
# GOODNESS FOR GENERATIONS

ANNUAL REPORT 2024

"The Seprod Group is an ***integral component*** of the ***manufacturing*** and ***distribution*** *industry in the region.*"

# GOODNESS FOR GENERATIONS

This year, as we celebrate Seprod's 85th Anniversary, we are especially reminded that our legacy is not merely about longevity, but about the impact we have made across generations. Since 1940, Seprod has been a cornerstone of Jamaican industry, growing from a single-factory operation into a diversified regional powerhouse. Our journey over the past eight and a half decades is a testament to our ability to evolve, adapt, and lead with purpose, laying the foundation for the next era of growth.


# *MISSION* **STATEMENT**

- Provide a sufficient quantity of good quality products at reasonable prices to our customers.
- Maintain a good return on investment to our shareholders.
- Provide our employees with reasonable remuneration and opportunities for personal development and job satisfaction.
- Perform the role of a good corporate citizen and contribute to the public welfare.

# *CORPORATE* **GOVERNANCE**

Corporate Governance remains a key area of focus for Seprod Limited and is central to the Company's strategic objectives. The principles and the structure of our policy ensure the highest standards of transparency, oversight and independence, which serve the best interest of all our stakeholders. These practices are consistent with world best practices and adhere to the relevant legal and regulatory framework.

Our Corporate Governance Charter was established in December 2012 by the Board of Directors and reviewed in December 2024. The charter can be seen in more detail on the Company's website –www.seprod.com

# GOODNESS FOR GENERATIONS


## 1930

### Darling Street

Seprod began in the Jamaican coconut industry, producing staples such as edible oils, margarine, soap and shortening for every Jamaican household. From humble beginnings on Darling Street in Downtown Kingston, a legacy was being built for generations.

1935 1940 1945 1950 1955


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# NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the **EIGHTY-SIXTH ANNUAL GENERAL MEETING** of Seprod Limited will be held at the Terra Nova All-Suite Hotel, 17 Waterloo Road, Kingston 10 on July 28, 2025 at 10:00 a.m. The meeting will be held in a hybrid format (physical and virtual), for transacting the following business:

**1. To receive the Audited Accounts and the Reports of the Directors and Auditors**

To consider and if thought fit pass the following resolution:

"THAT the Directors' Report, the Auditors' Report and the Audited Accounts for the year ended December 31, 2024 be and are hereby adopted."

**2. To elect Directors**

The Directors retiring from office by rotation pursuant to Articles 89 and 91 of the company's Articles of Association are Messrs. Christopher Gentles, Nicholas Jones, Patrick Scott, Mark Suomi and Mr. A. Mark Hart.

To consider and if thought fit pass the following resolutions:

**Resolution 2 (a)**

That the directors retiring from office by rotation and offering themselves for re-election be elected en-bloc.

**Resolution 2 (b)**

"THAT Messrs. Christopher Gentles, Nicholas Jones, Patrick Scott, Mark Suomi and Mr. A. Mark Hart be re-elected as Directors.

**3. To fix the remuneration of Directors.**

To consider and if thought fit pass the following resolution:

"THAT the amount shown in the Audited Accounts as Directors Remuneration for the year ended 31st December, 2024 be and is hereby approved.

**4. To appoint Auditors and authorize the Directors to fix the remuneration of the Auditors.**

To consider and if thought fit pass the following resolutions:

**Resolution 4 (a)**

"THAT PricewaterhouseCoopers having indicated their willingness to continue in office as Auditors be re-appointed Auditors for the ensuing year."

**Resolution 4(b)**

"THAT the Directors be authorized to agree on the remuneration of the auditors.

**5. To transact any other business which may properly be transacted at an Annual General Meeting.**

DATED this 26th day of March, 2025

BY ORDER OF THE BOARD

..............................................

Damion Dodd
Secretary

A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him/her. A proxy need not be a member. Proxy forms must be lodged at the Company's registered office, 3 Felix Fox Boulevard, Kingston, not less than 48 hours before the time of the meeting.



# DIRECTORS' REPORT

The Directors of Seprod Limited submit herewith their Annual Report and Audited Accounts for the year ended December 31, 2024.

**FINANCIAL RESULTS**

The Group ended the year with a profit before tax of $5.59 Billion and a net profit attributable to shareholders of $2.61 Billion. Details of these results, along with a comparison with the previous year's performance and the state of affairs of the Company are set out in the Management Discussion and Analysis and the Financial Statements which are included as part of the Report.

**DIVIDEND**

- The company made the following dividend payments during the year:
- A payment of sixty and a half cents ($0.605) to shareholders on record as at April 17, 2024 was made on April 26, 2024.
- A payment of sixty and a half cents ($0.605) to shareholders on record as at August 26, 2024 was made on September 6, 2024.
- A payment of sixty and a half cents ($0.605) to shareholders on record as at December 20, 2024 was made on January 17, 2025.
- The Directors do not recommend any further payment of dividend for 2024.

**DIRECTORS**

In accordance with Articles 89 and 91 of the Company's Articles of Association, the following Directors are retiring from office by rotation and, being eligible, offer themselves for re-election:

- Christopher Gentles
- Nicholas Jones
- Patrick Scott
- Mark Suomi
- Mr. Antony (Mark) Hart

**AUDITORS**

The Auditors, Messrs. PricewaterhouseCoopers have indicated their willingness to continue in office. The Directors recommend their re-appointment.

**AUDIT COMMITTEE**

The Board of Directors of Seprod Limited exercises its responsibilities for the Financial Statements included in this Report through its Audit Committee, which consists of non-management Board members: Mr. Byron Thompson (Chairperson), Mrs. Melanie Subratie, Mr. Nicholas Scott, Mr. Brian Wynter, as well as external appointee,
Dr. Sharon McDonald.

The independent accountants and internal auditors have full and free access to the Audit Committee. The Audit Committee meets quarterly with the independent accountants and the Internal Auditors, both privately and with management present, to discuss accounting, auditing and financial reporting matters.

**EMPLOYEES**

The Directors wish to express their appreciation to the employees for their loyal services throughout the year.

Submitted on behalf of the Board of Directors.

..............................................

P.B. Scott
Chairman

# CORPORATE DATA

**Registered Office:**

3 Felix Fox Boulevard, Kingston, Jamaica
Tel: (876) 922-1220
Fax: (876) 922-6948 or 922-7344
Email: corporate@seprod.com

**Auditors:**

**PricewaterhouseCoopers**
**Scotiabank Centre**
Corner of Duke & Port Royal Streets
Kingston, Jamaica

**Attorneys:**

**DunnCox**
8 Duke Street
Kingston, Jamaica

**Clinton Hart & Co.**
58 Duke Street
Kingston, Jamaica

**M. Hamel-Smith & Co.**
Eleven Albion,
Corner Dere & Albion Streets
Port of Spain
Trinidad & Tobago W.I.

**Bankers:**

**Citibank N.A. Jamaica**
19 Hillcrest Avenue
Kingston 6, Jamaica

**CIBC First Caribbean**
International Bank
23-27 Knutsford Boulevard
Kingston 5

**First Global Bank**
24-48 Barbados Avenue
Kingston 5

**National Commercial Bank Jamaica Limited**
1-7 Knutsford Boulevard
Kingston 5, Jamaica

**Sagicor Bank**
17 Dominica Drive
Kingston 5, Jamaica

**Registrar and Transfer Agents**

**Jamaica Central Securities Depository Limited**
40 Harbour Street
Kingston, Jamaica



# SHAREHOLDERS' PROFILE

AS AT 31 DECEMBER 2024

## TEN LARGEST SHAREHOLDERS

| | |
|---|---|
| 1. Musson (Jamaica) Limited | *231,832,585 |
| 2. Coconut Industry Board | 163,420,345 |
| 3. JCSD Trustee Services Limited – Facey Group Limited | *125,234,043 |
| 4. GraceKennedy Pension Fund Custodian Ltd. For GraceKennedy Pension Scheme | 21,955,904 |
| 5. National Insurance Fund | 15,443,045 |
| 6. Scotia Jamaica Investment Management - A/C 3119 | 12,162,075 |
| 7. ATL Group Pension Fund Trustee Nominee Limited | 6,492,559 |
| 8. NCB Insurance Agency & Fund Managers Limited – A/C WT109 | 4,708,662 |
| 9. JCSD Trustee Services - A/C Barita Unit Trust Capital Growth Fund | 4,423,174 |
| 10. Sagicor Select Fund Ltd. (Class 'C' Shares) Manufacturing & Distribution | 4,189,298 |

