2023 ANNUAL REPORT

Growing Strong

STATIONERY & OFFICE SUPPLIES LTD.

Contents

Growing Strong

Year after year, SOS Ltd. has achieved consistent growth – allowing us to expand our services, product offerings and the way we do business.

VISION

Delivering solutions for functional and attractive workspaces that promote creativity, efficiency and support every body, hassle-free.

MISSION

To provide the largest stock of high quality office supplies, furniture and accessories that support an efficient and organized operation.

CORE VALUES

QUALITY.
We believe in what we supply.

INTEGRITY.
Your trusted partner

INNOVATION.
Constantly upgrading the rules of productivity.

SERVICE.
Reliability and efficiency at our core.

COMMITMENT.
All backed by a supportive and knowledgeable team.

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ABOUT THE COMPANY

A TRUSTED DISTRIBUTOR SINCE 1965

Stationery and Office Supplies Ltd. (SOS) has been in the business of selling high quality stationery and office furniture since we opened our doors in 1965. We are proud of what we have accomplished and look forward to serving Jamaica and the wider Caribbean for many years to come.

We have been a trusted distributor for all office needs, ensuring that our clients are able to run an efficient and organized operation. We carry everything from pens, pencils, erasers and post-it pads to desks, chairs, stationery cupboards, shredders and fire-resistant cabinets. Any item that is not in stock from our large inventory of products can be specially ordered and shipped in at the customer's request.

SOS is the sole distributor in Jamaica for Fursys Systems Office Furniture (one of its leading lines of modular office furniture systems), Boss Chairs, Smart Office Furniture, Hi-Top Case Goods, Torch Furniture, Image Furniture, Evolve Furniture line, Sentry Safes, Gardex Fire Resistant Cabinets and Safes and is the only authorized service agent for Fellowes Shredders. In May 2018, SOS acquired the manufacturing assets of Book Empire Limited, which produces SEEK notebooks, quire books, and writing pads. In 2023, the company became the exclusive local distributor of Pilot pens and one of two distributors of 3M products in Jamaica.

We invite you to call or visit our offices at any time to request a free consultation from one of our experienced sales executives who will help you to select products best suited for your business.

SOS is located at 21-25 Beechwood Avenue, Kingston 5 and boasts a 3,000 sq. ft. showroom filled with samples of the various furniture and stationery items available in stock. Our Montego Bay office is located at Unit #8, Fairview Office Park, Montego Bay, with a spacious showroom displaying furniture and stationery supported by qualified staff waiting to assist you with your every need.

The in-house support staff is always ready to assist. If you need stationery, furniture or repairs to office furniture give us a call at our offices today in Kingston (876) 926-5688 / 926-2649 or Montego Bay (876) 953-6351 / 979-8635 or email us at mail@sosjm.com

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Our sales executives are equipped with a full range of catalogues, samples and prices to make your decisions fast and as easy as possible. Our staff is all about personal service that makes the everyday business of buying stationery and office furniture just a little more enjoyable and stress free for you.

SUSTAINABILITY AND GREEN SOLUTIONS

In 2011, the Company decided to play its part in protecting our environment by introducing shredding services to the general public. This endeavour has grown rapidly over time as companies have become more aware of the hazards of disposing old office documents and sensitive data incorrectly. Housed in its own secure storage facility on the compound, this addition to the Company's service offerings meets all international best practice standards, including banking best practice standards, as they apply to shredding and the destruction of material that contain confidential information.

All of the shredded paper products are exported to various mills overseas where the shredded paper is recycled. Customers are able to relax in the comfort of their offices and view the shredding process being undertaken at the Company's premises with SOS' online real-time viewing capabilities. Alternatively, customers may also be present at the Company's premises to observe the process. We are currently able to process up to 10,000 pounds of paper on a daily basis and have the ability to shred tapes, hard drives, CDs and other media storage devices in compliance with international best practice standards. In addition, we offer pickup and delivery service options to clients who require door to door service.

In December 2014, SOS installed a 75kw solar (photovoltaic) system at its head office at Beechwood Avenue. This includes 292 255-watt solar panels mounted on the roof and nine (9) 7000-watt inverters installed in a secure location. We are very proud of our contribution to the preservation of the environment and will continue to exercise this policy in the foreseeable future.

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Growing Strong

SOS Ltd. has established a series of partnerships for exclusive distribution rights and finalized acquisitions to expand its product and service offerings.

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CHAIRMAN'S MESSAGE

RAPID EXPANSION & GROWTH

I am pleased to present to you, on behalf of our Board of Directors, Stationery and Office Supplies Limited's (SOS') Annual Report for the Financial Year 2023 (FY 2023). The year 2023 was a new benchmark for our company. I'm filled with immense pride and gratitude when I think about the past year and what we've accomplished. Having experienced such a magnitude of success in 2022, we were excited about the year ahead and the possibilities it would bring. We were even more thrilled when, at our half-year mark, we surpassed $1 billion in revenues and closed out the year in our strongest position ever, with a new record of $1.94 billion in revenue. We are now closer to the $2 billion milestone than we've ever been and are certain that this feat is well within our reach.

A FORWARD-THINKING TEAM

I must underscore that the heights to which we've risen would not have been attainable without our people, our team, our life force. Our team has taken the time to plan, implement and adjust our strategies as needed to ensure our consistent assent as the leading furniture and office supply store in Jamaica. Through this collective effort, we attained an 11% revenue increase year on year as gross profit climbed to $983 million from $836 million, a 17% increase on the previous year. We also grew our pre-tax profit by 17% from $284 million to $332 million, while profit after tax grew 8%.

It wasn't a year without challenges, but with the economy back to pre-COVID-19 output levels, our primary hurdle was finding the necessary skilled professionals to meet our rapid expansions. We are pleased to have scaled this hurdle, resulting in the growth of our team and our company's ability to better serve our customers.

Among our main growth drivers for the year were the SEEK factory, the EVOLVE furniture line and regional partnerships. The SEEK factory has experienced exponential growth since its acquisition in 2018 when SOS entered into the business of manufacturing. Starting with just $35 million in sales, in just five years, we've almost tripled our annual financial returns, with SEEK revenues reaching its highest peak yet of $97 million this year. It remains one of the company's best-performing areas and will be bolstered by a $50 million investment in new equipment to double its output by the end of 2024. We are extremely excited about this new chapter and the innovative opportunities it will open up for our existing product lines. Our gratitude goes out to the manufacturing division for its implementation of a comprehensive plan that will see SEEK products being readily accessible in the eastern and western parts of the island—a first for the company.

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Meanwhile, the EVOLVE line continued to surpass our expectations, achieving over $100 million in sales for the year, compared to the $28 million generated in its first five months in 2022. We were also able to complete one of the largest individual projects in our history, as well as the installment of a 200-seat call centre in Kingston, with the support of our robust delivery fleet, proficient team members, and well-stocked inventory. Emphasising the latter, we are proud of the investments and expansions we've made towards achieving our current high inventory levels. This has enabled us to not only meet our own needs but also those of several local distributors impacted by insufficient cash flow.

MAKING THE RIGHT INVESTMENTS

The year 2023 was also a year of expansion and growth for the company, both locally and internationally. We constructed a new 5,000-square-foot building at our Beechwood Avenue property and rented a 3,000 square feet (sq ft) of storage at our Montego Bay facility, taking our total warehousing capacity to over 50,000 sq ft. We also purchased two new properties in Kingston, on which additional warehousing will be erected to further increase storage and inventory capacity.

These expansions have not been idly chosen. We have a clear vision of the needs that exist within our markets, and our team is constantly brainstorming and strategising for the best ways to capitalise on these opportunities. We remain prudently acquisitive; we are in constant expansion mode, and we are well-advised of the possibilities within our reach.

PARTNERSHIP

Throughout the year, Caribbean sales flourished as we continued to add to our regional distribution partnerships with The Office Authority out of Trinidad, the Apex Group in the Cayman Islands and Décor Office in St. Lucia. These partnerships have helped us to almost triple our regional sales within the first year.

OUR SHAREHOLDERS AT HEART

Our 9:1 stock split, which took effect in August, was a decision that improved our trading liquidity and stock affordability so that more investors could have access to our shares. We've made significant strides in enhancing our shareholder value, and, with the collective efforts of our team, coupled with the strong foundation we've laid, I'm certain that we're well-positioned to continue our streak of positive performance.

MORE MEMORABLE MILESTONES AHEAD

As we prepare for the next fiscal year, our overarching aim is to continue to grow our revenues and our customer base as we remain agile to meet the ever-changing needs of our clients. We are constantly updating our strategies and tactics to better serve our customers while keeping our commitment to a high quality of service. We will be making major investments in additional expansions in the new year as we aim to further boost our inventory, warehousing capacity, and physical space to hold new equipment and machinery. Our team is eager to receive new additions, such as the SEEK equipment that will significantly increase the factory's output while decreasing the required workload, and lead to a higher penetration of SEEK products in Kingston and eastern and western Jamaica.

Several contracts are also in the pipeline, including a partnership with Pilot—known globally for its pens and markers—and other distribution partnerships with countries in the region. While establishing valuable partnerships takes time, we are beginning to see the benefits and are optimistic that these opportunities will continue to align with our vision for the company.

Staying true to our commitment to the environment, we intend to introduce additional electronic and solar solutions to the company, inclusive of electric vehicles, machinery and equipment, along with a new batch of solar panels as we seek to remain energy efficient while contributing to the reduction of greenhouse gases.

We are truly proud of what we have accomplished as a company this year. We thank our board of directors for their oversight and guidance; our executive team for their reliable leadership and dedication to the company; our team members for their commitment to excellent outcomes and quality service, and our shareholders for their confidence in our collective ability to lead SOS into an even more prosperous future. I look forward to joining you all on yet another year of transformation.

Stephen Todd
Chairman

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STATIONERY & OFFICE SUPPLIES LTD.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 2024 Annual General Meeting ("AGM") of Stationery & Office Supplies Limited (the "Company") will be held in a fully electronic format on a date to be confirmed in accordance with accordance with the Jamaican Companies Act to consider and if thought fit pass the following resolutions:

1. To receive the Company's Audited Accounts and the Reports of the Directors and the Auditors for the year ended December 31, 2023. To consider and (if thought fit) pass the following resolution:

   Resolution No. 1: "THAT the Directors' Report, the Auditor's Report and the Statements of Account of the Company for the year ended December 31, 2022, be approved."

2. To appoint Auditors and authorize the Directors to fix the remuneration of the Auditors. To consider and (if thought fit) pass the following resolution:

   Resolution No. 2: "THAT HBL Mair Russell, Chartered Accountants be and are hereby appointed Auditors of the Company to hold office until the next Annual General Meeting at a remuneration to be fixed by the Directors of the Company."

3. To approve a dividend and pass the following resolution:

   Resolution No. 3: "THAT a dividend payment of $0.20c per ordinary stock unit paid on July 10, 2023, to the ordinary shareholders on record as at July 10, 2023, be and is hereby approved."

4. The Directors to retire from office pursuant to the Articles of Incorporation are Marjorie McDaniel, David McDaniel and Allan McDaniel.

   Resolution No. 4: To approve the re-election of Directors recommended for appointment to the Board of Directors of the Company. To consider and (if thought fit) pass the following resolutions:

   a) "THAT retiring Director Marjorie McDaniel be and is hereby re-elected a Director of the Company,"

   b) "THAT retiring Director David McDaniel be and is hereby re-elected a Director of the Company," and

   c) "THAT retiring Director Allan McDaniel be and is hereby re-elected a Director of the Company."

Dated this 29th day of April 2024

BY ORDER OF THE BOARD

Marjorie E. McDaniel

Marjorie McDaniel

Secretary

REGISTERED OFFICE
23 Beechwood Avenue,
Kingston

A Member entitled to attend and vote at this meeting may appoint a Proxy to attend and vote in his/her stead.

A Proxy need not be a Member of the Company. A Proxy Form is enclosed for your convenience. Completed Proxy Forms must be lodged at the Company's Registered Office at least forty-eight hours before the time appointed for holding the meeting. The Proxy Form shall bear the stamp duty of $100.00 before being signed. The stamp duty may be paid by adhesive stamp(s) to be cancelled by the person executing the Proxy.

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OUR CUSTOMERS

The Company provides its products and services to many blue-chip companies and businesses in Jamaica. Some of the Company's customers are set out below:

A TRIBUTE TO

Mr. Anthony J.A. Bell, J.P.

It is with profound sadness that the Board of Directors, Management and Staff of Stationery and Office Supplies Limited (SOS) acknowledge the passing of our esteemed Director, Anthony J. A. Bell. An insightful, astute and successful business leader and also a humble and compassionate colleague. Anthony was a member of the SOS family for many years being not only a consistent and loyal customer, but regularly participated in staff domino evenings. More than a director, Anthony brought decades of industry experience to the Board and was instrumental in the financial direction of the Company, steering the Audit Committee since our Initial Public Offering (IPO) in 2017. His financial guidance and commitment to fairness leaves an irreplaceable void.

We wish to extend our heartfelt condolences to his family, friends, and colleagues as we mourn his passing. Anthony will be missed tremendously, and we are forever grateful for his contributions to SOS.

STATIONERY & OFFICE SUPPLIES LTD.

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SOS BOARD OF DIRECTORS' REPORT

The Stationery and Office Supplies' Board of Directors is pleased to present another year of record-breaking results to investors, with all areas on an upward trajectory.

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Performance Highlights

	2022 $'000	2023 $'000
Sales	1,748,142,622	1,935,164,646
Profit After Tax	256,507,647	277,937,674
Current Ratio	4.06:1	2.74:1
Earnings per Share	$0.11	$.12

DIRECTORS

The Directors as at December 31, 2023 are as follows:

Chairman:

Stephen Todd

Managing Director:

Allan McDaniel

Executive Directors:

Marjorie McDaniel

Kelli (McDaniel) Muschett

Kerri (McDaniel) Todd

David McDaniel

Non-Executive Directors:

Jermaine Deans

Anthony J.A. Bell

R. Evan D. Thwaites

AUDITORS

HLB Mair Russell is an independent member of HLB the global advisory and accounting network, and have indicated their willingness to continue in office as Auditors and offer themselves for re-appointment. .

OPERATIONAL HIGHLIGHTS

- Opening of new warehouse in Montego Bay branch
- Purchase of new properties at 26 Collins Green Ave and 5 West Arcadia Ave for further expansion
- Purchase of new SEEK machinery for SEEK expansion
- Appointing distributors in Cayman, St. Lucia and Trinidad

MANAGEMENT MOVES

There were no new management moves in 2023.

