Jamaica
Newport Stevedoring Services Limited	100	100	Jamaica
KW Logistics Limited	100	100	Jamaica
KW Warehousing Services Limited	100	100	Jamaica
Four Rivers Mining Company Limited	100	100	Jamaica
JP International Group Limited	100	100	Cayman Islands
Coöperatief JP Foods U.A.	100	100	The Netherlands
A.L.Hoogesteger Fresh Specialist B.V.	100	100	The Netherlands
JP Shipping Services Limited	100	100	England and Wales
Miami Freight Shipping Limited.	100	100	U.S.A.
JP Fresh Limited	100	100	England and Wales
JP Juice Belgium	100	-	Belgium
HPP Belgium BV	100	-	Belgium
The Juicy Group BV	100	-	Belgium
Tortuga International Holdings Limited	62	62	St. Lucia
Tortuga (Barbados) Limited	100	100	Barbados
Tortuga Imports, Inc.	100	100	U.S.A
Tortuga Caribbean Rum Cake Jamaica Limited	100	100	Jamaica
Tortuga Caribbean Limited	100	100	Jamaica
JP Global Holdings Limited	100	-	Jamaica
 ASSOCIATE COMPANIES AND JOINT VENTURES			
Tortuga Cayman Limited	40	40	Cayman Islands
Geest Line Limited	50	50	United Kingdom
CoBeverage Lab S.L.	50	50	Spain
Grupo Frontera Limited	50	50	St Lucia
Grupo Alaska S.A.	100	100	Dominican Republic
CIM		50	50

JAMAICA PRODUCERS GROUP LIMITED

Notes to the Financial Statements (Continued)
Year December 31, 2023

24. Subsidiaries and associates and joint venture companies (continued)

April 1, 2023 to December 31, 2023:

	<u>% equity held</u>		<u>Principal place of business</u>
	<u>2023</u>	<u>2022</u>	
<i>SUBSIDIARY COMPANIES</i>			
Agualta Vale Limited	100	100	Jamaica
Jamaica Producers Shipping Co Limited	100	100	Jamaica
JP International Holdings UK Limited	100	Nil	United Kingdom
Four Rivers Mining Company Limited	100	100	Jamaica
<i>ASSOCIATE COMPANY</i>			
Pan Jamaica Group Limited	34.5	Nil	Jamaica