* - Connected Persons: Paul B. Scott, Melanie M. Subratie

## SHAREHOLDINGS OF DIRECTORS

| | |
|---|---|
| 1. Paul B. Scott<br>Shareholding of connected person | Nil<br>366,788,115 |
| 2. Melanie Subratie<br>Shareholding of connected person | Nil<br>366,788,115 |
| 3. Byron Thompson | 1,220,668 |
| 4. Richard Pandohie | 3,998,231 |
| 5. Nicholas Scott<br>Shareholding of connected persons | 122,884<br>961,000 |
| 6. Michael J. Subratie | Nil |
| 7. Christopher Gentles | Nil |
| 8. Patrick Scott | 3,000,000 |
| 9. Nicholas Jones | Nil |
| 10. Brian Wynter | Nil |
| 11. Mark Suomi | Nil |
| 12. Ronny Schindler | Nil |
| 13. Antony Hart | Nil |

## SHAREHOLDINGS OF MANAGEMENT

| | |
|---|---|
| 1. Marilyn Anderson | 25,000 |
| 2. Carol Andrade | 13,000 |
| 3. Andres Assee | Nil |
| 4. Juan Baez | Nil |
| 5. Euton Cummings | Nil |
| 6. Damion Dodd | 300,000 |
| 7. Hortense Edwards | Nil |
| 8. Fredy Graell | Nil |
| 9. Chana Hay | 1,375,500 |
| 10. Richard Pandohie | 3,998,231 |
| 11. Patrick Scott | 3,000,000 |
| 12. Tameka Williamson-Smart | Nil |



*"Nourishing lives and communities by producing and delivering trusted,* ***high quality products*** *that support well-being, growth, and opportunity, today and for generations to come."*

# GOODNESS FOR GENERATIONS

## 1938

### We've Got Milk

Since their inception, Serge Island Dairies and Serge Island Farms Limited have been monumental to the Jamaican dairy industry. Today, we continue the legacy of resilience and progress through dairy innovation.

1940

As leaders in milk production, we've introduced a range of new products over the years, including Lactose-Free Full Cream, Low Fat and 0% Fat Milk, Evaporated Milk, Full Cream and Low-Fat Condensed Milk.

1945

# CHAIRMAN'S REPORT

> "...our customers rely on the high quality and consistent supply Seprod delivers"

P.B. Scott
**Chairman**

## DEAR FELLOW SHAREHOLDERS,

Seprod has three pillars: Ingredients, Dairy and Distribution. Our intent is to build scale by growing across our region in each of these areas. Our objective in doing so is to eliminate the inefficiencies that exist among the many small fragmented markets that is the Caribbean. Scale allows us to invest in technology, people and infrastructure that can deliver best in class service to our customers and, ultimately, deliver superior sustainable returns to our shareholders.

**Our Ingredients pillar** consists of an oils and fats business, producing margarine, shortening and vegetable oil, as well as a flour and corn mill. This area of our business is essentially the original business of Seprod. The business has prospered and grown over many decades and Seprod is known for producing exceptionally high quality products which are used across the region in the ingredients of the highest profile products consumed every day in our region and beyond. Whether this is bread, crackers, biscuits or cakes (flour), fried chicken in a quick service restaurant (oil) or cheese puff snacks at a school (corn grits), our customers rely on the high quality and consistent supply Seprod delivers. In addition, both Caribbean Products (the fats business) and Jamaica Grain and Cereals (the flour and corn business) have their own consumer brands, such as Chiffon and Gold Seal, which can be found in supermarkets across the region. During the year, both businesses performed to expectation and we expect that this will continue in the new year as we invest in energy solutions and other efficiency initiatives to improve competitiveness and drive volumes.

**Our Dairy pillar** consists of a dairy processing plant and our farms in St. Thomas, Jamaica. We are leaders in the region in production of milk, flavoured milk drinks, condensed milk, evaporated milk, ice cream mixes and juices. During the year, the farms struggled with climate issues (Hurricane Beryl being a significant one) and this affected the production of milk. The productivity of our farms has been a major focus and we expect to see improvements during 2025 in this area. The processing facility in Bog Walk received major investment in the form of new lines to facilitate increased production of milk and juices, and new packaging formats. At time of writing, this project is being completed and we expect increased production in the second half of 2025 as a result of these initiatives. Unfortunately the implementation of these initiatives disrupted production during 2024. I congratulate the teams that worked on these projects as improved results year over year were delivered despite the challenges.

Our largest pillar by revenue is the **Distribution pillar**. This pillar focuses on fast moving consumer goods (many of which we manufacture in the other pillars), healthcare, premium beverages, and institutional supplies to the Horeca channel. We further extended our distribution platform in 2024. During the year, our group acquired 80% of Caribbean Producers Jamaica Limited ("CPJ") in Jamaica through A.S. Brydens, and Stansfeld Scott in Barbados. These developments, combined with the launch of ASB Guyana, gave us the capability to distribute premium beverages in Barbados, St. Lucia, Guyana, and Jamaica. We expect to build on this foundation during the coming years as we grow that business regionally. With the purchase of CPJ, we also gained a strong market position in the supply of products to the hotel trade in Jamaica and St. Lucia. This has traditionally been an area of our business in which we have not had scale despite the tremendous growth over the years. Over the last decade, we have watched and admired the founders of CPJ, Tom Tyler and Mark Hart, develop and grow an impressive business. With this purchase we have gained an incredible team of professionals focused on the needs of hotels, restaurants, bars and institutions. We also gained access to a supply chain which allows us to replicate the business in other markets where we have distribution infrastructure. The Distribution pillar is growing, and will continue to grow, across the region. In 2025, we will focus on the efficiencies we can deliver (in terms of the back office) while enhancing the customer facing experience.

Seprod expects that all three pillars will continue to grow and we will continue to invest in our people, technology and infrastructure to support that growth. At the time of writing, there is no doubt that there are significant challenges facing us that clearly are not within our control. Our export business may be affected by the new wave of tariffs. The availability of US$ in some of our markets is also a concern. Trinidad had hoped that flows from the Dragon Field would have alleviated this situation in a few years. The future of that project at this time is unknown (at least to your management). We will have to be agile and laser focused to ensure that any fall out is mitigated. There will be challenges to overcome, but your management is more than capable of navigating them in the future as they have done in the past. On behalf of the board I would like to thank all the Seprod team members across the region for their hard work during 2024. I would also like to thank the board for their support and commitment. As we look to 2025 we expect that we will continue to grow and exceed shareholder expectations.

P.B. Scott
CHAIRMAN

# BOARD OF DIRECTORS

**P. B. SCOTT**
CHAIRMAN

P.B. Scott is the CEO, Chairman and Principal Shareholder of the Musson Group. Over the last two decades, P.B. Scott has conceptualised and led the expansion of the Musson Group from a Jamaican consumer wholesale distribution business to a diversified group operating in 30 countries. The Group is a leader across the Caribbean in food, pharmaceuticals, information technology, and insurance. The Musson Group includes leading businesses such as The PBS Group, Seprod Limited, General Accident Insurance, and A.S. Brydens & Sons. He has served as CEO of Musson since 2004. Today the Musson Group has a turnover in excess of US$1.6 billion annually and over 7,000 employees.

In addition to his private sector contributions, P.B. Scott has committed a significant amount of time to public service. He is the chairman of the Development Bank of Jamaica and has led multiple enterprise teams to divest government assets. In 2023, he was awarded "the Order of Jamaica (OJ)" for his exceptional contribution to the Business Industry, Investment, and Philanthropy in Jamaica and the Caribbean.

PB Scott is a keen sailor and is married to Jennifer, an attorney at law and partner at law firm Clinton Hart. Together they have two children.

**RICHARD R. PANDOHIE,**
JP, CEO/MANAGING DIRECTOR

Richard R. Pandohie, CD, JP, assumed the role of Chief Executive Officer and Managing Director of the Seprod Group in January 2015. He boasts a wealth of experience, having served in diverse managerial and board capacities in corporations spanning multiple industries across the Caribbean and Central America.

Noteworthy is Richard's impactful tenure as President of the Jamaica Manufacturers and Exporters' Association (JMEA), where he exhibited remarkable leadership and inspired industry-wide progress. His academic qualifications underscore his commitment to excellence, holding a Master of Business Administration degree in Corporate Finance and Operations Management from McGill University, complemented by a Bachelor of Science degree in Chemical Engineering from The University of the West Indies.

His outstanding contributions to national development in the manufacturing sector were duly recognized with the award of the Order of Distinction, Commander Class, one of the highest honors bestowed by the nation, solidifying his status as a pioneering figure in the advancement of the industry.



**BYRON E. THOMPSON,**
JP, MBA

Mr. Byron Thompson is a former Chief Executive Officer and Managing Director of the Seprod Group. He also sits on the Board of Seprod's subsidiaries and is the Chairman of the Audit Committee. He is a Director of Eppley Limited and a member of the Audit Committee. Mr. Thompson is also a member of the Salvation Army Advisory Board and a Council member of the Bureau of Standards of Jamaica.

Mr. Thompson is also the Chairman of the Executive Committee, the Purchasing Committee and the Standards and Technical Committee and a member of the Information, Communication and Technology Committee of the Bureau of Standards.