NEW LINES/SUPPLIERS

During the year under review, the company earned distribution rights to 3M office supply products.

The Directors wish to express their appreciation to the dedicated team and management of Stationery and Office Supplies Ltd. for their stellar performance during the year.

Stephen Todd

Chairman

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BOARD OF DIRECTORS

Stephen Todd

Chairman and Director of Sales & Marketing

Mr. Stephen Todd was appointed to Chairman of the Board of Directors in August 2021. Prior to this Mr. Todd was the Director - Sales & Marketing of the Company and has been employed to the Company since 1996.

Mr. Todd was educated at Munro College, Jamaica and Florida International University, Florida, U.S.A. He is certified in AutoCAD 12 (Graphic Design Program), trained and equipped to technically and administratively supply and install Fursys Systems Furniture.

Marjorie McDaniel

Director, Chief Administrative Officer and Company Secretary

Mrs. Marjorie McDaniel has been employed from 1968 to present and has been instrumental in the Company's operations and its administration ensuring that the Company operates as optimally as possible. Mrs. McDaniel was educated at Saint Andrew High School for Girls, Alpha Commercial Academy and is also trained and equipped technically and administratively to supply and install Fursys Systems Furniture.

Allan McDaniel

Managing Director and Director of Warehousing & Logistics

Mr. Allan McDaniel has been employed to the Company from 1997 to present having worked in the Sales, Design, Installation, Warehouse and Accounts Departments of the Company over the years. Mr. McDaniel assumed the Managing Director role in October 2021, succeeding his father, Mr. David McDaniel, to lead the Company into the future and as it moves to enter into the next phase of its existence as a listed company.

Mr. Allan McDaniel was educated at Campion College, University of Western Ontario, London, Canada, is certified in AutoCAD 12 (Graphic Design Program), trained and certified by Fellowes Inc. in Shredder maintenance and repairs, and trained and equipped technically and administratively to supply and install Fursys Systems Furniture.

Kerri (McDaniel) Todd

Director, Special Projects, BBM

Mrs. Kerri Todd has been employed to the Company from 1992 to present and was the first member of the second generation of McDaniels to join the Company. Mrs. Todd was educated at Hillel Academy, Ryerson University (Bachelor of Business Management) Toronto, Canada. She is certified in AutoCAD 12 (Technical Drawing Programme) and trained and equipped to technically and administratively supply and install Fursys Systems Furniture.

Kelli (McDaniel) Muschett

Deputy Managing Director and Director of Purchasing & Administration, BBM, MBA

Mrs. Kelli Muschett has been employed to the Company from 2000 to present and was appointed to the Deputy Managing Director role in October 2021. She was educated at Hillel Academy and Ryerson University, Toronto, Ontario (Bachelor of Business Management) and the European University, Spain, Madrid - MBA (International Business). Mrs. Muschett is also trained and equipped technically and administratively to supply and install Fursys Systems Furniture.

David McDaniel

Director

Mr. David McDaniel is a Director and one of the founders of the Company, having worked there from its incorporation. Having steered the Company for over 50 years, Mr. McDaniel stepped down as Chairman and Managing Director in 2021 handing over to Mr. Stephen Todd and Mr. Allan McDaniel respectively.

It is through his stewardship that the Company has attained and sustained its success over the years. His vision is to import the skills and expertise of the second generation of his family into the business.

Mr. McDaniel was educated at Saint Paul's Elementary School – Manchester, Jamaica and is trained and equipped to technically and administratively supply and install Fursys Systems Furniture.

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Anthony J.A. Bell, J.P.

Non-Executive Director & Chairman of the Audit Committee

Mr. Bell brings to the Board of Directors his experience in management gained at a senior level in many prominent local companies. Mr. Bell is a graduate of Jamaica College and South West London College and he has worked as an accountant and financial controller over his career. He served as Managing Director of J. Wray and Nephew Ltd. and Chief Financial Officer of the Lascelles de Mercado group of companies for over thirty (30) years, retiring in 2011. Mr. Bell is a current director of Jamaica College Foundation and IronRock Insurance Company Limited. Mr. Bell is also a member of the Company's Remuneration Committee.

Jermaine Deans

Non-Executive Director & Chairman of the Remuneration Committee

Mr. Deans is the Managing Director of JN Cayman with extensive experience in Global Financial Markets, Capital Markets, Credit, Commercial Banking, Treasury Management, FX Trading, Bond Trading, Company Financial Analysis and Corporate Strategy Reengineering, Balance Sheet Restructuring, Monetary and Fiscal Policies, Economics and Central Government Management, Supervision of Financial Institutions, and Market Risk Assessment.

He has also structured balance sheet solutions for various entities via Financial Advisory, Business Process ReTooling, Debt, Equity, Acquisitions and IPOs. He is a director of Peak Bottling Company Limited and Spike Industries Limited, and lectures on an ad hoc basis in Portfolio Management and Financial Markets.

He holds a BSc. in Business Administration, Finance Major, and an MBA, Finance Major, with concentration in Investment Management, from Villanova School of Business, Villanova University, Pennsylvania, USA. Mr. Deans is also a member of the Audit and Corporate Governance Committees.

R. Evan D. Thwaites

Non-Executive Director & Chairman of the Corporate Governance Committee

Evan Thwaites is a Chartered Insurer and an Associate of the Chartered Insurance Institute. He is the Managing Director of IronRock Insurance Company Limited. Mr. Thwaites was educated at Wolmer's Boys' School and completed management training courses in the U.S.A., the United Kingdom and Germany for the purposes of his professional development in the insurance and reinsurance industry. He spent over thirty (30) years with Globe Insurance Company of Jamaica Ltd. (and its predecessor entity, Globe Insurance Company of the West Indies Ltd.), prior to its acquisition by Guardian Group, where he was Managing Director. He subsequently was a consultant and director, of Grace Kennedy Financial Services Ltd. and Jamaica International Insurance Company Ltd., respectively, prior to forming the Company. Mr. Thwaites is also a member of the Company's Audit Committee.

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THE MANAGEMENT TEAM

David Charles Plant

Financial Controller

Mr. David Plant has been employed to the Company as its Financial Controller from 2006 to present. Before working with the Company Mr. Plant had a long and distinguished career at KPMG from 1979 to 1999, which included a posting in London as Senior Accountant, and was employed at Chas E. Ramson Limited as its Financial Controller from 2000 to 2006. Mr. Plant was educated at Wolmer's Boys' School and London School of Accountancy & Accountancy Tutors Ltd. He is a Fellow of the Institute of Chartered Accountants of Jamaica and a Fellow of the Association of Chartered & Certified Accountants.

Denise Hope McIntosh

Montego Bay Branch Manager

Ms. Denise McIntosh has been employed to the Company since 2011 to present as the Manager of its Montego Bay Branch. Before working with the Company, she held posts as Brand Manager, Indies Pharma Jamaica Ltd. in Montego Bay, Station Manager, Delta Airlines (Kingston & Montego Bay) and General Manager Caribbean, Northwest Airlines. Ms. McIntosh was educated at Montego Bay High School, Montego Bay Community College, University of New Orleans (B.Sc in Business Administration) and University of Liverpool (MBA, Marketing).

Bruce Baylis

Manager, Manufacturing Division - SEEK Products

Mr. Baylis joined the Company after the acquisition of his book empire, SEEK Exercise and Notebooks. He came to the Company with over 30 years' experience in the manufacturing sector, successfully building the Jamaican manufactured brand and developing a solid distribution network island wide. Mr. Baylis currently manages the production and sales of the SEEK portfolio.

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CORPORATE DATA

EXECUTIVE DIRECTORS

Chairman and Director of Sales & Marketing: Stephen Todd

Managing Director and Director of Warehousing & Logistics: Allan McDaniel

Director, Company Sercretary, Chief Administrative Officer: Marjorie McDaniel

Deputy Managing Director & Director of Purchasing & Administration: Kelli Muschett

Director, Special Projects: Kerri Todd

NON-EXECUTIVE DIRECTORS

Anthony J. A. Bell, J.P.
Jermaine Deans
R. Evan D. Thwaites

REGISTERED HEAD OFFICE

Stationery & Office Supplies Limited
21 - 25 Beechwood Avenue
Kingston 5
Tel: (876) 926-5688
Fax: (876) 968-8200
WebsIte: www.sosjm.com

ATTORNEY

MH&CO Attorneys-at-Law
7 Barbados Avenue
(Second Floor)
Kingston 5

AUDITORS

HLB Mair Russell
3 Haughton Avenue
Kingston 10

BANKERS

First Caribbean International Bank (Jamaica) Limited
23-27 Knutsford Boulevard
Kingston 5

National Commercial Bank Jamaica Limited
37 Duke Street
Kingston

JN Bank Limited
10-12 Grenada Crescent
Kingston 5

SHAREHOLDERS' INTERESTS

TOP 10 SHAREHOLDERS *As of December 31, 2023*

SHARE HOLDER	SHAREHOLDING	% SHARES ISSUED
OUTLOOK LIMITED	1,800,867,600	80.0
QWI INVESTMENTS LIMITED	66,510,000	3.0
ANJANETTE MARIANNA MCDANIEL	48,851,334	2.2
JASON CARL CARBY	37,812,915	1.7
KENDALL MARIE TODD	16,064,100	0.7
NIGEL COKE	14,794,863	0.7
BARITA INVESTMENTS	14,608,653	0.7
BRIDGETOWN MANAGEMENT SERVICES LTD	14,393,506	0.6
DAVID ANTHONY STEPHENS	9,500,000	0.4
JCDC TRUTEE SERVICES LTD	9,381,717	0.4

DIRECTORS' SHAREHOLDINGS *As of December 31, 2023*

DIRECTORS NAMES	SHAREHOLDING	CONNECTED PARTY	SHAREHOLDING
DAVID MCDANIEL	NIL	OUTLOOK LTD	1,800,867,600
MARJORIE MCDANIEL	NIL	OUTLOOK LTD	1,800,867,600
ALLAN MCDANIEL	NIL		
KELLI MUSCHETT	NIL	OUTLOOK LTD	1,800,867,600
STEPHEN TODD	NIL	OUTLOOK LTD	1,800,867,600
KERRI TODD	NIL	OUTLOOK LTD	1,800,867,600
ANTHONY BELL	NIL	-	
JERMAINE DEANS	NIL	-	
R. EVAN D. THWAITES	253,485	-	

SENIOR MANAGERS SHAREHOLDINGS *As of December 31, 2023*

SHARE HOLDER	SHAREHOLDING	% SHARES ISSUED
DENISE MCINTOSH	2,660,850	0.12

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CORPORATE GOVERNANCE

Owed to the stewardship of the Board of Directors, Stationery & Office Supplies Limited ("SOS" or "the Company") maintains the highest standards of business integrity and corporate governance best practices in keeping with the Corporate Governance Guidelines of the Jamaica Stock Exchange. In doing so, the Board ensures the long term viability, profitability and overall wellbeing of the Company in the interest of its valued shareholders.

The Corporate Governance Committee is tasked with assisting the Board of Directors of SOS in ensuring that its composition, structure, policies and processes for managing the Company are in keeping with good corporate governance standards and adhere to the relevant regulatory framework. Thus, its members are independent non-executive directors appointed by the Board for their competence and understanding of issues core to the business.

The Board consists of nine (9) members with provisions in the Articles of the Company to increase the size of the Board, if necessary. The current members of the Board of Directors are: Stephen Todd (Chairman), Allan McDaniel, David McDaniel, Anthony Bell, Richard Evan Thwaites, Jermaine Deans, Kerri Todd, Kelli Muschett and Marjorie McDaniel, who is also the Company Secretary.

As at December 31 2023, the members of the Audit Committee, the Corporate Governance Committee, and the Remuneration Committee are:

AUDIT COMMITTEE

Mr. Anthony Bell, Chairman

Mr. R. Evan Thwaites

Mr. Jermaine Deans

CORPORATE GOVERNANCE COMMITTEE

Mr. R. Evan Thwaites, Chairman

Mr. Anthony Bell

Mr. Jermaine Deans

REMUNERATION COMMITTEE

Mr. Jermaine Deans, Chairman

Mr. Anthony Bell

Mr. R. Evan Thwaites

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Quarterly Board and Audit Committee Meetings were scheduled during the year. The attendance at the scheduled Directors at Board and Audit Committee Meetings is reflected in the table below:

BOARD MEETING ATTENDANCE

DIRECTORS ATTENDING	Virtual Meeting February 27, 2023	Virtual Meeting May 4, 2023	Virtual Meeting August 11, 2023	Virtual Special Meeting June 21, 2023	Virtual Meeting Nov. 8, 2023
Stephen Todd, Chairman	Y	Y	Y	Y	Y
David McDaniel, Director	Y	Y	Y	Y	Y
Marjorie McDaniel, Director/ Company Secretary	Y	Y	Y	Y	Y
Allan McDaniel, Director	Y	Y	Y	Y	Y
Kerri Todd, Director	Y	Y	Y	Y	Y
Kelli Muschett, Director	Y	Y	Y	Y	Y
Anthony Bell, Independent Director	Y	Y	Y	Y	Y
Jermaine Deans, Independent Director	Y	Y	Y	Y	Y
Richard Evan Thwaites, Independent Director	Y	Y	Y	Y	N

ANNUAL GENERAL MEETING: The Annual General Meeting of the Company was held on July 25, 2023

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AUDIT COMMITTEE

MEMBERS ATTENDING	Virtual Meeting February 27, 2023	Virtual Meeting May 4, 2023	Virtual Meeting August 11, 2023	Virtual Meeting November 8, 2023
Mr. Anthony Bell, Chairman/Independent Director	Y	Y	Y	Y
Mr. Jermaine Deans, Independent Director	Y	Y	Y	Y
Mr. Richard Evan Thwaites, Independent Director	Y	Y	Y	N
Invitees:				
Mr. Allan McDaniel, Director	Y	Y	Y	Y
Mr. Charles Plant, Financial Controller	Y	Y	Y	Y

REMUNERATION COMMITTEE

MEMBERS ATTENDING	Virtual Meeting: May 4, 2023
Mr. Jermaine Deans, Chairman/Independent Director	Y
Mr. Richard Evan Thwaites, Independent Director	Y
Mr. Anthony Bell, Independent Director	Y
Invitees:	
Mr. Allan McDaniel, Director	Y
Ms. Kelli Muchett, Director	Y
Ms. Kerri Todd, Director	Y

CORPORATE GOVERNANCE COMMITTEE

MEMBERS ATTENDING	Virtual Meeting: May 4, 2023
Mr. Richard Evan Thwaites, Chairman/Independent Director	Y
Mr. Jermaine Deans, Independent Director	Y
Mr. Anthony Bell, Independent Director	Y
Invitees:	
Mr. Allan McDaniel, Director	Y
Ms. Kelli Muchett, Director	Y

2022 ANNUAL GENERAL MEETING

MEMBERS OF THE BOARD	Virtual Meeting: July 25, 2023
Stephen Todd, Chairman	Y
David McDaniel, Director	Y
Marjorie McDaniel, Director/Company Secretary	Y
Allan McDaniel, Director	Y
Kerri Todd, Director	Y
Kelli Muschett, Director	Y
Anthony Bell, Independent Director	Y
Jermaine Deans, Independent Director	Y
Richard Evan Thwaites, Independent Director	Y

The Corporate Governance Guidelines (CGG) for Stationery and Office Supplies Ltd. are available on our website: www.sosjm.com/corporate-governance-2022

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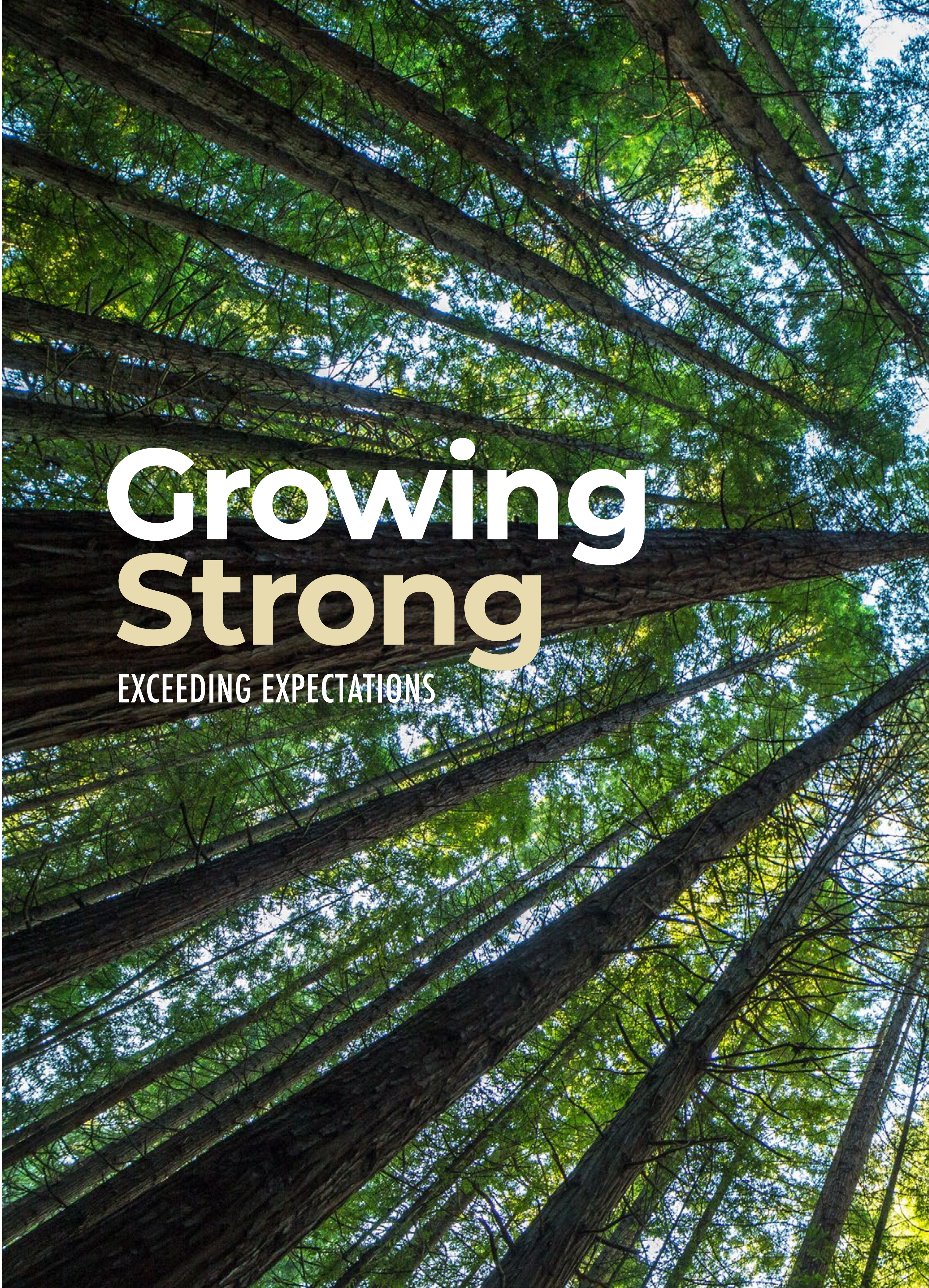

Growing Strong

EXCEEDING EXPECTATIONS

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MANAGEMENT DISCUSSION & ANALYSIS

Coming off the heels of 2022, during which Stationery and Offices Supplies Limited (SOS) experienced its highest-ever revenue growth at $1.75 billion, anticipation was high for 2023 and the potential it had to surpass the preceding year. With the impact of COVID-19 long subsided, the company experienced no notable supply chain challenges, save for delays attributed to the Panama Canal drought. The opportunity was ripe for yet another phenomenal year, and the management team dedicated time to crafting next-level strategies for increasing the company's fiscal performance. It was no easy task, but with all teams dedicated to pushing boundaries and scaling new heights, the company experienced another significant milestone in its 58-year history, etching a new record into time for its best year yet.

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TOTAL ASSETS
$1.74B

TOTAL REVENUE
$1.94B

PRE-TAX PROFIT
$332M

Revenues for the year, at the end of the reporting period, stood at $1.94 billion, surpassing the previous year by 11%. To realise this growth, strategic focus was placed on expansion, particularly in the areas of regional partnerships, SEEK factory and products, warehouse capacity, and delivery fleet. The team examined aspects of the business that could benefit from improvement and tackled this head-on, ensuring growth and the solidification of SOS as Jamaica's leading stationery and office supplies dealer.

SHATTERING RECORDS

With expert planning and leaning on the lessons of the previous year, the company took control of the first quarter, reeling in $519 million in revenues, a 22% increase year over year. At that point, it marked SOS' best-performing quarter in its history, as it was the first time it surpassed $500 million in a quarter.

The second quarter approached with great momentum and promise. With expansions and regional partnerships, the highlights of the period, the second quarter surpassed the first with an all-time high of $525.2 million from $420 million year-on-year, a 25% increase. At this half-year mark, the company had already secured over $1 billion in revenue for the first time in its history.

The third and fourth quarters continued the stellar performance streak, producing $488 million and $408 million, respectively, culminating in the $1.94 billion record revenue realised for the fiscal year.

For the entire reporting period, the company's cost of sales increased by 4% from $912 million to $954 million, while gross profit reached $982 million, a 17% increase from 2022.

Administrative expenses rose by 21% to $484 million, impacted by the company's expansion, resulting in the need for additional manpower and additional salaries for new employees. The increase is also attributed to commission payouts to staff for positive returns on sales and other areas.

Operating profit increased by 23%, indicating the company's commitment to keeping its costs low and improving revenue

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COST OF SALES	GROSS PROFIT	EARNINGS PER SHARE
$954M	$982M	$0.12

performance. Pre-tax profit grew by 17% from $284 million in 2022 to $332 million in 2023. Profit after tax increased by 8%, and expenses rose 8%, moving from $609 million to $660 million.

At the end of the year, SOS increased its total assets by 25%, from $1.39 billion at the end of 2022 to $1.74 billion at the end of 2023. Fixed assets also rose by 36% with the purchase of two additional properties. Earnings per share at the end of 2023 was $.12, an increase of $.01 compared to $.11 at the end of 2022.

GROWTH WITHOUT LIMITATIONS

During the year, the company experienced growth in all areas of business. Leading the charge was the SEEK factory, which experienced its best year ever, with over $97 million in revenues — a 15% growth year on year. In just the first nine months of 2023, SEEK had already exceeded its total 2022 revenue, which stood at $83.5 million. The brand continued to rise due to the high demand for products, new dealers, and the availability of inventory to meet market demand.

Meanwhile, SOS' reputation for the supply of modern, reliable furniture lines continued to grow throughout the year. During the second quarter, the company executed one of the largest individual projects in its history, the first significant project with the AIS furniture line. The company's high inventory level played a key role in meeting the needs of this project.

For the reporting period, the EVOLVE furniture line stood out as one of the company's best-performing. Since its launch in 2022, it has positively driven returns, surpassing $100 million in sales and growing its monthly sales average by more than 60% in 2023. This can be credited to the stylish quality and affordability of the line, the company's sales and marketing strategy, and new additions to the line during the year. By the first six months of 2023, its revenues had doubled compared to the five months it was available in 2022, averaging $9 million in monthly sales. Through EVOLVE and other furniture lines, SOS was also able to capitalise on the trend in which more customers are becoming interested in ergonomic furniture designed for efficiency and comfort in the working environment.

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GROWING THROUGH THE YEARS

Founded on July 23, 1965, Stationery and Office Supplies Limited became wholly owned by the McDaniel family in 1970.

1995:

After 19 years at Haining Road, the company relocated its operations to 23 Beechwood Avenue (A) where it occupied 10,000 square feet of warehouse, office, and showroom space on 11,000 square feet of land.

2004:

Nine years on, SOS saw its first expansion acquiring 21 Beechwood Avenue (B).

2008:

Lot number 25 (C) is purchased, effectively tripling operational capacity.

2010:

The Company opened the doors a 1,200 square foot office and showroom space alongside a 1,800 square foot warehouse in Montego Bay.

2017: SOS acquired the manufacturing assets of Book Empire Limited (SEEK) along with its 34 Collins Green Avenue property (D).

Two months later, SOS was listed on the Junior Market of the Jamaica Stock Exchange. The IPO raised over $96 million, being five times oversubscribed and closing within the first minute.

2020:

SOS completed the construction of an 8,000 square foot warehouse on the 34 Collins Green Avenue property (E).

2023:

The year marked four significant expansions: the addition of two warehousing facilities, sized 5,000 square feet on Beechwood (F) and 3,000 square foot off-site the Montego Bay facility (H).

The acquisition of two properties, a ¼ acre lot at 26 Collins Green Avenue (G) and another ¼ acre lot at 5 West Arcadia Avenue (I - not pictured), aimed at increasing capacity even further to satisfy the growing customer demand.

EXPANSION AND TRANSFORMATION

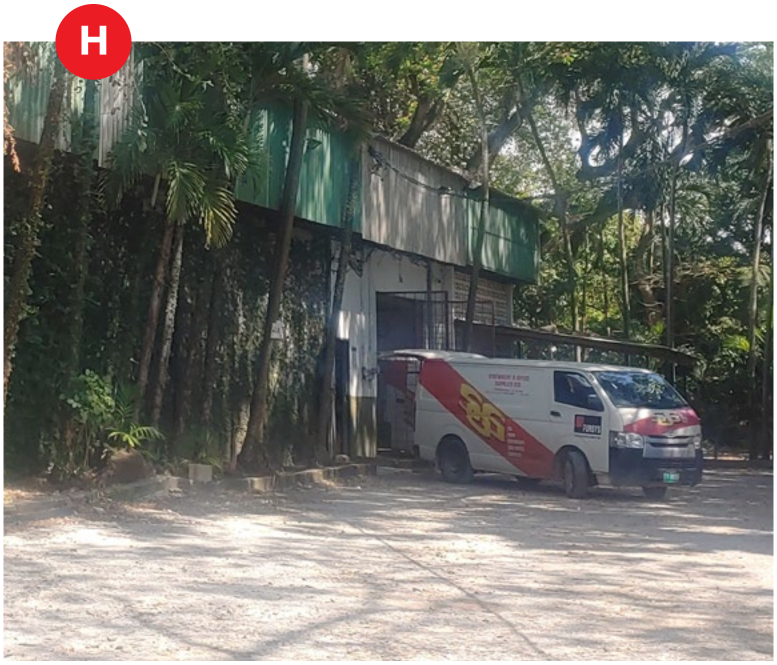
With continued growth across all business lines, the company was ideally positioned to invest in its physical growth through property acquisitions and expansion. As such, in 2023 alone, SOS invested over $160 million in expansion efforts.

One of these included the construction of its new warehouse at Beechwood Avenue, which created an additional 5,000 sq ft of storage space. The space now supports up to 200 inventory pallets, a new holding area for clients, and additional space for new SEEK factory equipment in the pipeline. It also allowed for a larger quantity of products to be assembled and made available for immediate delivery. Meanwhile, on the western end, the expansion of SOS' Montego Bay warehouse during the year doubled the company's warehousing capacity, aiding its penetration in the St. James parish.

The company closed out the year strong with an investment of $100 million in a new quarter-acre property at 5 West Arcadia Avenue, Kingston 5, for increased warehousing and supply chain optimisation. This resulted in several new job openings for skilled professionals such as warehouse supervisors, logistic coordinators, and inventory control specialists.

Extending its sustainability efforts beyond solar energy, throughout the year, SOS actively tested the use of electric forklifts and pallet jacks in its internal operations. While the use of electric machinery and equipment reduced staff members' workload, the aim is to eventually sell these electronic solutions under the SOS brand and eventually convert all of the company's existing machinery and equipment—as applicable—to electric models.

During the year, SOS also expanded its delivery fleet with four new vehicles to meet the growth of its market share in Montego Bay and Kingston. There are now 20 vehicles in active service daily.



THE BRIDGES WE'VE BUILT

For years, the company has deduced that if it were to maintain high enough inventory levels, it would be able to better capitalise on partnership opportunities within the Caribbean regions. In the reporting year, SOS set out to prove this notion with its slew of expansions. Along with strategic networking, the company was able to transform 2023 into one of the busiest periods in its history for new joint ventures and partnerships.

Among the new bridges built in the second quarter is the partnership with the APEX Group in the Cayman Islands for the supply of furniture from the EVOLVE and IMAGE lines. That same quarter, SOS also entered into a distribution partnership with Trinidad and Tobago's The Office Authority Ltd. for the distribution of the company's paper products locally in exchange for the distribution of their high-quality furniture lines. By the end of the year, six containers were exported to Trinidad.

The third quarter saw the company become one of two distributors in Jamaica for 3M International, a project supplies company headquartered in Qatar. SOS now exclusively sells tape and other office products in the Jamaican market on behalf of the company. Before the end of the year, SOS also partnered with Décor Office out of St. Lucia for the supply of office furniture to that market.