Mr. Thompson holds a Bachelor's Degree in Chemistry and Geology from the University of the West Indies and an MBA from Barry University, Florida, USA.

**MELANIE M. SUBRATIE,**
BSC. (Hons.)

Melanie Subratie is the Deputy Chairman of Musson (Jamaica) Limited, and is the Chairman and CEO of Stanley Motta Limited and Felton Property Management. Additionally, she is the Chairman of the Musson Foundation and the Seprod Foundation. Melanie is a director of Seprod Limited, and all of its subsidiaries, and AS Brydens Holdings Ltd and all of its subsidiaries. She serves on the audit committee of Seprod and is a trustee of the Seprod Pension Fund.

Melanie is the Vice-Chairman of General Accident Insurance Company Limited and T. Geddes Grant Limited, a director of Facey Group, Interlinc Limited, Eppley Limited, Eppley Caribbean Property Fund (ECPF), PBS Group and all its subsidiaries. She is also Chairman of the Audit Committee for Interlinc Limited and serves the audit committees of ECPF, Interlinc and AS Brydens. A keen angel investor, she is a director of Bookfusion Limited. Melanie is a director of the Jamaica Chamber of Commerce. She is a graduate of the London School of Economics, and mother to three teenage girls.

# BOARD OF DIRECTORS-CONT'D

M.J. SUBRATIE,
BCE, MSCE, EIT, JP

Michael Subratie is the Managing Director of T. Geddes Grant (Distributors) Limited and the Chief Operating Officer of Musson Jamaica, overseeing the company's manufacturing and trading divisions. He is also the Founder and Executive Chairman of MJS Industrial Park Limited, which developed Spanish Town's first Industrial & Technology Special Economic Zone Park.

Michael has served on several government boards, including the Urban Development Corporation, Jamaica Urban Transit Company, Jamaica Railway Corporation, Montego Freeport Limited, and the former Pegasus Hotel. Additionally, he is a board member of the American Chamber of Commerce and serves as the Honorary Consul of Bangladesh.

In November 2016, Michael was appointed Dean of The Consular Corps of Jamaica, representing over 47 countries without resident ambassadors in Jamaica. He is also an active member of the Young Presidents' Organization (YPO).

Michael holds a Bachelor's Degree in Civil Engineering, graduating with highest honors from the Georgia Institute of Technology, and a Master's Degree in Structural Engineering from Purdue University. In April 2021, he completed the Wharton General Management Program at The Wharton School, University of Pennsylvania.

NICHOLAS A. SCOTT

Mr. Nicholas Scott is the Chief Investment Officer of the Musson Group and serves as a director of its subsidiaries and affiliates. He is also the Vice Chairman of Eppley Limited and the Chairman of the Eppley Caribbean Property Fund Limited SCC. Mr. Scott is the Chairman of the Student Loan Bureau and is a former Vice-President of the Private Sector Organisation of Jamaica. He holds a B.Sc. in Economics from the Wharton School at the University of Pennsylvania, an M.B.A from Columbia Business School and an M.P.A. from the Harvard Kennedy School of Government.

CHRISTOPHER GENTLES

Christopher Gentles was appointed a director of the Seprod Board in April 2016. He is currently the Chairman of the Coconut Industry Board and is currently employed to the Spirits Pool Association, and its subsidiary Caribbean Molasses Company Jamaica Ltd. as General Manager. He was former General Manager-Farm Operations of JP Tropical Foods Ltd. and former Group Produce Manager for SuperPlus Food Stores and the former Director General of the Coffee Industry Board of Jamaica. He was the former President of Promecafe, the regional organization that promotes the development of the culture of coffee cultivation, and marketing within seven Latin American and Caribbean Countries.

He has undergone training programmes in Irrigation and Extension from the Ruppin Institute in Israel, and he has completed courses in merchandizing from Kellog's Business School, the University of Michigan. He holds his Global MBA from the Manchester Business School in the United Kingdom as well as his Bachelors in Agronomy from UWI, St. Augustine, Trinidad.

PATRICK SCOTT

Patrick A.W. Scott is the Chairman of Facey Commodity Company Limited and the Executive Deputy Chairman of the Facey Group. Prior to these appointments, he served as Chief Executive Officer. A seasoned executive, Mr. Scott has combined work experience totaling over 50 years in various roles. He was also a key figure in the global development of Facey's Telecom business. Additionally, during his tenure as General Manager of the Pharmaceutical Division of Facey Commodity Company Limited, he was instrumental in its strong and rapid growth. Marketing trained, he attended Seneca College and Ryerson University in Toronto, Canada. Patrick currently serves on several boards, locally and internationally, including, P.A. Benjamin Manufacturing Company Limited, Musson (Jamaica) Limited, Productive Business Solutions Limited, Interlinc (Barbados) Limited, Bryden Pi (Trinidad) and Gap Forwarding Inc. (USA).

# *BOARD OF* **DIRECTORS-CONT'D**

## NICHOLAS JONES

Mr. Nicholas Jones is the Managing Director and Chairman of Fred M. Jones Estates Limited since 2013. He currently serves as a Director on the Coconut Industry Board and the Jamaica Agricultural Development Foundation. He formerly held the position of the Agricultural Director of the Jamaica Producers Group, the Managing Director of Montpelier Citrus Company and General Manager of Guardsman Ltd. Mr. Jones has a BSc in Agriculture from the University of Georgia in the USA and a MSC in Agricultural Science from Melbourne University in Australia and has attended Advanced Management Programs at the University of the West Indies and the Wharton School at the University of Pennsylvania.

## BRIAN WYNTER, OJ, CD

Honourable Brian Wynter is internationally recognized as a central banker and financial markets executive with a wide range of experience in challenging environments. He was Governor of Bank of Jamaica during Jamaica's historic turnaround, co-chair of the Economic Programme Oversight Committee, founding CEO of Jamaica's Financial Services Commission and corporate finance head and country treasurer for Citibank Jamaica. Moving seamlessly between public and private sectors, his professional experience includes stints at the International Monetary Fund's Caribbean Regional Technical Assistance Centre in Barbados and the capital markets and derivatives subsidiaries of Chase Manhattan and Schroders in New York.

Called to the bar in the UK and Jamaica, he holds a BSc (Econ) from the London School of Economics and Political Science, a Diploma in Law from The City University and a Masters in International Affairs from Columbia University School of International and Public Affairs. In 2020, he was awarded the Order of Jamaica for distinguished service to central banking and the financial sector in Jamaica.

## MARK SUOMI

Mark Suomi was appointed to the board of Seprod Limited in January 2022. Mark has extensive marketing, sales, and operational expertise. Before joining Seprod, he served as Director of America Export of Mondelez International, a global food manufacturing company, from 2013 to 2021, and as Associated Director of Strategy from 2012 to 2013. His leadership and contributions shaped the company's strategic position in the market, driving opportunities for new revenue, leading partnerships and marketing programs that distinguished the company.

Prior to Mondelēz, Mark held various marketing roles of Kraft Foods International from 2002 to 2012, and various advertising and consumer promotional roles of Kraft Foods USA from 1989 to 2002. Mark holds a Bachelor of Fine Arts degree from Northern Michigan University with continued education in advertising at Northwestern University & Leo Burnett. He resides in Coconut Grove, Florida with his spouse, travels extensively, is a keen scuba diver, and a passionate painter.

## RON SCHINDLER

Ronny (Ron) Schindler is a former President of Clover Leaf Seafoods Corp. & Executive Vice President of Bumble Bee Seafoods. Mr. Schindler joined Connors Bros. Limited, the original owner of the Brunswick® brand in 1983. Since that time, he has held executive leadership positions in sales, marketing and operations. In 2013, he was promoted to President of Clover Leaf Seafood Corp. (previously Connors Bros. Clover Leaf Seafoods) with full responsibility for all Canadian business units (including all export sales & marketing ex. USA), a position he had held as an Executive Vice President since 2006.

From 1999 to 2006, he was Senior Vice President, Sales and Marketing, for Connors adding the responsibility of the Clover Leaf® brand when Connors merged with Bumble Bee Foods in 2004. Between 1983 and 1999 he held various senior sales and marketing positions with Connors Bros. Limited. He is a past board member of Fisheries Council of Canada (F.C.C.) and Food, Health and Consumer Products of Canada (F.H.C.P.). Ron lives in Ontario, Canada with his wife Anna Maria and has two married daughters Kendra and Caitlin.

# BOARD OF DIRECTORS-CONT'D

ANTONY M. HART

Mr. Hart began his career at the Hart Group of Companies in 1982, eventually becoming Chairman and Chief Executive Officer in 1997. The group has invested in Agriculture, Manufacturing, Distribution, Finance, Port Services, Logistics and Exports. Mark currently serves as Chairman of Cargo Handlers listed on the JSE. Mr. Hart established the Apparel Industries Group in 1986 which grew to five factories with 2800 employees. The group secured contracts with Sara Lee Knitwear and Hanes brands becoming the largest locally owned 807 Apparel Company in Jamaica.