ATTRACTIVE TO INVESTORS

As the company continued its track record of exponential growth, there was a need identified for its shares on the Junior Market of the Jamaica Stock Exchange (JSE) to be increased to meet the high trading demand. As such, SOS' management team recommended a stock split to the board of directors, which considered and approved a 9:1 split on June 21, 2023.

The decision was tabled to shareholders on July 25, 2023, at the company's Annual General Meeting (AGM) and received unanimous approval, increasing the total number of ordinary shares from 250,120,500 to 2,251,084,500. The decision saw shareholders receive nine additional shares for each share they currently held. These share prices fell within the range of J$2.50 - J$3.50 per share, compared to the previous J$27.41 as of the close of business on July 24, 2023, or the company's record high of J$34.98 in June 2023. Since then, SOS has experienced a large uptick in the daily trading of shares, and the company continues to perform well on the stock market.

OUR GREATEST ASSET

None of the successful outcomes realised during the year would have been possible without the company's dedicated team members, who invested their time, energy, and intellectual capacity in the attainment of the company's mission

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to help businesses realise their full potential. Team members demonstrated an unparalleled commitment to going above and beyond, and SOS was pleased to reward these efforts with commissions to applicable staff and a series of individual and group recognitions. Meanwhile, the human resources department invested in the workforce through the rollout of a new pension scheme.

At the end of the year, the company's team members stood at 165, up 15% from the previous year, with the employment of several new skilled professionals to meet the company's expansion. A new manager was added to the team in the person of Financial Controller Kareem Jones, who brings his years of expertise in financial management, analysis, and reporting. Meanwhile, Laralee Longshaw was promoted from Warehouse Supervisor to Warehouse Manager at the Montego Bay branch.

BUILT TO GROW

For many years now, the company's strategy for growth has taken on a "bigger picture approach". It is what has permitted SOS to grow from its humble roots in 1965 to what it is today. This strategy involves identifying the company's unique position, improving and expanding its capacity to meet these opportunities, ensuring consistency in the supply of excellent products and services, and boosting this cycle each new year with out-of-the-box and innovative approaches. It is this age-old strategy that has kept the company in its leading position and will be applied in 2024 and beyond.

Starting the new fiscal year on solid footing to further increase the profitability of the SEEK brand, three advanced machines will be purchased to enhance the factory's production speed and efficiency, increasing its output by 100%. Through a $50 million investment, the factory will be equipped with a new machine that will increase its ruling capability fivefold and two book-making units that will staple, fold, cut, and bind exercise books in one pass, tripling the daily output.

As of the reporting year, the SEEK factory was very labour-intensive, but the new machinery will take the factory into the modern era of manufacturing, freeing up additional time for staff to focus on quality assurance. The investment will also allow for higher penetration into the Kingston market and the distribution of adequate SEEK products to the eastern and western parts of the island for the first time.

Meanwhile, continuing with its expansion efforts, in the first quarter of 2024, SOS is earmarked to purchase a $70 million, 11,000 sq ft property along Collins Green Avenue, where an 8,000-square-foot building will be erected for additional warehousing. The investment will enable the company to increase its inventory levels further and create additional space for the new SEEK machinery. On the other hand, the development of its West Arcadia Avenue property is expected to be completed during 2025.

None of the successful outcomes realised during the year would have been possible without the company's dedicated team members, who invested their time, energy, and intellectual capacity in the attainment of the company's mission to help businesses realise their full potential.

Furthermore, staying true to its collaborative nature, plans are in the pipeline for SOS to become the exclusive local distributor of Pilot—the company known for its products such as gel ink pens and creative markers. The first shipment to Jamaica is pegged for the first quarter of 2024. Throughout the year, SOS will continue to seek out additional opportunities within the Caribbean to sell its product lines and expand its revenue stream.

Meanwhile, the company's employees will benefit from transformative team training and development, which will see them upskilled in customer management, warehouse management, and personal development. Employees will also be encouraged to further tap into their philanthropic potential through participation in annual fundraising events such as the Sagicor Sigma Run and through company-led donations and initiatives for the less fortunate and well-deserving. Altogether, SOS aims to become the employer of choice in Jamaica in the manufacturing and distribution sectors.

As the company sets out on yet another year filled with immense potential, SOS and its Board of Directors welcome the challenges and opportunities ahead with the resolve that these all form part of its journey with a team filled with courage, perseverance, and success as their core values.

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SIX-YEAR FINANCIAL REVIEW

BALANCE SHEET	2023	2022	2021	2020	2019	2018
Total Assets	1,730,571,001.00	1,385,148,994	928,019,172	888,015,577	907,044,937	853,335,321
Current Liabilities	311,270,369.00	181,325,974	146,568,179	133,712,828	130,477,888	169,439,033
Shareholder's Equity	1,331,137,952.00	1,103,224,378	676,830,966	609,730,442	596,648,590	494,599,266

PROFIT & LOSS	2023	2022	2021	2020	2019	2018
Sales	1,935,164,646.00	1,748,142,622	1,124,846,375	972,310,382	1,217,983,130	1,064,360,671
Gross Profits & Other Income	982,215,381.00	836,225,978	551,147,160	448,983,844	584,269,841	529,685,319
Expenses	650,491,436.00	552,401,840	445,813,088	413,737,845	447,571,160	444,704,461
Profit Before Tax	331,723,945.00	283,842,703	105,509,381	35,248,989	136,698,681	84,980,859
Profit After Tax	277,937,674.00	256,507,647	105,509,381	35,248,989	136,698,681	84,980,859

IMPORTANT RATIOS	2023	2022	2021	2020	2019	2018
Current Ratio	2.74:1	4.06:1	3.57:1	3.44:1	3.74	2.64
Liquidity Ratio	1.68:1	1.83:1	1.07	1.46	1.55	1.19
Debt to Equity Ratio	0.3	0.25	0.37	0.45	0.52	0.72
Earnings Per Share	0.12	1.03	0.43	0.13	0.54	0.37

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ENVIRONMENTAL, SOCIAL AND GOVERNANCE

Embedded in the company's vision is its unwavering commitment to creating workspaces that promote creativity, efficiency and support every body. With nearly 60 years of impact and innovation in the industry, the company takes great pride in pouring into the communities that have poured into its success and continuing to address environmental, social and governance ills in the society within which it operates.

Commitment to Our Environment

SUSTAINABLE DEVELOPMENT GOALS

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

17 PARTNERSHIPS FOR THE GOALS

The Efforts

This year saw the introduction of electric technology to the company's sustainability efforts, now actively testing the use of electric forklifts and pallet jacks in its internal operations with plans of acquiring electric delivery vehicles to reduce the environmental footprint of its fleet.

Reducing the potential effects of our output, the company has offered shredding services since 2011 enabling businesses to dispose of paper products in accordance with international best practice standards for ensuring the responsible destruction of confidential information.

What remains is shredded paper in an ideal state to be recycled through local and internal partners. In 2023 the company safely eliminated just under 130,000 lbs. of shredded paper plus an additional 30,000 lbs. of cardboard .

In 2014 SOS installed a 75KW solar photovoltaic system at its head office, inclusive of 292 255-watt solar panels and 9 7000-watt inverters.

While this had produced enough energy to sustain 75% of operations upon installation, with the continued expansion of the operation, the system currently produces enough energy to sustain 50% of total energy needs. Plans to expand the system and further reduce carbon footprint are in the train.

Waste removal, reduction, separation and recycling policies have been implemented across the company. By reinforcing these practices, the company aims to incite a trickle-down effect of environmental consciousness in their lives and the lives of their families.

SOS prioritises partnership with manufacturers aligned with its business ethos, upholding the highest standards of care to consider the effect of what they produce and how it is produced. Some of its manufacturers have earned certification from the GreenGuard Environmental Institute, which metes out the industry's strictest assessment standards for the emission of harmful pollutants, and others have secured MAS Green certification amongst other evaluations.

Commitment to Our People

The Efforts

There would be no success to celebrate without the consistent drive of our people. Thus, we put the health, safety and satisfaction of our people first, from protecting the wellness of our team by creating well-ventilated working environments, ensuring safety protocols are adhered to and prioritizing the interests of the end users by distributing products manufactured by responsible suppliers.

We maintain regular team meetings to ensure that we receive timely and consistent feedback so that issues can be resolved with alacrity and successes can be shared in a timely manner.

There are no gender specific roles within the company. SOS is proud to provide men and women equal opportunity to secure any role they seek to earn, as all toward the common goal.

The company has an overall staff count of 75 women and 91 men, a total of 166. This includes seven leadership positions being held by powerful women.

As a business in the business of listening to its people, SOS schedules regular meetings allowing employees to voice their opinions to ensure alignment in decision-making. Leaders invest time in seeking to understand the priorities of the people and have implemented incentivized reward and recognition programs in response. This allows persons to maximize their earning and learning potential by working to achieve agreed targets.

Another important strategy used to engage and maintain employees is the Company's focus on creating the ideal work environment. The floor plan encourages cross-communication which fosters strong relationships amongst peers. Moreover, leadership has long maintained an open-door policy, ensuring accessibility to employees whenever needed.

The result is an average employee tenure of approximately nine (9) years with our longest standing employee, Dorian Farquharson, recently celebrating 40 years alongside five others celebrating over 30 years with the company.

Outside the office, SOS takes pleasure in encouraging the development of a well-rounded team, building strong bonds and networks of trust through recreational activities. As such the company holds regular staff gatherings and games evenings and some participate in the Kingston and St. Andrew Business House Football League.

This and similar efforts have resulted in the development of a far more synchronized team, consistently working in the best interest of the unit instead of working to benefit self which has significantly impacted efficiency and productivity levels.

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Commitment to Our People (Continued)

The Efforts

Established in 2017, SOS remains committed to accessible education through its Scholarship Programme. Recently increasing the annual investment from $600,000 to $2 million, the program seeks to support two incoming Campion College students each year.

Through this initiative each student has been provided with a personal computer, school supplies, a weekly lunch allowance and the payment of auxiliary fees throughout their academic tenure, including lower and upper sixth form, once they maintain their grades and good deportment.

SOS continues to support the Creative Language-Based Learning (CLBL) Foundation to advance the lives of the youngest Jamaicans. This non-profit, educational initiative is focused on providing quality education for children faced with a series of learning disabilities by training a number of early childhood and special needs educators in the delivery of differentiated, research validated literacy and numeracy programmes.

Since the foundation's initiation, it has facilitated the training of nearly 300 teachers from over 100 Early Childhood, Infant, Primary, Secondary and Special Education schools across the island, impacting over an estimated 25,000 students.

Commitment to Good Governance

The Efforts

In the best interest of the company's most integral stakeholder, the employee, SOS has recruited a Human Resource Manager. Through this role the company seeks to ensure the needs of its people are prioritised and thus it has developed an employee handbook incorporating relevant policies. Most recently, the company instituted a pension plan to satisfy demand.

Going further, the Company offers loans to employee faced with financial constraints, or in the case of an emergency. This enables team members to forgo having to navigate the tedious process of seeking support through traditional financial institutions.

AUDITED FINANCIAL STATEMENTS

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HLB MAIR RUSSELL
CHARTERED ACCOUNTANTS

Independent auditor's report

To the Members of
Stationery and Office Supplies Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the separate financial statements of Stationery and Office Supplies Limited ("the Company") which comprise the statement of financial position as at December 31, 2023, the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended and notes comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2023, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) 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 Auditor's 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' Code of Ethics for Professional Accountants (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.

Key Audit Matters

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

Allowance for expected credit losses

As at December 31, 2023 expected credit losses amounted to $22,651,369. We consider the measurement of expected credit losses a key audit matter as the determination is highly subjective, is based on significant judgements made by management and subject to significant uncertainty.

hlbjm.com

Partners: Sixto P. Coy, Karen A. Lewis

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HLB MAIR RUSSELL
CHARTERED ACCOUNTANTS

Independent auditor's report (cont'd)

To the Members of
Stationery and Office Supplies Limited

Report on the Audit of the Financial Statements (cont'd)

Allowance for expected credit losses (cont'd)

The principles for determining expected credit losses are described in the summary of significant accounting policies. The management of credit risk and the review for impairment have been described in more details in note 26b to the financial statements.

How our audit address the key audit matter

Our audit procedures included, amongst others:

To ensure compliance with IFRS 9, we evaluated the techniques and methodologies used by the Company in order to assess expected credit losses. We assessed and validated the inputs used and assumptions applied in determining the loss rates which are integral to the provision matrix used in determining the expected credit losses for trade receivables. We tested subsequent collections from selected overdue customers and assessed the adequacy of the disclosure in the financial statements.

Other information

Management is responsible for the other information. The other information comprises the information in the annual report, 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 auditor's report.

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

HLB MAIR RUSSELL
CHARTERED ACCOUNTANTS

Independent auditor's report (cont'd)

To the Members of
Stationery and Office Supplies Limited

Report on the Audit of the Financial Statements (cont'd)

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

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism 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 auditor's 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 auditor's 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 presents a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit. We remain solely responsible for our audit opinion.

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Independent auditor's report (cont'd)

To the Members of
Stationery and Office Supplies Limited

Report on the Audit of the Financial Statements (cont'd)

Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and 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 those 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 the matter in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 auditor's report is Ms. Karen Lewis.