Mark Hart is a cofounder of Caribbean Producers (Jamaica) Ltd, trading as CPJ. Mark served as CEO from 2004 and transitioned to the role of Executive Chairman when CPJ became listed on the Jamaica Stock Exchange in 2011. He acted as Interim CEO from 2018 until July 2024 when AS Brydens invested in CPJ.

Mark remains a Director of the company. In public service, Mr. Hart is the current Chairman of the Airports Authority of Jamaica and previously served from 2007 – 2011. He is also Chairman of Montego Bay Freezone Ltd and a former Director of the Port Authority of Jamaica Ltd and the Caribbean Maritime University. Mr. Hart has previously served as a Director of the Tourism Enhancement Fund, CITO and JAMPRO.



## DIRECTORS' ATTENDANCE - 2024

| | Seprod Board | Audit Committee | Superannuation Committee |
|---|---|---|---|
| **Number of Meetings** | 12 | 4 | 4 |
| Paul Scott | 12 | | |
| Richard Pandohie | 12 | | |
| Byron Thompson | 12 | 4 | |
| Melanie Subratie | 9 | 3 | 3 |
| Patrick Scott | 11 | | |
| Michael Subratie | 12 | | |
| Nicholas Scott | 12 | 2 | 2 |
| Christopher Gentles | 12 | | |
| Nicholas Jones | 9 | | |
| Brian Wynter | 12 | 4 | |
| Mark Suomi | 12 | | |
| Ronny Schindler | 12 | | |
| Antony M. Hart* | 1 | | |

***Appointed November 2024**

## BOARD SUB-COMMITTEES

| Executive Committee | Audit Committee | Superannuation Committee |
|---|---|---|
| Paul Scott (Chairperson) | Byron Thompson (Chairperson) | Melanie Subratie |
| Byron Thompson | Melanie Subratie | Nicholas Scott |
| Richard Pandohie | Nicholas Scott | |
| Melanie Subratie | Brian Wynter | |
| Patrick Scott | Dr. Sharon McDonald | |

## 1950s

### We Continued to Grow

With the acquisition of Caribbean Products Company Ltd and Industrial Sales Ltd, the Seprod Group began to shape our path to becoming a regional player in the manufacturing and distribution landscape.

1955

1960


## TODAY

CPL remains the leading producer of everyday kitchen and household staples, including cooking oil and margarine products trusted by generations of Caribbean families and proudly made right here at home.

1965

1970

# AUDIT COMMITTEE **REPORT**

**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2024**

### OVERVIEW

The Audit Committee is established by the board as a sub-committee and its powers are delegated by the board. The Audit Committee assists the board in fulfilling specific oversight responsibilities, which include the Seprod Group's financial reporting, internal control systems, risk management systems and the internal and external audit functions. The board retains responsibility for decisions, performance and outcomes of the Audit Committee.

### AUDIT COMMITTEE MEMBERS AND ATTENDANCE

The Audit Committee meets quarterly and comprises five (5) independent board members, inclusive of the chair, Mr. Byron Thompson. The table on page 29 shows the attendance to these meetings.

Audit Committee meetings are also attended by the Chief Executive Officer, Chief Financial Officer/ Corporate Secretary and other members of senior management of the Seprod Group as relevant to the particular matters being discussed, as well as the internal and external auditors. The Committee also meets quarterly with the internal and external auditors without any member of the management team present, in order for the Committee members to have a discussion about any matters of significance that arose during the audit processes.

### ACTIVITIES OF THE AUDIT COMMITTEE

The main objectives of the Committee include assisting the board to discharge its responsibility in relation to the following areas:

- Reporting of financial information;
- Application of accounting policies;
- Review of Internal control systems and procedures;
- Adequacy of risk management procedures and practices;
- Propriety of business policies and practices;
- Compliance with applicable laws, regulations, standards and best practice guidelines;
- Formal forum for communication between the board and senior management;
- Communication between the board and the internal and external auditors;
- Facilitating the maintenance of the independence of the external auditor;
- Providing a structured reporting line for internal audit and facilitating the independence of the internal auditor; and
- Consideration of significant matters that were raised during the audit processes.

The Audit Committee effectively carried out these objectives during and in respect of the year ended 31 December 2024. In particular, the Committee:

- assessed and approved the scopes of the internal and external audit plans;
- reviewed internal audit reports and assessed management's responses and actions with respect to the finding and the recommendations made;
- reviewed management letters from external auditors and assessed management's responses and actions with respect to the finding and the recommendations made; and
- reviewed and recommended board approval for the unaudited quarterly financial reports and the annual audited financial statements.

Byron Thompson
Chairperson



# MANAGEMENT TEAM

**MARILYN ANDERSON, JP**
GENERAL MANAGER
(CARIBBEAN PRODUCTS COMPANY LTD.)

**CAROL ANDRADE**
GROUP QUALITY MANAGER

**ANDRES ASSEE**
CHIEF OPERATING OFFICER
(HEALTH CARE)

**JUAN BAEZ**
GROUP COMMERCIAL MANAGER

**RALSTON BENT**
FARM MANAGER
(SERGE ISLAND FARMS LIMITED)

**EUTON CUMMINGS**
CHIEF STRATEGY OFFICER – HUMAN CAPITAL

**DAMION DODD**
CHIEF FINANCIAL OFFICER AND CORPORATE SECRETARY

**FREDY GRAELL**
FACTORY MANAGER
(SERGE DAIRIES)

**CHANA HAY**
GENERAL MANAGER
(FACEY MERCHANDISE DIVISION)

**RICHARD PANDOHIE**
CHIEF EXECUTIVE OFFICER & MANAGING DIRECTOR

**AMANDA SASSO**
GROUP BUSINESS DEVELOPMENT MANAGER

**PATRICK SCOTT**
CHIEF EXECUTIVE OFFICER
(FACEY COMMODITY COMPANY LIMITED)



**FERRON SENIOR**
GROUP INFORMATION TECHNOLOGY MANAGER

**DALE WIEST**
GENERAL MANAGER
(JAMAICA GRAIN & CEREALS LIMITED)

**TAMEKA WILLIAMSON SMART**
FINANCIAL CONTROLLER
(SEPROD MANUFACTURING)

## ASB TEAM

**ADAM CONYERS**
MANAGING DIRECTOR
(MICON MARKETING LIMITED)

**MICHAEL CONYERS**
DEPUTY CHAIRMAN
BRYDENS GROUP

**ANDREW CROOKS**
MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER (FT FARFAN)

**NATASHA DAS**
MANAGING DIRECTOR
(A.S. BRYDEN & SONS GUYANA INC.)

**DAVID FRANCO**
REGIONAL BUSINESS DEVELOPMENT DIRECTOR (BRYDENS GROUP)

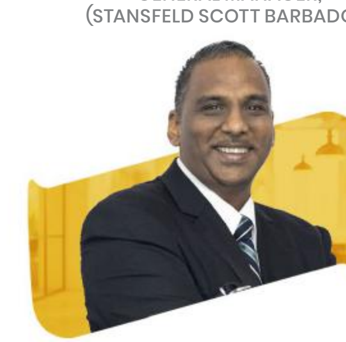
**SCOTT FRANCO**
HEAD OF SHARED SERVICES & SPECIAL PROJECTS (BRYDENS GROUP)

**NICHOLAS HOSPEDALES**
CHIEF EXECUTIVE OFFICER, CARIBBEAN PRODUCERS (JAMAICA) LIMITED

**ALESIA PERSAUD**
GENERAL MANAGER,
(STANSFELD SCOTT BARBADOS)

**TIFFANY REID**
GROUP HEAD OF HUMAN RESOURCES (BRYDENS GROUP)

**BERNADETTE SAMMY**
CHIEF FINANCIAL OFFICER
(BRYDENS GROUP)



**BARRY TANGWELL**
MANAGING DIRECTOR
(BRYDEN PI LIMITED)

**STEPHEN WELCH**
MANAGING DIRECTOR
(AS BRYDENS, TRINIDAD & TOBAGO)

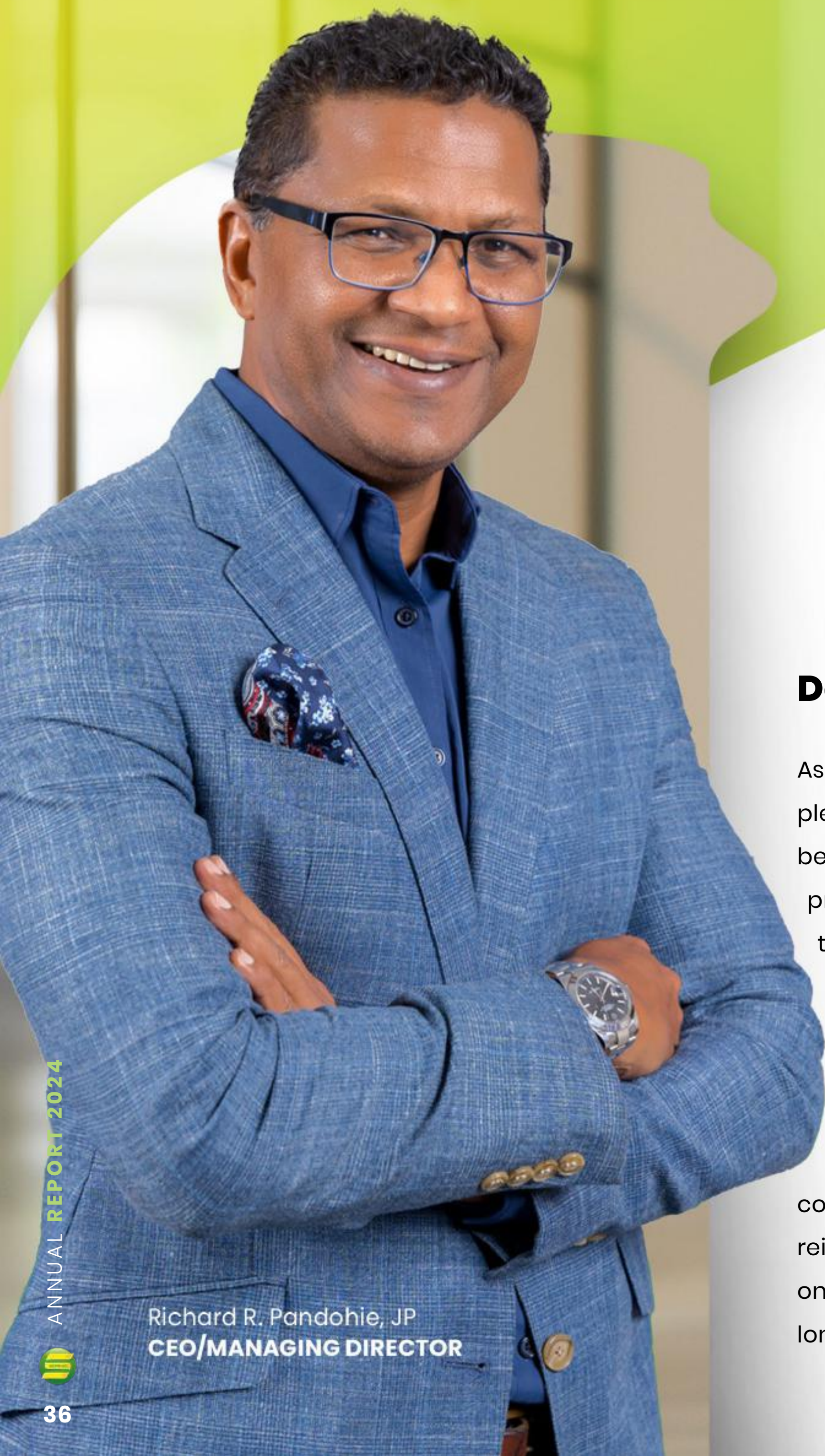
# MANAGEMENT DISCUSSION & ANALYSIS


INVESTING IN TECHNOLOGY AND INFRASTRUCTURE.


HUMAN CAPITAL DEVELOPMENT


OPERATING PROFIT: INCREASED BY 3%


REVENUE: INCREASED BY 19%


Richard R. Pandohie, JP
**CEO/MANAGING DIRECTOR**

## Dear Esteemed Shareholders,

As we complete yet another transformative year, I am pleased to present our annual report for 2024. It has been a period of global economic uncertainty which has presented both opportunities and challenges. Under the guidance of the Board of Directors, I am proud that our team has continued to navigate these times with resilience and purpose.

I am excited to share some of the key accomplishments that have positioned us for long-term success as we continue to build-out our regional platform but I want to reiterate that the Seprod story cannot be understood in a one (1) year timeline; this is an evolving story built on the long-term vision of creating a lasting legacy.

## 2024 Financial Overview:

- **Revenue:** Increased by 19% to J$133.6 billion in 2024, up from J$112.1 billion in 2023.
- **Operating Profit:** Increased by 3% to J$8.99 billion in 2024, up from J$8.7 billion in 2023.
- **Profit Before Taxation:** Remained stable at J$5.58 billion in 2024 compared to J$5.6 billion in 2023.
- **Net Profit:** Declined by 27% to J$3.32 billion in 2024, down from J$4.56 billion in 2023.

***Our investment in infrastructure has been substantial, with over J$2.7 billion spent in capital expenditure in 2023 and more than J$5 billion in 2024.***

Despite the strong revenue growth, profit before taxation remained stagnant and net profit declined due to increased expenditures that resulted from strategic investments and acquisitions aimed at positioning Seprod for future growth. If one were to step back and reflect on the past decade, Seprod's revenue has grown from J$11.9 billion in 2014 to over J$133.6 billion in 2024. Export sales have also seen remarkable expansion, increasing from less than J$500 million to over J$5.3 billion.

Our staff complement has grown from 1,500 persons based in Jamaica to 4,500 persons across the region. As we aim to achieve our target of becoming a US$1 billion company by 2026, we remain confident in our strategy, our leadership, and the dedication of over 4,500 team members who continue to deliver exceptional products and services every day.

## Strategic Priorities for the Future:

**Looking ahead, our strategic priorities remain consistent and clear. We will continue to:**

- Focus on operational efficiency by investing in technology and infrastructure.
- Expand our innovation pipeline, not just in product development but in refining our processes to better serve our customers and stakeholders.
- Increase our marketing investments.
- Accelerate growth in both domestic and export markets by seeking out synergistic acquisitions and partnerships.

Sustainability and social responsibility continue to be central to our mission. Our commitment to the environment and the communities we serve is reflected in the ongoing work of the Seprod Foundation, which I encourage you to read more about in this Annual Report.

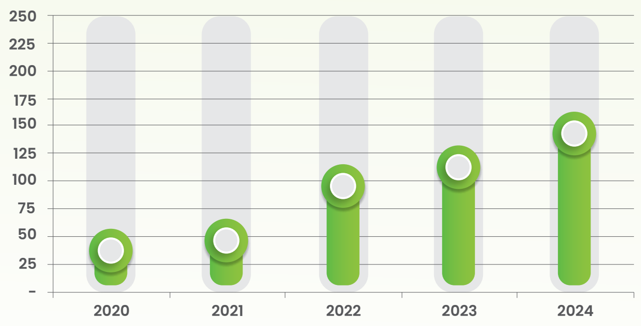
Additionally, we continue to prioritize human capital development by investing in training and certification, particularly in STEM fields, continuing to on-board young qualified persons to ensure that we have the talent necessary to realize our growth strategy and facilitate strong succession planning.

Thank you, shareholders, for your unwavering trust and support. I also want to acknowledge my Chairman, PB Scott and the Board of Directors for their continued confidence and guidance. Together, we are building a stronger Seprod – poised for sustainable growth, meaningful value creation and continued success.

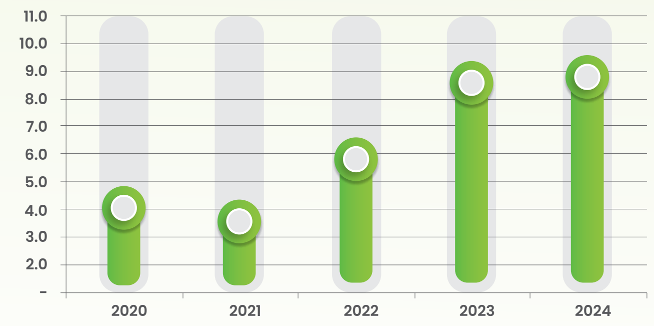
Warm regards,

Richard R. Pandohie, JP
CEO/MANAGING DIRECTOR

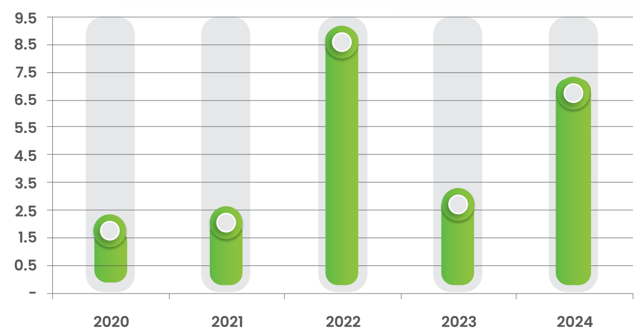
### REVENUE ($ BILLIONS)