Kingston, Jamaica

March 8, 2024

HLB Mair Russell
Chartered Accountants

STATIONERY & OFFICE SUPPLIES LIMITED

STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2023

	Note	2023 $	2022 $
Assets			
Non-current assets			
Property, plant and equipment	(4)	845,163,884	623,053,643
Right-of-use-assets	(5)	18,642,022	11,635,861
Intangible assets	(6)	8,283,407	9,537,207
Investments	(7)	3,300,537	3,825,362
		875,389,850	**648,052,073**
Current assets			
Inventories	(8)	333,623,650	368,619,712
Trade and other receivables	(9)	173,858,211	200,131,122
Prepayments		78,505,143	36,407,054
Owing by Directors	(10)	546,796	-
Cash and cash equivalents	(11)	268,647,351	131,939,033
		855,181,151	**737,096,921**
Total assets		**1,730,571,001**	**1,385,148,994**
Equity and liabilities			
Equity			
Share capital	(12)	88,151,214	88,151,214
Capital reserve	(13)	327,330,853	327,330,853
Retained profits		915,655,885	687,742,311
Total equity		**1,331,137,952**	**1,103,224,378**
Liabilities			
Non-current liabilities			
Borrowings	(14)	6,359,459	25,904,186
Other loan	(15)	19,084,998	23,557,636
Lease liabilities	(5)	8,311,773	7,788,540
Deferred tax liability	(16)	54,406,450	43,348,280
		88,162,680	**100,598,642**
Current liabilities			
Trade and other payables	(17)	244,795,592	125,857,814
Owing to Directors	(10)	-	33,204
Current portion of borrowings	(14)	19,726,929	33,271,248
Current portion of other loans	(15)	4,917,849	4,567,855
Current portion of lease liabilities	(6)	12,060,283	4,281,011
Taxation payable		29,769,716	13,314,842
		311,270,369	**181,325,974**
Total liabilities		**399,433,049**	**281,924,616**
Total equity and liabilities		**1,730,571,001**	**1,385,148,994**

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

Approved for issue by the Board of Directors on March 8, 2024 and signed on its behalf by:

______________________) Director
Allan McDaniel

Marjorie E. McDaniel
______________________) Director
Marjorie McDaniel

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STATIONERY & OFFICE SUPPLIES LIMITED

STATEMENT OF PROFIT OF LOSS

YEAR ENDED DECEMBER 31, 2023

	Note	2023 $	2022 $
Revenue	(3c)	**1,935,164,646**	**1,748,142,622**
Cost of sales		(953,081,813)	(911,916,644)
		982,082,833	**836,225,978**
Other income		132,548	18,565
Administrative and general expenses	(18)	(483,455,516)	(399,141,415)
Selling and promotional costs	(18)	(132,741,829)	(131,873,350)
Impairment loss on financial assets		(4,803,084)	(11,500,943)
Depreciation and amortisation	(18)	(36,832,995)	(30,080,584)
Operating profit		**324,381,957**	**263,648,251**
Finance income	(19)	4,087,068	337,492
Gain/(loss) on foreign exchange		3,542,332	(1,198,462)
Finance costs	(19)	(6,873,283)	(8,709,885)
Loss on investment		(524,825)	(232,598)
Gain on disposal of property, plant and equipment		7,110,696	29,997,905
Profit before tax		**331,723,945**	**283,842,703**
Income tax expense	(20)	(53,786,271)	(27,335,056)
Profit for the year		**277,937,674**	**256,507,647**
Basic and Diluted Earnings Per Share	(21)	**0.12**	**0.11**

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

STATIONERY & OFFICE SUPPLIES LIMITED

STATEMENT OF OTHER COMPREHENSIVE INCOME

YEAR ENDED DECEMBER 31, 2023

	Note	2023 $	2022 $
Profit for the year		**277,937,674**	**256,507,647**
Other comprehensive income			
Items that will not be subsequently reclassified to profit or loss:			
Revaluation of land and buildings		-	233,876,609
Deferred taxation		-	(18,969,154)
Other comprehensive income for the year net of tax		**-**	**214,907,455**
Total comprehensive income for the year		**277,937,674**	**471,415,102**

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

STATIONERY & OFFICE SUPPLIES LIMITED

STATEMENT OF CHANGES IN EQUITY

YEAR ENDED DECEMBER 31, 2023

	Share Capital $	Capital Reserve $	Retained Profits $	Total $
Balance at January 1, 2022	88,151,214	112,423,398	476,256,354	676,830,966
Dividends (22)	-	-	(45,021,690)	(45,021,690)
Transaction with owners	**-**	**-**	**(45,021,690)**	**(45,021,690)**
Profit for the year being total comprehensive income	-	-	256,507,647	256,507,647
Other comprehensive income	-	214,907,455	-	214,907,455
Total comprehensive income	**-**	**214,907,455**	**256,507,647**	**471,415,102**
Balance at December 31, 2022	**88,151,214**	**327,330,853**	**687,742,311**	**1,103,224,378**
Dividends (22)	-	-	(50,024,100)	(50,024,100)
Transaction with owners	**-**	**-**	**(50,024,100)**	**(50,024,100)**
Profit for the year being total comprehensive income	-	-	277,937,674	277,937,674
Balance as at December 31, 2023	**88,151,214**	**327,330,853**	**915,655,885**	**1,334,137,952**

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

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STATIONERY & OFFICE SUPPLIES LIMITED

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2023

	Note	2023 $	2022 $
Cash flows from operating activities:			
Profit before tax		331,723,945	283,842,703
Adjustment for:			
Depreciation and amortisation	(18)	36,000,457	35,706,994
Amortisation – right -of-use	(18)	7,977,017	1,057,805
Loss/(gain) on foreign exchange on other loans	(24)	469,842	(719,276)
Gain on disposal of property, plant and equipment		(7,110,696)	(29,997,905)
Loss on investments		524,825	232,598
Interest income	(19)	(4,087,068)	(104,894)
Interest expense	(19)	6,873,283	8,709,885
		372,371,605	**298,727,910**
Decrease/(increase) in inventories		34,996,062	(72,604,040)
Decrease/(increase) in trade and other receivables		26,272,911	(76,401,888)
(Increase)/decrease in prepayments		(42,098,089)	32,220,637
Increase in owing by directors		(546,796)	-
Decrease in owing to directors		(33,204)	-
Increase in trade and other payables		118,937,778	23,495,647
Cash generated from operations		**513,900,267**	**205,438,266**
Interest paid		(6,873,283)	(8,709,885)
Income tax paid		(26,273,227)	-
Net cash provided by operating activities		**476,753,757**	**196,728,381**
Cash flows from investing activities:			
Interest received		4,087,068	104,894
Purchase of property, plant and equipment	(4)	(257,712,395)	(50,057,040)
Proceeds from disposal of property, plant and equipment		7,966,193	45,637,909
Net cash provided by/(used in) investing activities		**245,659,134**	**(4,314,237)**
Cash flows from financing activities			
Dividends paid		(50,024,100)	(45,021,690)
Repayment of lease liabilities		(6,680,673)	(624,115)
Proceeds from borrowings	(24)	-	14,925,397
Repayment of borrowings	(24)	(33,089,046)	(40,559,520)
Repayment of other loans	(24)	(4,592,486)	(23,658,035)
Net cash used in financing activities		**(94,386,305)**	**(94,937,963)**
Net increase in cash and cash equivalents		136,708,318	97,476,181
Cash and cash equivalents at beginning of year		131,939,033	34,462,852
Cash and cash equivalents at end of year	(11)	**268,647,351**	**131,939,033**

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

STATIONERY & OFFICE SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023

1. General information and nature of operation

Stationery and Office Supplies Limited is a limited liability Company incorporated under the Laws of Jamaica on July 23, 1965. The Company is domiciled in Jamaica with registered offices located at 23 Beechwood Avenue, Kingston 5, Jamaica, West Indies.

The main activity of the Company is the sale of office furniture, fixtures, stationery and other office supplies and the manufacture and sale of books.

The Company's shares were listed on the Junior Market of the Jamaica Stock Exchange on August 10, 2017.

At the reporting date, Outlook Limited, a Company incorporated in St. Lucia, and its directors controlled the Company by virtue of their direct holding of 80% of the issued shares of the Company.

2. Statement of compliance with IFRS and going concern assumptions

Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB) and have been prepared under the historical convention as modified by the revaluation of certain property, plant and equipment.

3. Summary of significant accounting policies

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

a Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Changes in accounting policies
Standards, interpretations and amendments to published standards effective in the current year

Certain new standards, amendments and interpretations to existing standards have been published that became effective during the current financial year.

The Company has assessed the relevance of all such new standards, amendments and interpretations and has put into effect the following, which are immediately relevant to its operations.

- Definition of Accounting Estimates – Amendments to IAS 8
- IFRS Interpretations Committee agenda decisions issued in the last 12 months:
  - Lease Forgiveness of Lease Payments (IFRS 9 and IFRS 16)
  - Definition of a Lease – Substitution Rights (IFRS 16)
- Amendments to IAS 1 – Classification of Liabilities as Current or Non-current and Amendments to IAS 1 – Non-current Liabilities with Covenants

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

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3. Summary of significant accounting policies (cont'd)

a Basis of preparation (cont'd)

Standards, interpretations, impact from adoption and amendments to existing standards effective during the current year (cont'd)

Standards, amendments, and interpretations to existing standards that are not yet effective and have not been early adopted by the Company.

At the date of authorisation of these financial statements a number of new standards and amendments to standards are effective for annual periods beginning on or after 1 January 2024 and have not been applied in preparing these consolidated financial statements. None of these is expected to have a significant effect on the consolidated financial statements of the Company, except the following set out below:

- Amendment to IFRS 16, (effective for accounting periods starting not earlier than 1 January 2024). Leases on sale and leaseback, include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted. The Company is currently assessing the impact of this amendment.

- Amendments to IAS 1, 'Presentation of financial statements' (effective for accounting periods starting not earlier than 1 January 2024). These amendments clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. Note that the IASB has issued a new exposure draft proposing change to this amendment. The Company is currently assessing the impact of these amendments.

- Amendment to IAS 7 and IFRS 7 - Supplier finance, (effective for accounting periods beginning on or after 1 January 2024 (with transitional reliefs in the first year)), require disclosures to enhance the transparency of supplier finance arrangements and their effects on an entity's liabilities, cash flows and exposure to liquidity risk. The disclosure requirements are the IASB's response to investors' concerns that some companies' supplier finance arrangements are not sufficiently visible, hindering investors' analysis.

- Amendments to IAS 21 - Lack of Exchangeability, relevant if an entity has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. A currency is exchangeable when there is an ability to obtain the other currency (with a normal administrative delay), and the transaction would take place through a market or exchange mechanism that creates enforceable rights and obligations. The Company is currently assessing the impact of these amendments.

There are no other IFRS or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Company.

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NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023

3. Summary of significant accounting policies (cont'd)

a Basis of preparation (cont'd)

a Property, plant and equipment

(i) Property, plant and equipment are carried at revalued amounts or cost less accumulated depreciation and impairment (Note 3j). Cost includes any cost directly attributable to bringing the assets to the location and condition necessary for them to be capable of operating in the manner intended by the Company's management.

(ii) Land and buildings are carried at revalued amounts being the market value and are performed once every three to five (3 – 5) years, unless market factors indicate a material change in fair value. Any revaluation surplus is recognized in other comprehensive income and credited to capital reserve in equity, unless the carrying amount of that asset has previously suffered a revaluation decrease or impairment loss. To the extent that any decrease has previously been recognized in other comprehensive income, a revaluation increase is credited to profit or loss with the remaining part of the increase recognized in other comprehensive income.

Downward revaluations of land and buildings are recognized upon revaluation or impairment testing, with the decrease being charged to other comprehensive income to the extent of any surplus in equity relating to this asset and any remaining decrease recognized in profit or loss. Any revaluation surplus remaining in equity on disposal of the asset is transferred to retained earnings.

(iii) Depreciation is charged on assets in the month after the date of acquisition.

Depreciation is provided on the straight line basis at such rates as will write off the cost of the various assets over the period of their expected useful lives. The useful lives approximate to fifty (50) years for building, twenty-five (25) years for roadway, ten (10) years for machinery, equipment and storage container, computer equipment, furniture and fixtures, five(5) years for motor vehicles and eight (8) years for solar system equipment.

Leasehold improvements are being amortised over five (5) years.

Land is not depreciated.

(iii) Gains or losses arising on the disposal of property, plant and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognised in profit or loss.

(v) Repairs and renewals

The cost of repairs and renewals which do not enhance the value of the existing assets are written off to the profit or loss as they are incurred.

b Inventories

Inventories are stated at the lower of cost, determined on a first in first out (FIFO) basis, and net realisable value. Net realisable value is estimated selling price in the ordinary course of business less estimated costs of completion and any applicable selling expenses.

Cost of finished goods and work-in-progress includes raw materials and labour as well as suitable portions of related production overheads, based on normal operating capacity.

Cost of other inventories comprising raw materials and finished goods (merchandise) comprise of their cost and expenses incurred in acquiring and bringing them to their existing location and condition.

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NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023

3. Summary of significant accounting policies (cont'd)

c Revenue recognition (cont'd)

Revenue comprise sales to customers. Sales represent the invoiced value of goods to customers net of General Consumption Tax.

Revenue from the sale of goods is recognised at a point in time when the control of the asset is transferred to the customer. Control of the goods is transferred when the physical possession of the good has been transferred to the customer which typically occurs at delivery.

d Foreign currency translation

Functional and presentation currency

The financial statements are prepared and presented in Jamaican Dollars, which is the functional currency of the Company. Except where otherwise stated, these financial statements are expressed in Jamaican Dollars.

Foreign currency translations and balances

(i) Foreign currency balances at the end of the reporting period have been translated at rates of exchange ruling at that date.

(ii) Transactions in foreign currency are converted at rates of exchange ruling at the dates of those transactions.

(iii) Gains/losses arising from fluctuations in exchange rates are included in profit or loss.

e Cash and cash equivalents

Cash and cash equivalents consist of current, savings accounts and fixed deposit held with licensed financial institutions and cash in hand maintained by the Company.

f Income tax

Income tax on profit or loss for the year comprises current and deferred tax.

When applicable, current tax is calculated on taxable profits at current tax rates.

Current tax is the expected tax payable on the taxable profits for the year, using tax rates enacted at the end of the reporting period, and any adjustments to tax payable in respect of previous years.

Deferred tax is accounted for using the liability method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding basis used in the computation of taxable profit. The carrying amounts for deferred tax reviewed at the end of each reporting period and adjusted if needed.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled. Deferred tax is charged to profit or loss, except when it is related to items credited or charged directly to equity, in which case the deferred tax is also dealt with in other comprehensive income or equity.

Deferred tax liabilities are generally recognised in full except to the extent that the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

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STATIONERY & OFFICE SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023

3. Summary of significant accounting policies (cont'd)

f Income tax (cont'd)

Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income.

g Financial instrument

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred.

A financial liability is derecognised when it is extinguished, discharged, cancelled or expired.

Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit or loss (FVTPL)
- fair value through other comprehensive income (FVOCI).

In the periods presented the Company does not have any financial assets categorised as FVOCI.

The classification is determined by both:

- the entity's business model for managing the financial asset
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

Subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments.

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3. Summary of significant accounting policies (cont'd)

g Financial instrument (cont'd)

Recognition and derecognition (cont'd)

Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorised at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. The Company's quoted equity securities fall into this category.

The Company accounts for the investment at FVTPL and did not make the irrevocable election to account for the investment in quoted equity securities at fair value through other comprehensive income (FVOCI).

In the current financial year, the fair value is determined in line with the requirements of IFRS 9, which does not allow for measurement at cost.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Financial assets at fair value through other comprehensive income (FVOCI)

The Company accounts for financial assets at FVOCI if the assets meet the following conditions:

- they are held under a business model whose objective it is "hold to collect" the associated cash flows and sell and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Any gains or losses recognised in other comprehensive income (OCI) will be recycled upon derecognition of the asset. None of the Company's financial assets fall into this category.

Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. This replaces IAS 39's 'incurred loss model'.

Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortised cost and FVOCI, trade receivables, contract assets recognised and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

The Company applies the simplified approach for trade receivables which is permitted by IFRS 9. The simplified approach requires that the impairment provision is measured at initial recognition and throughout the life of the receivables using a lifetime ECL.

The Company established a provision matrix based on historical credit losses adjusted to reflect forward looking macro economic factors affecting the customers ability to settle the amount outstanding.

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3. Summary of significant accounting policies (cont'd)

g Financial instruments (cont'd)

Trade and other receivables

The Company makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument.

In calculating, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Company assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics and they have been grouped based on the days past due. Refer to Note 27b for a detailed analysis of how the impairment requirements of IFRS 9 are applied.

Classification and measurement of financial liabilities

The Company's financial liabilities include borrowings, other loans, trade and other payables and owing to Directors.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

h Owing to Directors

Amounts owing to Directors are carried at amortised cost.

i Borrowings

Borrowings comprise loans and capital lease obligations and are classified as financial liabilities measured at amortised cost and are recognised initially at fair value, being their issued proceeds net of transaction costs incurred.

Subsequently, borrowings are measured at amortised cost and any difference between net proceeds and the redemption value is recognised in the profit or loss account over the period of the borrowings using the effective interest method. Interest charges are recognised in profit or loss in the period in which they occur.

j Impairment

The Company's property, plant and equipment and intangible assets are subject to impairment testing.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level.

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3. Summary of significant accounting policies (cont'd)

j Impairment (cont'd)

Individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the assets or cash-generating units carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use.

The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell and value in use, based on an internal discounted cash flow evaluation. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

k Tangible assets

Initial recognition

Computer software

Computer software is capitalised because of the costs incurred to acquire and install the specific software.

Brand name

Brand name acquired is recognised as an intangible asset at its fair value.

Subsequent measurement

All finite-lived intangible assets, are accounted for using the cost model whereby capitalised costs are amortised in a straight line basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date. In addition, they are subject to impairment testing as described in Note 4(j). The useful lives applied are ten (10) years for computer software and fifteen (15) years for brand name.

Amortisation has been included within depreciation and amortisation of assets.

Subsequent expenditures on the maintenance of computer software and brand name are expensed as incurred.

When an intangible asset is disposed of, the gain or loss on disposal is determined as the difference between the proceeds and the carrying amount of the asset, and is recognised in profit or loss within other income or expenses.

l Leases

At inception of a contract, the Company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

To apply this definition the Company assesses whether the contract meets three key evaluations which are whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Company.
- the Company has the right to obtain substantially all of the economic benefits from use of identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the Company has the right to direct the use of the identified asset throughout the period of use.

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3. Summary of significant accounting policies (cont'd)

l Leases (cont'd)

The Company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Measurement and recognition of leases as a lessee

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date (net of any incentives received).

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

m Equity

Share capital is determined using the nominal (par) value of shares that have been issued.

Capital reserve represents gains and losses arising from the revaluation of land and buildings.

Retained profits include all current and prior period results as disclosed in profit or loss.

All transactions with owners of the Company are recorded separately within equity.

Dividends are recognised as a liability in the period in which they are declared.

n Operating expenses

Operating expenses are recognised in profit or loss upon utilisation of the service or at the date of their origin.

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3. Summary of significant accounting policies (cont'd)

o Finance income and costs

Finance income comprise interest income on funds invested. Interest income is recognised as it accrues, using the effective interest method.

Finance costs comprise interest expense on borrowings. Borrowings costs are recognised in profit or loss using the effective interest method.

p Use of estimates and judgements

The preparation of financial statements in accordance with International Financial Reporting Standards requires management to make estimates and assumptions that affect the amounts reported in the financial statements.

These estimates are based on historical experience and management's best knowledge of current events and actions. Actual results may differ from these estimates and assumptions.

There were no critical judgements, apart from those involving estimation, that management has made in the process of applying the Company's accounting policies that have a significant effect on the amounts recognised in the financial statements.

The estimates and assumptions which have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

(i) Depreciation of property, plant and equipment

Depreciation is provided so as to write down the respective assets to their residual values over their expected useful lives and, as such, the selection of the estimated useful lives and the expected residual values of the assets requires the use of estimates and judgements. Details of the estimated useful lives are as shown in Note 4(a).

(ii) Taxation

The Company is required to conduct an assessment of the temporary differences which arise as a consequence of different accounting and tax treatments.

These temporary differences result in deferred tax assets or liabilities which are included in the statement of financial position. Deferred tax assets and liabilities are measured using the enacted tax rate at the end of the reporting period.

If the tax eventually payable or recoverable differs from the amounts originally estimated then the difference will be accounted for in the accounts in the year such determination is made.

(iii) Impairment

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount. An asset's recoverable amount is the higher of its fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

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3. Summary of significant accounting policies (cont'd)

p Use of estimates and judgements (cont'd)

Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are 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. In determining fair value less costs to sell, an appropriate valuation model is used.

Impairment losses of continuing operations are recognised in the statement of comprehensive income in those expense categories consistent with the function of the impaired asset, except for property previously revalued where the valuation was taken to equity. In this case the impairment is also recognised in equity up to the amount of any previous revaluation.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Company makes an estimate of the recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit or loss and other comprehensive income unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

(iv) In determining amounts recorded from impairment of trade receivables, the Company applies a simplified approach in calculating expected credit losses. The Company recognises a loss allowance based on 12 months expected credit losses at each reporting period date and has established a provision matrix based on its historical credit loss experience and adjusted for forward looking microeconomic factors affecting the customers ability to settle the amount outstanding.

q Provisions, contingent liabilities and contingent assets

Provisions are recognised when present obligations will probably lead to an outflow of economic resources from the Company and they can be estimated reliably. Timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive commitment that has resulted from past events, for example, legal disputes or onerous contracts.

Restructuring provisions are recognised only if a detailed formal plan for the restructuring has been developed and implemented, or management has at least announced the plan's main features to those affected by it. Provisions are not recognised for future operating losses.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time of many is material. Any reimbursement expected to be received in the course of settlement of the present obligation is recognised, if virtually certain as a separate asset, not exceeding the amount of the related provision.

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3. Summary of significant accounting policies (cont'd)

q Provisions, contingent liabilities and contingent assets (cont'd)

In those cases where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognised in the statement of financial position.

Probable inflows of economic benefits to the Company that do not yet meet the recognition criteria of an asset are considered contingent assets.

r Operating segments

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 Chief Operating Decision Makers to make decisions about resources to be allocated to the segments and assess its performance.

The Company has three operating segments, books, furniture and stationery and other supplies.

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4. Property, plant and equipment comprise:

The carrying amounts for property, plant and equipment for the years included in these financial statements as at December 31, 2023 can be analysed as follows:

	Freehold Land $	Buildings $	Roadway $	Leasehold Improvements $	Motor Vehicles $	Computer Equipment $	Other Equipment $	Solar Equipment $	Total $
Gross carrying amount									
Balance at January 1, 2023	258,000,000	272,000,000	2,816,816	7,234,615	134,695,808	15,490,648	95,415,608	14,600,678	800,254,173
Additions	161,295,000	44,705,347	-	-	47,662,164	501,240	3,548,644	-	257,712,395
Disposals	-	-	-	-	(12,995,767)	-	-	-	(12,995,767)
Balance at December 31, 2023	**419,295,000**	**316,705,347**	**2,816,816**	**7,234,615**	**169,362,205**	**15,991,888**	**98,964,252**	**14,600,678**	**1,044,970,801**
Depreciation									
Balance at January 1, 2023	-	-	(495,736)	(7,234,614)	(92,541,143)	(15,173,370)	(47,154,990)	(14,600,677)	(177,200,530)
Charge for the year	-	(5,440,000)	(112,673)	-	(18,953,228)	(818,518)	(9,422,233)	-	(34,746,657)
Disposals	-	-	-	-	12,140,270	-	-	-	12,140,270
Balance at December 31, 2023	**-**	**(5,440,000)**	**(608,409)**	**(7,234,614)**	**(99,354,106)**	**(15,991,888)**	**(56,577,223)**	**(14,600,677)**	**(199,806,917)**
Carrying amount at December 31, 2023	**419,295,000**	**311,265,347**	**2,208,407**	**1**	**70,008,099**	**-**	**42,387,029**	**1**	**845,163,884**

(i) Land and buildings were revalued by independent valuators D.C. Tavares & Finson Realty Ltd. in February 2022. The resulting increase in valuation has been credited to capital reserve. (Note 13).

(ii) Under the cost model, the carrying amount of revalued land and buildings at 21, 23 and 25 Beechwood Avenue, Kingston 5 and 34 Collins Green Avenue, St. Andrew at reporting date would be $240,828,738 (2022 - $120,412,918).

(iii) Land and buildings have been pledged as security for the Company's borrowings (Note 14).

STATIONERY & OFFICE SUPPLIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

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4. Property, plant and equipment comprise (cont'd):

	Freehold Land $	Buildings $	Roadway $	Leasehold Improvements $	Motor Vehicles $	Computer Equipment $	Other Equipment $	Solar Equipment $	Total $
Gross carrying amount									
Balance at January 1, 2022	115,640,000	210,938,917	2,062,400	7,234,615	125,000,169	15,275,368	80,995,772	14,600,678	571,747,919
Additions	-	7,529,484	754,416	-	27,138,024	215,280	14,419,836	-	50,057,040
Disposals	(15,640,000)	-	-	-	(17,442,385)	-	-	-	(33,082,385)
Revaluation	158,000,000	53,531,599	-	-	-	-	-	-	211,531,599
Balance at December 31, 2022	**258,000,000**	**272,000,000**	**2,816,816**	**7,234,615**	**134,695,808**	**15,490,648**	**95,415,608**	**14,600,678**	**800,254,173**
Depreciation									
Balance at January 1, 2022	-	(18,080,208)	(391,856)	(7,234,614)	(91,075,520)	(13,640,076)	(39,336,857)	(12,775,596)	(182,534,727)
Charge for the year	-	(4,264,802)	(103,880)	-	(18,908,004)	(1,533,294)	(7,818,133)	(1,825,081)	(34,453,194)
Disposals	-	-	-	-	17,442,381	-	-	-	17,442,381
Revaluation	-	22,345,010	-	-	-	-	-	-	22,345,010
Balance at December 31, 2022	**-**	**-**	**(495,736)**	**(7,234,614)**	**(92,541,143)**	**(15,173,370)**	**(47,154,990)**	**(14,600,677)**	**(177,200,530)**
Carrying amount at December 31, 2022	**258,000,000**	**272,000,000**	**2,321,080**	**1**	**42,154,665**	**317,278**	**48,260,618**	**1**	**623,053,643**

NOTES TO THE FINANCIAL STATEMENTS

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5. Leases

Right-of-use assets

The carrying amounts for right-of-use assets for the years included in these financial statements can be analysed as follows:

	$
Gross carrying amount	
Balance at January 1, 2023	12,693,666
Additions	14,983,178
Balance at December 31, 2023	**27,676,844**
Depreciation	
Balance at January 1, 2023	(1,057,805)
Charge for the year	(7,977,017)
Balance at December 31, 2023	**(9,034,822)**
Carrying amount at December 31, 2023	**18,642,022**

	$
Gross carrying amount	
Balance at January 1, 2022	12,693,666
Balance at December 31, 2022	**12,693,666**
Depreciation	
Balance at January 1, 2022	-
Charge for the year	(1,057,805)
Balance at December 31, 2022	**(1,057,805)**
Carrying amount at December 31, 2022	**11,635,861**

The Company leased a motor vehicle and building both under lease agreement which runs for periods of three (3) years. With the exception of short-term leases and leases of low value underlying assets, the lease is reflected on the statement of financial position as a right-of-use asset and a lease liability. Variable lease payments which do not depend on or a rate (such as lease payments based on a percentage of Company sales) are excluded from the initial measurement of the lease liability and asset.

Lease liabilities

Lease liability are presented in the statement of financial position is as follows:

	2023 $	2022 $
Non-current	8,311,773	7,788,540
Current	12,060,283	4,281,011
	20,372,056	**12,069,551**

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NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023

5. Leases (cont'd)

Lease liabilities (cont'd)

Future minimum lease payments are as follows:

2023

	Within 1 year $	2 to 5 Years $	Total $
Lease payments	(13,320,596)	(8,570,802)	(21,891,398)
Finance charges	1,260,313	259,029	1,519,342
Net present values	**(12,060,283)**	**(8,311,773)**	**(20,372,056)**

2022

	Within 1 year $	2 to 5 Years $	Total $
Lease payments	5,202,950	8,404,766	13,607,716
Finance charges	(921,939)	(616,226)	(1,538,165)
Net present values	**4,281,011**	**7,788,540**	**12,069,551**

Lease payment not recognised as a liability

The Company leases an office, warehouse and storage buildings. The lease agreement expired on December 31, 2015. The Company has an option to renew, however, at the reporting date the documentation to give effect to the terms of the new lease agreement had not been finalised. The company has therefore elected not to recognise a lease liability.

The expense relating to payments not included in the measurement of the lease liability is as follows:

	2023 $	2022 $
Short-term leases	8,154,611	7,255,715
Total	**8,154,611**	**7,255,715**

At December 31, 2023 the Company was committed to short – term leases and the total commitment at that date was $8,154,611 (2022 - $6,034,241).

(b) **Amounts recognised in the profit or loss**

	2023 $	2022 $
Depreciation charged on right-of-use assets	7,977,017	1,057,805
Interest expense on lease liabilities	1,660,846	176,338
	9,637,863	**1,234,143**

(c) **Amounts recognised in the statement of cash flows**

	2023 $	2022 $
Total cash out flow for leases	(6,680,673)	(624,115)
Total	**(6,680,673)**	**(624,115)**

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NOTES TO THE FINANCIAL STATEMENTS

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6. Intangible assets

Details of intangible assets and their carrying amounts are as follows:

	Acquired Software $	Brand Name $	Total $
Gross carrying amount			
Balance at January 1, 2023	5,661,552	10,325,000	15,986,552
Balance at December 31, 2023	5,661,552	10,325,000	15,986,552
Amortisation			
Balance at January 1, 2023	(3,698,077)	(2,751,268)	(6,449,345)
Charge for the year	(566,155)	(687,645)	(1,253,800)
Balance at December 31, 2023	**(4,264,232)**	**(3,438,913)**	**(7,703,145)**
Carrying amount at December 31, 2023	**1,397,320**	**6,886,087**	**8,283,407**

	Acquired Software $	Brand Name $	Total $
Gross carrying amount			
Balance at January 1, 2022	5,661,552	10,325,000	15,986,552
Balance at December 31, 2022	**5,661,552**	**10,325,000**	**15,986,552**
Amortisation			
Balance at January 1, 2022	(3,131,922)	(2,063,623)	(5,195,545)
Charge for the year	(566,155)	(687,645)	(1,253,800)
Balance at December 31, 2022	**(3,698,077)**	**(2,751,268)**	**(6,449,345)**
Carrying amount at December 31, 2022	**1,963,475**	**7,573,732**	**9,537,207**

7. Investments

The Company accounted for its equity securities at FVTPL.