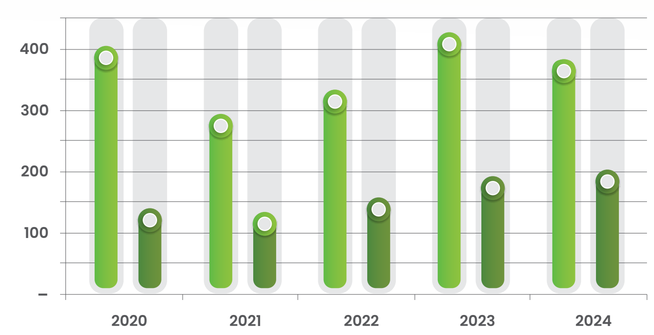

### OPERATING PROFIT ($ BILLIONS)




### CAPITAL EXPENDITURE ($ BILLIONS)



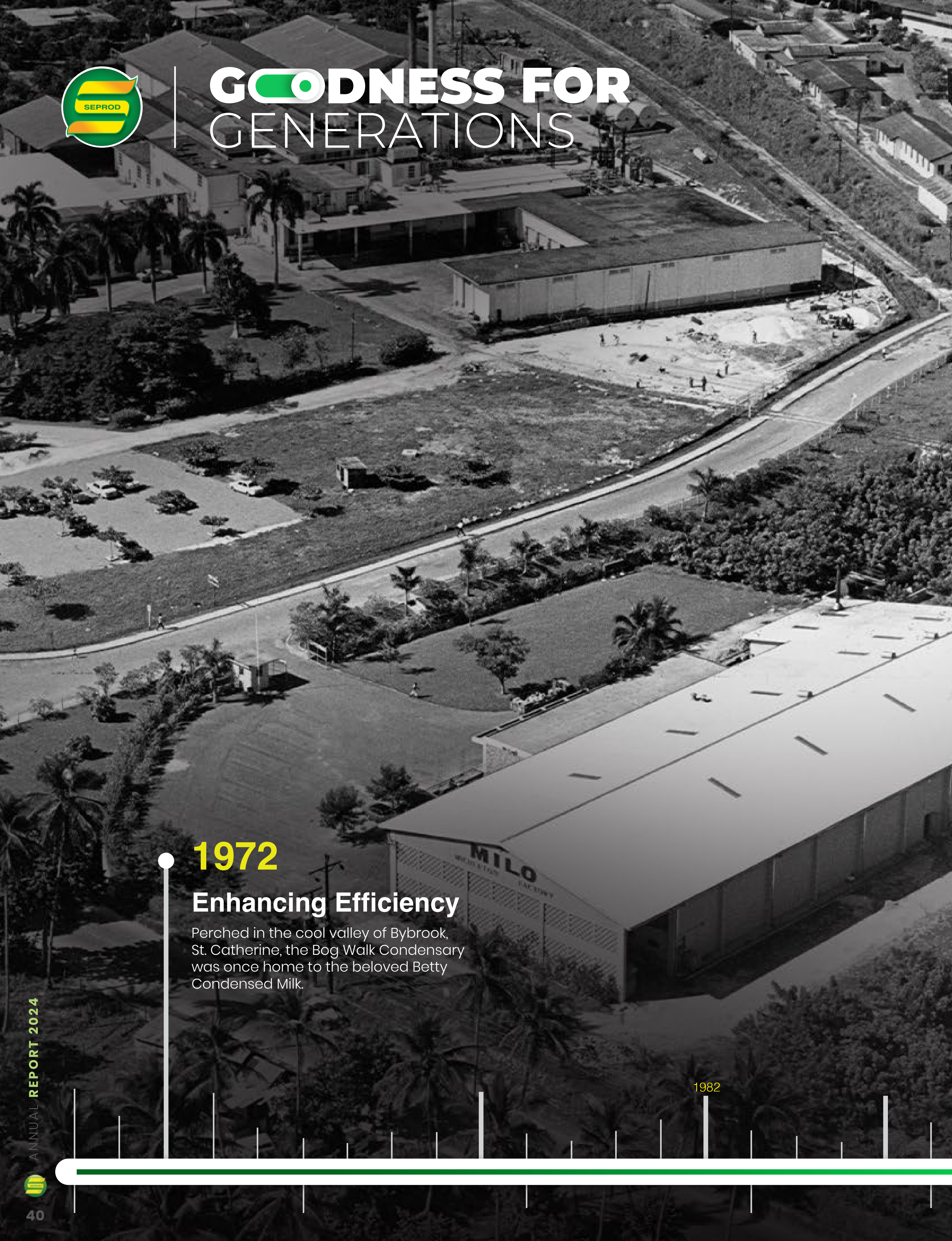

### EARNINGS AND DIVIDENDS PER SHARE (CENTS)




### 10 YEAR STATISTICAL REVIEW

| | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Key Financial Statement Amounts ($'000)** | | | | | | | | | | |
| Revenue | 133,608,893 | 112,149,457 | 78,433,836 | 43,883,405 | 37,737,080 | 32,694,821 | 22,499,784 | 15,128,431 | 14,471,417 | 12,390,374 |
| Operating profit | 8,985,769 | 8,695,095 | 5,974,539 | 3,599,483 | 4,681,143 | 2,802,635 | 2,482,280 | 1,551,770 | 1,870,628 | 1,527,699 |
| Profit before taxation | 5,588,074 | 5,605,408 | 4,243,615 | 2,310,970 | 3,409,866 | 1,387,393 | 1,751,184 | 1,159,761 | 1,467,836 | 1,230,934 |
| Net profit from continuing operations | 3,368,111 | 4,612,611 | 3,096,682 | 2,139,246 | 2,848,890 | 1,705,648 | 1,372,427 | 868,704 | 1,157,181 | 1,203,836 |
| Net loss from discontinued operations | (42,888) | (48,980) | (178,690) | (145,825) | 23,026 | (732,314) | (310,372) | (220,861) | (281,972) | (626,936) |
| Net profit | 3,325,223 | 4,563,631 | 2,917,992 | 1,993,421 | 2,871,916 | 973,334 | 1,062,055 | 647,843 | 875,209 | 576,900 |
| | | | | | | | | | | |
| Equity | 46,778,530 | 38,833,887 | 33,415,321 | 23,448,904 | 16,893,027 | 14,970,237 | 14,745,622 | 9,009,812 | 8,975,742 | 9,734,160 |
| Capital expenditure: | | | | | | | | | | |
| - the Group | 3,367,647 | 2,684,326 | 2,151,466 | 1,654,956 | 836,120 | 1,178,300 | 1,816,806 | 1,330,969 | 1,588,716 | 900,823 |
| - joint venture entity | 951,977 | 8,187 | 43,933 | 40,969 | 35,536 | 36,213 | 152,052 | 1,302,866 | 1,746,465 | 17,672 |
| - on acquisition of subsidiaries | 2,460,494 | - | 5,885,447 | - | - | - | 2,659,125 | - | - | - |
| - Total capital expenditure | 6,780,118 | 2,692,513 | 8,080,846 | 1,695,925 | 871,656 | 1,214,513 | 4,627,983 | 2,633,835 | 3,335,181 | 918,495 |
| | | | | | | | | | | |
| **Key ratios and other information** | | | | | | | | | | |
| Earnings per stock unit (cents): | | | | | | | | | | |
| - continuing operations | 362 | 400 | 317 | 292 | 389 | 233 | 240 | 172 | 250 | 254 |
| - discontinued operations | (6) | (7) | (25) | (20) | 3 | (87) | (33) | (30) | (39) | (86) |
| - Total | 356 | 393 | 292 | 272 | 392 | 146 | 207 | 142 | 211 | 168 |
| Dividends per stock unit (cents) | 182 | 165 | 150 | 130 | 142 | 100 | 95 | 95 | 323 | 95 |
| Operating profit to revenue (%) | 6.73 | 7.75 | 7.62 | 8.20 | 12.40 | 8.57 | 11.03 | 10.26 | 12.93 | 12.33 |
| Return on equity (%) | 7.11 | 11.75 | 8.73 | 8.50 | 17.00 | 6.50 | 7.20 | 7.19 | 9.75 | 5.93 |






# GOODNESS FOR GENERATIONS

## 1972

### Enhancing Efficiency

Perched in the cool valley of Bybrook, St. Catherine, the Bog Walk Condensary was once home to the beloved Betty Condensed Milk.

1982

1992


When Seprod acquired Nestle's dairy operations in 2016, Betty quickly became a cherished part of our family and we've proudly built on that legacy ever since. Today, Musson International Dairies Limited manufactures a range of Supligen formats and flavours, Serge dairy products, and iconic juices like Swizzzle.

2002

2016

# MARKETING
# HIGHLIGHTS


## RISK IT FOR
# THE BISCUIT

**Butterkist launched its inaugural 'Risk It for the Biscuit' Label Challenge, an islandwide competition designed to promote environmental responsibility, brand engagement, community upliftment.**

Running from **May 1 to June 26, 2024,** the initiative challenged primary schools across Jamaica to collect as many **Butterkist biscuit wrappers** as possible. Each wrapper equaled points, and the school with the highest total at the end of the competition would receive a **$300,000 grand prize** toward a project of their choice.

After weeks of enthusiastic participation, **Village Primary and Infant School** in Faith's Pen, St. Ann emerged as the overall winner, securing the prize to construct a **school tuck shop**, a project that will benefit students for years to come.


(L-R) Marielle Wade, former Brand Manager for Butterkist, Janice Nelson, Principal of Village Primary and Infant School, Hon. Marsha Smith, former State Minister of Education and Youth pose with the symbolic grand prize cheque for the 'Risk It for the Biscuit' competition.

## CHIFFON DOUBLE YUH TUB
# PROMOTION

In the gift-giving spirit of Christmas, Chiffon Margarine launched the Double Yuh Tub Promotion to reward loyal customers and celebrate its role as a cherished household staple. Running from November 8 to December 20, 2024, the promotion was designed to enhance the festive shopping experience while reinforcing the emotional connection many families have with Chiffon, especially during holiday meal preparation.

To participate, customers were required to purchase any two tubs of Chiffon Margarine for a chance to win one of three heartwarming prizes. **These included a 6-burner gas stove, ideal for preparing holiday feasts; a $100,000 Visa card to ease seasonal expenses; and the grand prize: a catered brunch experience for a family of eight with a private chef,** turning an ordinary holiday gathering into something truly special.


Claudia Walsh (front centre) and her family rang in the season of giving and festive feasts with a catered Christmas dinner courtesy of Chiffon.

# SUPLIGEN SIP AND WIN PROMOTION


To energize the summer and reward loyal Supligen fans, the **Supligen Sip & Win Promotion** ran from **June 1 to August 17, 2024**, offering a mix of exciting weekly and grand prizes. Customers who purchased **any six cans of Supligen 290ml** could enter by submitting their labels and contact details via drop boxes at participating stores islandwide or by WhatsApp with proof of purchase.

Participants had the chance to win **$50,000 or $100,000 in cash**, while the **grand prize** offered the ultimate getaway: a **3-day, 2-night weekend for two at the Hilton Hotel** in Montego Bay. In addition to the major prizes, the promotion featured **24 weekly winners**, who received rewards such as **Samsung smartphones, 2.4 cu. ft. mini refrigerators, gift baskets,** and **$500 phone credit.**


***The campaign highlighted Supligen's position as a trusted and energizing choice for Jamaicans on the go, especially during the vibrant summer months.***


Brand Manager for Supligen, Deidra Grey, presents a symbolic cheque valued at JMD$100,000 to second place winner in the Sip & Win promotion Windell Reid.



# OREO AROUND THE WORLD


In true Mondelēz International style, we gave our customers the chance of winning an exciting trip to an overseas destination to savour in the unique flavours of Oreo with the Oreo Around the World Promotion. By purchasing any participating Oreo product and submitting their personal details, receipt, and unique product code to www.oreopromo.com, customers entered to win unforgettable travel experiences.

The grand prize winner, along with three guests, received an all-expenses-paid trip to a destination of their choice (New York, Mexico, Paris, or Rome) to indulge in the iconic Oreo in a new cultural setting. The excitement continued with the second-place winner, who received a hotel getaway for four at the Hilton Rose Hall Resort in Montego Bay. For third place, three winners each received two day-passes to enjoy the resort experience.

Riayana Barrett was the lucky winner of a trip for 4 to her dream destination, Mexico.

Latoya Fray was the winner of a day pass to the Hilton Rose Hall Resort in Montego Bay.

Tarec Thompson won a day pass to the Hilton Rose Hall Resort in Montego Bay.

Christine Forreston won a weekend stay for 4 at the Hilton Rose Hall Resort in Montego Bay.

**WIN A TRIP WITH YOUR FAMILY!**

## MONSTER MILK GETS A MINION
# MAKEOVER!


Serge Monster Milk partnered with Universal Studios to celebrate the highly anticipated release of Despicable Me 4. This fun-filled collaboration featured a playful rebranding of the beloved Monster Milk packaging, replacing the original 'monsters' with the iconic Minions from the film, bringing even more excitement to kids and families across Jamaica.

The partnership also included exclusive movie premiere events at key cinemas across the island: Carib 5 in Kingston, Sunshine Palace in Portmore, and Palace Multiplex in Montego Bay. These events created memorable brand experiences for fans of both Monster Milk and the Despicable Me franchise, highlighting the brand's appeal to its young target audience.

From in-store displays to social media buzz and on-the-ground activations, the campaign successfully brought together entertainment and nutrition in a way that resonated with children and parents alike.

It was a scary good evening as excited patrons attended the Monster Milk x Despicable Me 4 movie premiere at the Sunshine Palace Cinema in Portmore, St. Catherine.

## SUMMA SERGE
# PROMOTION


To heat up the summer with Jamaica's leading milk brand, the Serge Summa Promotion was launched with a dual focus: to boost sales of the Serge 100% Full Cream Cow's Milk line and to reward loyal customers in a fun, seasonally relevant way.

Customers who purchased any SKU of Serge 100% Full Cream Cow's Milk valued at $1,200 or more were eligible to enter by submitting their receipt. **The prizes up for grabs included a brand-new refrigerator, a high-efficiency air conditioner,** and a **$50,000 shopping voucher**, highly desirable rewards aimed at enhancing comfort and convenience during the summer months.

The promotion ran from July 12 - September 7, 2024 and received strong consumer participation islandwide, with entries submitted through WhatsApp.

(L-R) Karlene Williams and Andrew Fisher, winners of the Summa Serge promotion, show off their 'cool' new home upgrades.

# SUPLIGEN MAX
# COMMERCIAL

In 2024, we launched the official commercial for Supligen Max, a bold new twist on the classic Supligen, infused with a kick of 5% alcohol. As one of our newest innovations, Supligen Max has quickly made its mark, earning second place for Best New Product at the 2023 Expo Jamaica Exhibitor Awards. The commercial, styled as a music video, blends elements of Jamaican culture, featuring scenes of beach outings, nightlife, and adventures with friends, subtly highlighting Supligen Max as the perfect companion for those moments.

The drink brings Supligen lovers and stout fans together, offering the creamy taste of Supligen with a bold flavour. The commercial performed well on both TV and social media, helping to increase visibility for Supligen Max and introduce the product to a wider audience.

## HAVE A TANG-TASTIC
# SUMMER


In 2024, we launched the Tang-Tastic Summer Promotion, giving customers the chance to win exciting cash prizes. To enter, customers simply purchased any six (6) sachets of Tang 20G and submitted their receipt and contact details via WhatsApp.

**Participants were entered into a draw to win one of three grand cash prizes:**

**$1 million, $600,000, and $300,000, making it a truly tang-tastic summer to remember.**

This Tangtastic customer shows off her favourite flavours during a recent in-store promotion.



## IN STORE WITH
# CADBURY

Cadbury connected with customers through a series of seasonal in-store activations designed to celebrate moments of love, family and festivity.

**These included:**

- ***Cadbury Valentines***
- ***Cadbury Easter***
- ***Cadbury Mother's Day***
- ***Cadbury Christmas***

**Additionally, Cadbury engaged families and young fans through on-the-ground engagement at the major family festival, Funfest, to strengthen brand loyalty and deepen consumer connection.**

The Cadbury team was eager to share some chocolate-y memories at the Funfest family festival.


## 2018

### Milling a New Future

Before opening our state-of-the-art multi-grain milling operation, Jamaica Grain & Cereals Limited (JGCL), Jamaica relied heavily on imported flour and external milling operations. Seprod saw an opportunity to change that by investing in local capacity to strengthen food security and regional independence.

2019

## TODAY

Gold Seal is Jamaica's favourite flour brand, following Seprod's bold entry into flour production.


2020

# SEPROD FOUNDATION

## Empowering Jamaica Through Education, Food Security, and Community Engagement

In 2024, the Seprod Foundation deepened its commitment to nation-building through strategic investments in STEAM education, food security, and community upliftment. Grounded in the United Nations Sustainable Development Goals (SDGs) and Vision 2030 Jamaica, our initiatives empowered thousands of students and families, fostered digital and agricultural literacy, and uplifted the communities where Seprod operates.