	2023 $
Fair value through profit or loss:	
Quoted equity securities	3,233,083
Amortised cost:	
Cash	67,454
	3,300,537

	2022 $
Fair value through profit or loss:	
Quoted equity securities	3,668,737
Amortised cost:	
Cash	156,625
	3,825,362

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8. Inventories

	2023 $	2022 $
Finished goods	306,411,158	351,158,219
Raw materials	20,497,150	17,461,493
Goods-in-transit	6,715,342	-
Total	**333,623,650**	**368,619,712**

The cost of inventories recognised as an expense during the year was $901,186,648 (2022 - $869,611,985). The company recorded an amount of $1,238,392 resulting from write down of inventory to their net realisable value.

9. Trade and other receivables

	2023 $	2022 $
Trade	194,418,280	215,093,957
Less: Allowance for expected credit loss	(22,651,369)	(17,848,285)
	171,766,911	197,245,672
Deposits	1,617,557	2,110,038
Other receivables	473,743	775,412
Total	**173,858,211**	**200,131,122**

All amounts are short-term and the carrying value is considered a reasonable approximation of fair value.

The age of trade receivables and other receivables past due but not impaired is as follows:

	2023 $	2022 $
Not more than 3 months	79,359,125	187,542,502
More than 3 months but not more than I year	94,499,086	9,703,170
Total	**173,858,211**	**197,245,672**

10. Balances and transactions with related parties

i At the end of the reporting period trade and non-trade balances with related parties were as follows:

	2023 $	2022 $
Other loans (Note 15)	(24,002,847)	(28,125,491)
Owing to Directors	-	(33,204)
Owing by Directors	546,796	-

ii Transactions with key management personnel

The compensation of key management for services comprises:

	2023 $	2022 $
Short-term employee benefits – Management remuneration	68,370,603	64,960,608
Fees paid to directors	1,610,000	625,000
Total	**69,980,603**	**65,585,608**

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STATIONERY & OFFICE SUPPLIES LIMITED

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11. Cash and cash equivalents

	Interest Rate % p.a.	2023 $	2022 $
Cash at bank and in hand:			
Petty cash		612,054	438,219
J$ savings account	0.15-0.40	3,110,488	46,765,336
J$ current accounts		127,929,334	83,300,834
US$ current account			
US$67,443 (2022 – US$6,679)		10,521,708	1,001,312
		142,173,584	**131,505,701**
Short -term deposits	5-7	126,473,767	433,332
Total cash and cash equivalents		**268,647,351**	**131,939,033**

12. Share capital

	Number of shares #	Ordinary shares $	Total $
January 1, 2023	**250,120,500**	**88,151,124**	**88,151,124**
Additional shares due to stock split	2,000,964,000	-	-
December 31, 2023	**2,251,084,500**	**88,151,124**	**88,151,124**
December 31, 2022	**250,120,000**	**88,151,124**	**88,151,124**

At the annual general meeting hold on July 25, 2023 the shareholders approved a proposal by the Company's Board of Directors for 9:1 Split. The issued ordinary shares in the capital of the Company be subdivided into nine (9) ordinary shares resulting in the total issued shares in the capital of the Company being increased from 250,120,500 to 2,251,084,500. The record date for the stock split is 2 August 2023.

In order to facilitate a proposed subdivision of the existing ordinary shares in the capital of the Company, the authorized share capital of the Company be increased from 500,000,000 to 500,000,000,000.

13. Capital reserve

Capital reserve represents gains and losses arising from the revaluation of land and buildings.

	2023 $	2022 $
Balance at January 1	**327,330,853**	**112,423,398**
Surplus on arising on revaluation of land and buildings	-	233,876,609
	327,330,853	**346,300,007**
Deferred tax related to revaluation	-	(18,969,154)
Balance at end of year	**327,330,853**	**327,330,853**

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NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023

14. Borrowings

	2023 $	2022 $
(a) Cornerstone Trust & Merchant Bank Limited	9,874,514	14,767,054
(b) JN Fund Managers Ltd.	16,211,874	44,408,380
	26,086,388	59,175,434
Less: Current portion	(19,726,929)	(33,271,248)
Total	**6,359,459**	**25,904,186**

(a) Cornerstone Trust & Merchant Bank Limited

i This represents a demand loan of $5.65 million that was received September 2021 to purchase a motor vehicle. The loan is to be repaid over thirty-six (36) monthly payments and interest is charged at a variable rate of seven percent (7%) per annum.

The loan is secured by:

- Limited Guarantee of Marjorie McDaniel and David McDaniel.
- Chattel Mortgage over 2023 Mitsubishi L200 Sportero AT.

ii A loan of $2,930,000 was received in November 2021 to purchase a motor vehicle. The loan is to be repaid over thirty-six (36) monthly payments and matures November 2024.

Interest is charged at a rate of 7% per annum which is subject to change depending on money market conditions.
The loan is secured by:

- Chattel Mortgage over one (1) 2016 Nissan Caravan and one (1) 2016 Nissan NV350.
- Personal Guarantee of Directors Marjorie McDaniel and Allan McDaniel.
- Promissory Note signed by Stationery and Office Supplies Limited for J$2,930,000.

iii A loan of $13,495,000 was received in February 2022 to purchase a motor vehicle. The loan is to be repaid over sixty (60) monthly payments and matures August 2026.

Interest is charged at a variable rate of 6.5% percent per annum which is subject to change depending on money market conditions.

The loan is secured by:

- Chattel Mortgage over one (1) 2023 BMW x3.
- Personal Guarantee of Directors Marjorie McDaniel and Allan McDaniel.
- Promissory Note signed by Stationery and Office Supplies Limited for J$13,495,000.

(b) JN Fund Managers Ltd.

i A loan of $37million was received October 2017 towards the purchase of property and is to be repaid over a period of eighty-four (84) months. Interest is at a rate of eight point five percent (8.5%) per annum, subject to change depending on market conditions with repayment commencing thirty (30) days following the date on which the loan was disbursed.

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14. Borrowings (cont'd)

The loan is secured by:

- First legal mortgage over the Duplicate Certificate of Title to commercial property at 23 Beechwood Avenue, Kingston 5.
- Assignment of all Risk Peril Insurance, to the order of JN Fund Managers Limited, over the 10,958 square feet office building at 23 Beechwood Avenue, Kingston 5 for its full replacement cost minimum interest cover ratio 2:1.

(b) JN Fund Managers Ltd. (cont'd)

ii A bond of $80M was issued April 2018 towards the purchase of equipment and the SEEK brand. The bond is to be repaid over six (6) years and bears interest at a rate of eight percent (8%) per annum. There will be a two year moratorium on principal repayment from April 25, 2018 through April 25, 2020. There after principal will be amortized equally over the remaining four years as detailed below:

- Year 3 - $16 million in total with quarterly payments of $4 million.
- Year 4 - $20 million in total with quarterly payments of $5 million.
- Year 5 - $24 million in total with quarterly payments of $6 million.
- Year 6 - $20 million in total with quarterly payments of $5 million.

The bond is secured by:

- Real estate property located at 34 Collins Green Avenue, with last valuation of J$63,000,000.
- Floating charge over the equivalent of J$85,000,000 of the Company's receivables at 33% LTV ratio.
- The LTV of the collateral package will be tested on an annual basis and should be maintained at aforementioned LTV levels.
- In lieu of receivables, the Company can opt. to use cash in debt service reserve account at a LTV of 100%.

The Company is required to maintain a debt service reserve account with a minimum balance at all times to be equivalent to three months interest payments on the Notes, approximately J$1.7million. The cash requirement was met, however, at year end this was not placed in a reserve account.

15. Other loans

	2023 $	2022 $
Director's long term loan	24,002,847	28,125,491
Less: current portion	(4,917,849)	(4,567,855)
Total	**19,084,998**	**23,557,636**

Interest on the loan is five point five percent (5.5%) per annum and is repayable on a quarterly basis.

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STATIONERY & OFFICE SUPPLIES LIMITED

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16. Deferred tax liability

Deferred tax is calculated on all temporary differences under the liability method using a tax rate of 25% (2022 - 12.5%). The movement on the deferred tax account is as follows:

	2023 $	2022 $
Balance at beginning of year	43,348,280	11,480,476
Deferred tax expense (Note 20)	11,058,170	12,898,650
Income tax attributable to revaluation	-	18,969,154
Balance at end of year	**54,406,450**	**43,348,280**

Deferred tax balance arose on temporary differences in respect of the following:

	2023 $	2022 $
Deferred tax liability on:		
Property, plant and equipment	54,406,450	43,456,699
Other	-	(108,419)
Deferred tax liability	**54,406,450**	**43,348,280**

17. Trade and other payables

	2023 $	2022 $
Trade	53,666,403	32,613,445
Customer deposits	18,021,189	19,723,105
Statutory deductions	9,534,158	11,125,723
Accruals	13,618,459	2,018,799
Other	149,955,383	60,376,742
Total	**244,795,592**	**125,857,814**

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18. Expenses by nature

Total direct, administrative and other overhead expenses:

	2023 $	2022 $
Cost of inventories recognised as an expense	901,186,648	869,611,985
Administrative and general expenses		
Directors' emoluments –		
- Management remuneration	68,370,603	64,960,608
- Fees	1,610,000	625,000
Employee benefits (Note 25)	268,857,043	213,218,702
Rent	8,154,611	7,255,715
Utilities	9,342,859	8,439,256
Auditor's remuneration	2,483,250	2,257,500
Motor vehicle expense	34,048,110	29,719,518
Repairs and maintenance	42,869,254	37,029,833
Legal and professional fees	9,144,129	5,095,832
Security	3,383,552	1,980,685
Insurance	8,800,654	5,982,816
Donations and subscriptions	1,019,921	453,371
Bank charges	9,808,954	8,992,999
Other administrative expenses	15,566,674	13,129,580
Total	**483,455,516**	**399,141,415**
Selling and promotional costs		
Advertising	16,609,692	26,070,754
Commission	98,024,519	86,404,908
Travelling and entertainment	17,685,267	17,383,373
Other	422,351	2,014,315
Total	**132,741,829**	**131,873,350**
Depreciation and amortisation		
Depreciation – Property, plant and equipment (Note 4)	34,746,657	27,768,975
Amortisation – Intangible assets (Note 6)	1,253,800	1,253,800
	36,000,457	**35,706,995**
Less: Depreciation included in cost of sales	7,148,568	6,684,216
	28,855,978	**29,022,779**
Depreciation – Right of use assets (Note 5)	7,977,017	1,057,805
	36,832,995	**30,080,584**

19. Finance income and finance cost

Finance income includes all income from short – term deposits and cash at bank:

	2023 $	2022 $
Interest income	4,087,068	337,492
Total finance income	**4,087,068**	**337,492**

Finance costs for the years presented comprise:

	2023 $	2022 $
Interest expense for borrowings at amortised cost	5,212,437	8,523,547
Interest on lease	1,660,846	176,338
	6,873,283	**8,709,885**

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STATIONERY & OFFICE SUPPLIES LIMITED

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20. Income tax

The Company's shares were listed on the Jamaica Stock Exchange Junior Market (JSE Junior Market) on August 10, 2017. As a result, the Company is entitled to a remission of taxes for an allowable period not exceeding ten (10) years from the date of the listing on the JSE Junior Market, provided the shares remain listed for at least fifteen (15) years.

The Company is now in its sixth year since listing on the Jamaica Stock Exchange Junior Market and is now subject to 50% tax remission as of August 10, 2022.

i Income tax based on profit for the year, adjusted for tax purposes and computed at the tax rate of 25% comprise:

	2023 $	2022 $
Current tax	42,728,101	14,436,406
Deferred tax expense (note 16)	11,058,170	12,898,650
Total	**53,786,271**	**27,335,056**

ii Reconciliation of theoretical tax expenses to effective tax expenses:

	2023 $	2022 $
Profit before tax	**331,723,945**	**283,842,703**
Tax at the applicable tax rate of 25%.	82,930,986	70,960,676
Tax effect of expenses not deductible for tax purposes	1,655,617	3,678,430
Tax effect of other charges and allowances	13,427,841	7,554,289
Remission of tax	(44,228,173)	(54,856,339)
Income tax expense for the year	**53,786,271**	**27,335,056**

21. Basic and diluted earnings per share

Basic and diluted earnings per share are both calculated using the profit attributed to equity shareholders as the numerator:

	2023 $	2022 $
Profit attributable to shareholders	277,937,674	256,507,647
Weighted average number of ordinary shares	2,251,084,500	2,251,084,500
Basic and diluted earnings per share	0.12	0.11

The earnings per shares was restated to reflect the effects of the stock split effective on August 2, 2023. (Note 12).

22. Dividends

On May 30, 2023 the Board of Director approved payment of dividend to its equity shareholder.

During the year the Company paid final dividends of 2023 of $50,024,100 (2022 - $45,021,690) to its equity shareholders. This represents a payment of $0.20 (2022 - $0.18) per share.

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DECEMBER 31, 2023

23. Segment reporting

Segment information for the reporting period are as follows:

December 31, 2023

	Books $	Furniture $	Stationery and Others $	Total $
Revenue	112,495,744	962,747,191	859,921,711	1,935,164,646
Less: Cost of sales	(46,749,906)	(669,509,147)	(236,822,760)	(953,081,813)
Gross profit	**65,745,838**	**293,238,044**	**623,098,951**	**982,082,833**

December 31, 2022

	Books $	Furniture $	Stationery and Others $	Total $
Revenue	83,501,069	847,576,914	817,064,639	1,748,142,622
Less: Cost of sales	(40,262,202)	(598,299,329)	(273,355,113)	(911,916,644)
Gross profit	**43,238,867**	**249,277,585**	**543,709,526**	**836,225,978**

24. Reconciliation of liabilities arising from financing activities

The changes in the Company's liabilities arising from financing activities can be classified as follows:

	Borrowings **$**	**Other loans** **$**	**Total** **$**
January 1, 2023	59,175,434	28,125,491	87,300,925
Cash flows:			
Repayment	(33,089,046)	(4,592,486)	(37,681,532)
Noncash:			
Loss on foreign exchange	-	469,842	469,842
December 31, 2023	**26,086,388**	**24,002,847**	**50,089,235**

	Borrowings **$**	**Other loans** **$**	**Total** **$**
January 1, 2022	84,809,557	52,502,802	137,312,359
Cash flows:			
Repayment	(40,559,520)	(23,658,035)	(64,217,555)
Proceeds	14,925,397	-	14,925,397
Noncash:			
Gain on foreign exchange	-	(719,276)	(719,276)
December 31, 2022	**59,175,434**	**28,125,491**	**87,300,925**

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25. Employee benefits

	2023 $	2022 $
Salaries and wages	213,056,160	165,875,876
Statutory contributions	46,618,879	34,538,303
Staff benefits	9,182,004	12,804,523
Total	**268,857,043**	**213,218,702**

There were one hundred and forty-two (142), (2022 – one hundred and forty-seven (147)) employees at year end.

26. Risk management policies

The Company's activities expose it to a variety of financial risks in respect of its financial instruments: market risk (currency risk, interest rate risk and other price risk), credit risk and liquidity risk. The Company seeks to manage these risks by close monitoring of each class of its financial instruments as follows:

a Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices.

Foreign currency risk

The Company is exposed to market risk through its use of financial instruments and specifically to currency risk, interest rate risk and certain other price risk, which result from both its operating and investing activities.

i Currency risk

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

The Company is exposed to currency risk due to fluctuations in exchange rates on balances that are denominated in currencies other than the Jamaican Dollar. For transactions denominated in United States Dollars (US$) the Company however, maintains US$ bank account in an attempt to minimise this risk.

At the end of the reporting period there were net liabilities of approximately US$297,139 (2022 - US$270,062) which were subject to foreign exchange rate changes as follows:

Concentrations of currency risk

	2023 US$	2022 US$
Financial assets		
- Cash and cash equivalents	67,443	6,679
Financial liabilities		
- Other loans	(210,743)	(91,768)
- Trade and other payables	(152,839)	(184,973)
Total	**(297,139)**	**(270,062)**

NOTES TO THE FINANCIAL STATEMENTS

DECEMBER 31, 2023

26. Risk management policies (cont'd)

a Market risk (cont'd)

i Currency risk (cont'd)

Concentrations of currency risk (cont'd)

The above assets/(liabilities) are receivables/(payables) in United States Dollars (US$).
The exchange rate applicable at date is J$156.01 to US$1 (2022 - J$152.05 to US$1).

Foreign currency sensitivity

The following table illustrates the sensitivity of the net result for the year end and equity with regards to the Company's financial assets and financial liabilities and US Dollar to Jamaican (JA) Dollar exchange rate. Only movements between the Jamaican Dollar and US Dollars are considered, as these are the two major currencies of the Company.

The sensitivity analysis is based on the Company's United States Dollar financial instruments at the end of the reporting period.

Effect on results of operations:

If the JA Dollar weakens by 4% (2022 – 4%) against the US Dollar then this would have the effect of the amounts shown below on the basis that all other variables remain constant.

	Rate %	Weakens $
2023	4	(1,848,574)
2022	4	(1,642,537)

If the JA Dollar strengthens against the US Dollar by 1% (2022 – 1%) this would have the following impact:

	Rate %	Strengthens $
2023	1	462,144
2022	1	410,634

ii Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's cash and cash equivalents are subject to interest rate risk. However, the Company attempts to manage this risk by monitoring its interest-bearing instruments closely and procuring the most advantageous rates under contracts with interest rates that are fixed for the life of the contract, where possible.

The Company maintains interest-earning bank accounts with licensed financial institutions. Interest rates on interest-earning bank accounts are not fixed but are subject to fluctuations based on prevailing market rates.

The Company's interest rate risk arises mainly from its borrowings.

Interest rate sensitivity

Due to the fact that interest earned from the Company's interest-earning bank accounts is immaterial, there would be no material impact on the results of the Company's operations as a result of fluctuations in interest rates. However, the Company is exposed to changes in market interest rates through its borrowings.
The following table illustrates the sensitivity of profit to a reasonably possible change in interest rates.

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26. Risk management policies (cont'd)

b Market risk (cont'd)

ii Interest rate risk (cont'd)

Effects on results of operations:

If the interest rate increases by 0.25% (2022 – 1%) according to changes in money market conditions then this would be the effect of the amounts shown on the basis that all other variables remain constant.

	Rate %	$
2023	**0.25**	**(124,164)**
2022	1	985,025

If the interest rate decrease by 0.25% (2022 – 0.5%) according to change in money market conditions then this would be the effect of the amounts shown on the basis that all other variables remain constant.

	Rate %	$
2023	**0.25**	**124,164**
2022	0.5	(492,513)

iii Other price risk

Other price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all instruments traded in the market. The Company's financial instruments are substantially independent of changes in market prices as they are short-term in nature.

b Credit risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to credit risk from financial assets including cash and cash equivalents held at banks, trade and other receivables.

Credit risk management

The credit risk in respect of cash balances held with banks and deposits with banks are managed via diversification of bank deposits, and are only with reputable financial institutions.

The Company continuously monitors the credit quality of customers. The Company's policy is to deal with only credit worthy counterparties. The credit terms range between 15 and 30 days. The credit terms for customers are subject to an internal approval process which considers the credit rating scorecard. The on going credit risk is managed through regular review of aging analysis together with credit limit per customer.

Trade receivables consists of a large number of customers. The Company does not require collateral or other credit enhancements in respect of its trade and other receivables.

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26. Risk management policies (cont'd)

b Credit risk (cont'd)

Credit risk management (cont'd)

The maximum credit risk faced by the Company is limited to the carrying amount of financial assets recognised at the end of the reporting period, as summarised below:

	2023 $	2022 $
Investments	3,300,537	3,825,362
Trade and other receivables	173,858,211	200,131,122
Cash and cash equivalents	268,035,297	131,500,814
Total	**445,194,045**	**335,457,298**

Trade receivables

The Company applies IFRS 9 simplified model of recognising lifetime estimate credit losses, for all trade receivables as these items do not have significant financing component.

In measuring the expected credit losses the trade receivables have been assessed on a collective basis as they possess shared credit risk characteristics. They have been grouped based on the days past due. The expected loss rates are based on the payment profile for sales over the last 24 months before December 31, 2023 and January 1, respectively as well as the corresponding historical losses during the period. The historical rates are adjusted to reflect forward looking macro economic factors affecting the customers ability to settle the amount outstanding. The Company has identified gross domestic product (GDP) and inflation rates to be the most relevant factors and accordingly adjusts historical loss rates for expected changes in these factors.

Trade receivables are written off when there is no reasonable expectation of recovery, failure to make payments within 365 days from the invoice date and failure to engage with the Company on alternative payment arrangement amongst other is considered indicators of no reasonable expectation of recovery.

December 31, 2023

	Trade receivables days past due					
	Current	More than 30 days	More than 60 days	More than 90 days	365 days and over	Total
Expected credit loss rate	0.10%	1.25%	8.5%	10%	100%	
Gross carrying amount	63,472,360	294,858	17,109,961	102,679,154	10,861,949	194,418,281
Lifetime expected credit loss	63,472	3,686	1,454,347	10,267,915	10,861,949	22,651,369

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DECEMBER 31, 2023

26. Risk management policies (cont'd)

b Credit risk (cont'd)

Trade receivables (cont'd)

December 31, 2022

	Trade receivables days past due					
	Current	More than 30 days	More than 60 days	More than 90 days	365 days and over	Total
Expected credit loss rate	0.30%	1.11%	12.883%	-	58.24%	
Gross carrying amount	89,507,067	77,612,615	24,741,055	-	23,233,220	215,093,957
Lifetime expected credit loss	268,521	861,500	3,187,237	-	13,531,027	17,848,285

The closing balance of the trade and other receivables as at December 31, 2023 reconciles with the trade receivables loss allowance opening balance as follows:

	2023 $	2022 $
Opening loss allowance at January 1	17,848,285	6,347,342
Loss allowance recognised during the year	4,803,084	11,500,943
Loss allowance at December 31	**22,651,369**	**17,848,285**

c Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its commitments associated with financial liabilities.

The Company manages its liquidity risk by carefully monitoring its cash outflow needs for day-to-day business and maintaining an appropriate level of resources in liquid or near liquid form to meet its needs. The Company maintains cash to meet its liquidity requirements.

As at December 31, 2023, the Company's non-derivative financial liabilities have contractual maturities (including interest payment where applicable) as summarised below:

	Current Within 12 Months $	Non-current 2 to 5 years $
Borrowings	20,413,671	6,601,125
Other loans	4,917,849	19,084,993
Lease liabilities	13,320,596	8,570,802
Trade and other payables	244,795,397	-
Total	**283,447,513**	**34,256,920**

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26. Risk management policies (cont'd)

c Liquidity risk (cont'd)

This compares to the maturity of the Company's financial liabilities in the previous reporting period as follows:

	Current Within 12 Months $	Non-current 2 to 5 years $	Non-current Over 5 years $
Borrowings	36,652,791	27,188,713	-
Other loans	5,960,923	23,843,482	1,490,090
Lease liabilities	5,202,950	8,404,766	-
Owing to directors	33,204	-	-
Trade and other payables	125,857,814	-	-
Total	**173,707,682**	**59,436,961**	**1,490,090**

The above contractual maturities reflect the gross cash flows, which may differ to the carrying values of the liabilities at the end of the reporting period.

27. Fair value measurement

(i) Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Unobservable inputs for the asset or liability.

December 31, 2023	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets				
Quoted equity securities	3,300,537	-	-	3,300,537
Total	**3,300,537**	**-**	**-**	**3,300,537**

December 31, 2022	Level 1 $	Level 2 $	Level 3 $	Total $
Financial assets				
Quoted equity securities	3,825,362	-	-	3,825,362
Total	**3,825,362**	**-**	**-**	**3,825,362**

There were no transfers between level 1 and level 2 in 2023 and 2022.

The Company's other financial assets and financial liabilities are measured at amortised cost, and the fair values for these are disclosed at Note 28.

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27. Fair value measurement (cont'd)

(ii) Fair value measurement of non-financial assets.

The following table shows the Levels within the hierarchy of non-financial assets measured at fair value on a recurring basis at December 31, 2023:

	Level 1 $	Level 2 $	Level 3 $	Total $
Property, plant and equipment				
Land and buildings	-	-	730,560,347	730,560,347
Total	**-**	**-**	**730,560,347**	**730,560,347**

Fair value of the Company's land and buildings is estimated based on appraisal by a professionally qualified valuator. The significant inputs and assumptions are developed in close consultation with management.

Land and Buildings (Level 3)

The appraisal was carried out using a market approach that reflects observed prices for market transactions and incorporates adjustments for factors specific to the Company's property, including size, location, encumbrances and current use of the property. Land and buildings were revalued in February 2022.

Reconciliation of the opening and closing balances of the Company's land and buildings:

	2023 $
Balance at January 1, 2023	530,000,000
Additions	206,000,347
Depreciation	(5,440,000)
Balance at December 31, 2023	**730,567,347**

2022

	Level 1 $	Level 2 $	Level 3 $	Total $
Property, plant and equipment				
Land and buildings	-	-	530,000,000	530,000,000
Total	**-**	**-**	**530,000,000**	**530,000,000**

Fair value of the Company's land and buildings is estimated based on appraisal by a professionally qualified valuator. The significant inputs and assumptions are developed in close consultation with management.

Land and Buildings (Level 3)

The appraisal was carried out using a market approach that reflects observed prices for market transactions and incorporates adjustments for factors specific to the Company's property, including size, location, encumbrances and current use of the property. Land and buildings were revalued in February 2022.

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DECEMBER 31, 2023

27. Fair value measurement (cont'd)

Reconciliation of the opening and closing balances of the Company's land and buildings:

	2022 $
Balance at January 1, 2022	308,498,709
Additions	7,529,484
Disposal	(15,640,000)
Depreciation	(4,264,802)
Revaluation increase	233,876,609
Balance at December 31, 2022	**530,000,000**

28. Summary of financial assets and liabilities by category

The carrying amount of the Company's financial assets and liabilities recognised at the end of the reporting periods under review may also be categorised as follows:

	2023 $	2022 $
Financial assets		
Fair value through profit or loss		
Investments	3,300,537	3,825,362
Financial assets		
Amortised cost		
Trade and other receivables	173,858,211	200,131,122
Due by directors	546,796	-
Cash and cash equivalents	268,647,351	131,939,033
Total	**446,352,895**	**335,895,517**
Financial liabilities measured at amortised cost		
Borrowings	6,359,459	25,904,186
Other loans	19,084,998	23,557,636
Financial liabilities measured at amortised cost		
Trade and other payables	244,795,592	125,857,814
Owing to directors	-	33,204
Current portion of borrowings	19,726,929	33,271,248
Current portion of other loans	4,917,849	4,567,855
Total	**294,884,826**	**213,191,943**

29. Capital management, policies and procedures

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern and to sustain future development of the business. The Company's Board of Directors review the financial position of the Company at regular meetings.

The Company is not subject to externally imposed capital requirements. The Company did not change its approach to capital management policies during the year.

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FORM OF PROXY

STATIONERY & OFFICE SUPPLIES LTD.

I/We ____ of

____ (address)

being a shareholder(s) of Stationery & Office Supplies Limited ("the Company"), hereby appoint:

____ (name of proxy)

of ____ (address)

or failing him/her, ____ (name of alternate proxy)

of ____ (address)

Signed this _________ day of _______________________________________ 2024

Signature: ______________________________________ (Signature of primary shareholder)

Name: ____(Name of primary shareholder)

Signature: ______________________________________ (Signature of secondary shareholder)

Name: ____(Name of secondary shareholder)

Notes:

1. If the appointer is a Corporation, this form must be under its common seal or under the hand of an officer or attorney duly authorised.

2. A Member entitled to attend and vote at this meeting may appoint a Proxy to attend and vote in his/her stead. A Proxy need not be a Member of the Company. A Proxy Form is enclosed for your convenience. Completed Proxy Forms must be lodged at the Company's Registered Office, 23 Beechwood Avenue, Kingston 5 at least forty-eight hours before the time appointed for holding the meeting. The Proxy Form shall bear the stamp duty of $100.00 before being signed. The stamp duty may be paid by adhesive stamp(s) to be cancelled by the person executing the Proxy.

POSTAGE STAMP

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STATIONERY &
OFFICE SUPPLIES
LTD.

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