### SUSTAINABLE DEVELOPMENT GOALS ALIGNMENT

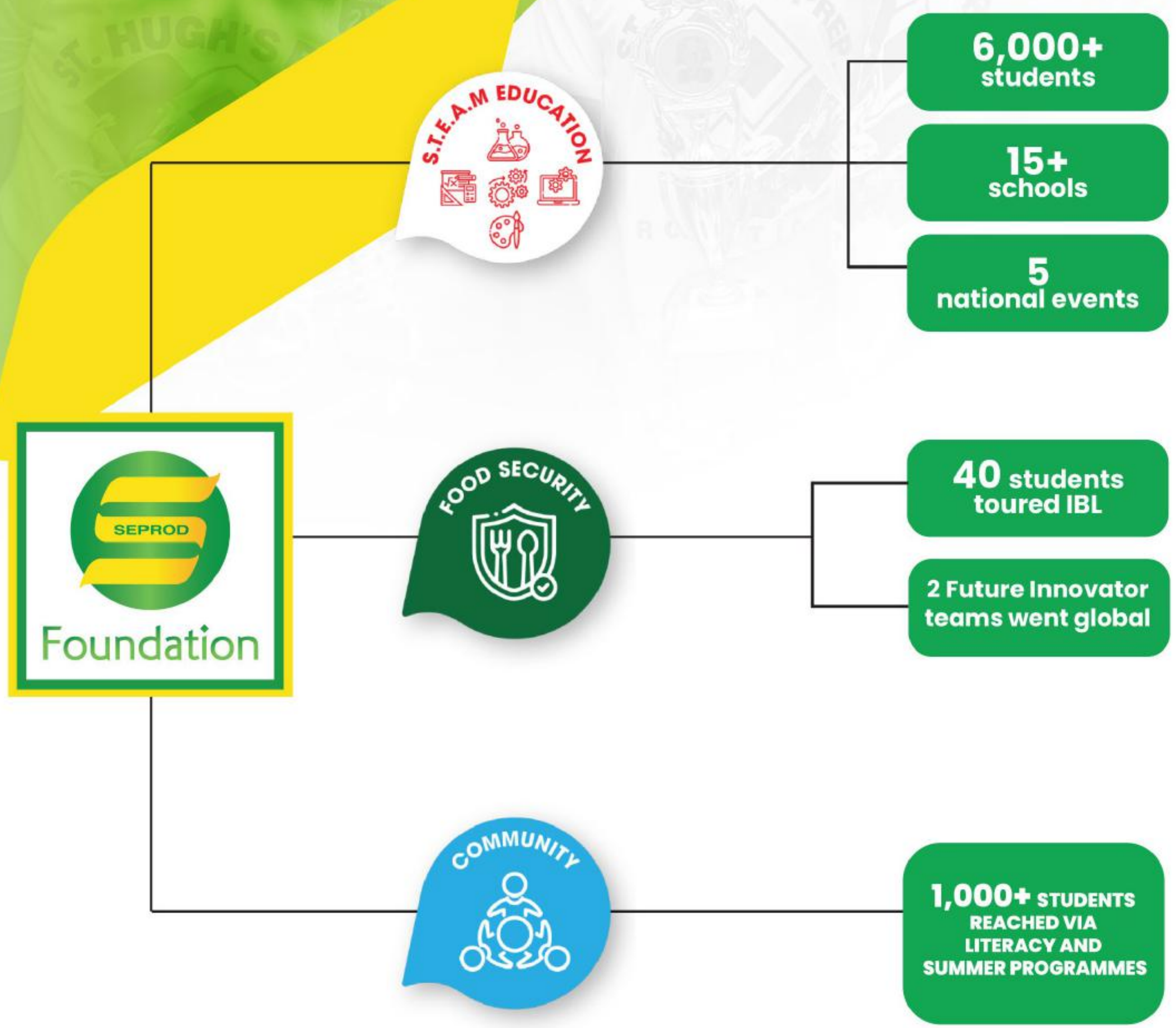

### VISION 2030 JAMAICA PILLARS SUPPORTED

01 A WORLD-CLASS EDUCATION AND TRAINING SYSTEM

02 INTERNATIONALLY COMPETITIVE INDUSTRY STRUCTURES

03 SOCIAL PROTECTION AND INCLUSION

# OUR IMPACT AT A GLANCE



# STEAM EDUCATION

## BUILDING TOMORROW'S INNOVATORS

We empowered over 6,000 students through national programmes that built 21st-century skills in robotics, coding, digital literacy, and computational thinking. From the Hour of Code to representing Jamaica at the World Robot Olympiad in Türkiye, we are preparing a digitally confident generation ready to solve real-world problems.

"I have never seen anything like this... I am excited to go back to school and work on my coding to be better for next year."

— ***WRO Future Innovator*, Clan Carthy Primary**

### BEBRAS CHALLENGE

An international problem-solving competition introducing students to computational thinking and logic-based challenges.

**2,175** Students Participated

**750+** Finalists

Total Hours of Learning **3000+** hours

### WORLD ROBOT OLYMPIAD – ROBO MISSIONS & FUTURE INNOVATORS

A global robotics competition where students designed autonomous robots addressing real-world challenges under the theme "Earth Allies".

**48** STUDENTS ACROSS **16** TEAMS

JAMAICA REPRESENTED INTERNATIONALLY IN TÜRKIYE

"I liked that the other competitors' robots and coding were so advanced. I learned how to code properly and follow the competition rules."

**— WRO RoboMissions Competitor**

### HOUR OF CODE

Introduced **600+ students** to programming fundamentals across Seprod/Musson Group partner schools.

### OUCC JAMAICA (OXFORD UNIVERSITY COMPUTING CHALLENGE)

A national competition encouraging advanced coding and logic-based problem-solving.

**500+** participants

**105** finalists

**Included robotics workshop**

### GIRLS IN ICT DAY

In partnership with Arel Ltd., primary school girls were introduced to female engineers and ICT careers.

"I didn't know girls could be engineers, so seeing a female engineer was cool."

***— Grade 4 Student, Girls in ICT Day***

# FOOD SECURITY

## EDUCATING FOR A SUSTAINABLE FUTURE

Alongside student education initiatives on food systems and sustainability, the Seprod Foundation played a critical role in Jamaica's recovery from Hurricane Beryl.

> We believe our contribution will make a significant difference in the lives of those affected and also the lives of everyone else who is dependent on agriculture.

***— Melanie Subratie, Chairman, Seprod Foundation***

## WORLD FOOD DAY AT INTERNATIONAL BISCUITS LIMITED

**40** Students Toured the Biscuit Factory

Learned about food safety, sustainability, innovation

## WRO FUTURE INNOVATORS – THEME: EARTH ALLIES

**2** TEAMS REPRESENTED JAMAICA ON THE GLOBAL STAGE

STUDENTS DESIGNED ROBOTIC SOLUTIONS TO FOOD AND CLIMATE CHALLENGES

## SALVATION ARMY PARTNERSHIP

**200** FOOD HAMPERS DISTRIBUTED TO FAMILIES IN TIVOLI GARDENS

## THE DR. RICHARD JONES SCHOLARSHIP AWARD

Honouring a pioneer in agricultural education, for the 2024-2025 academic year, the scholarship was awarded to a third-year agricultural sciences student, providing full tuition coverage.

> This scholarship has brought me peace of mind and allowed me to fully focus on my studies. I'm truly grateful to the Seprod Foundation for investing in my future.

***— Stephany Barret, 2025 Dr. Richard Jones Scholar***

## HURRICANE BERYL RECOVERY SUPPORT

**J$2M** TO FARMERS REHABILITATION FUND VIA UNITED WAY OF JAMAICA

**400** CARE PACKAGES VIA OFFICE OF THE PRIME MINISTER

**2** ROUNDS OF FOOD SUPPLY TO BREDS – ST. ELIZABETH

COMMUNITY FOOD DISTRIBUTION IN CLARENDON, WESTMORELAND, AND KINGSTON WITH PROJECT STAR

SUSTAINABILITY

# COMMUNITY IMPACT

## UPLIFTING YOUTH WHERE WE OPERATE

The Seprod Foundation supported over **1,000** students across more than 12 parishes through scholarships, literacy initiatives, and youth development programmes.

## BULL BAY RESILIENCE HUB

In partnership with Mercy Corps, Seprod Foundation is developing a multi-use space to enhance disaster preparedness, youth engagement, and climate resilience in Bull Bay.

## FREEDOM SKATEPARK

The Seprod Foundation provided year-round support to the Freedom Skatepark in Bull Bay. This partnership fosters academic growth, life skills, and a sense of belonging for youth in a safe, creative space.

> The food and snacks from Seprod keep our kids going and help them stay focused while doing their homework.

***— Jeanelle Irvine, Tutor, Freedom Skatepark***


## SPANISH IMMERSION DAY

**700+** STUDENTS PREPPED FOR CSEC ORAL EXAMS ACROSS 6 PARISHES

> The tips they gave were really beneficial because they know how the exam is graded.

***— Spanish Immersion Student***

## READ ACROSS JAMAICA DAY

| | | |
|---|---|---|
| **8** Schools | **100+** Books Donated | PEP trade activity shared |

## ART OF TAKING EXAMS WORKSHOP (DENHAM TOWN HIGH)

**123** STUDENTS TRAINED IN EXAM STRATEGY AND CONFIDENCE-BUILDING

> I now know the meanings of the key terms they use in questions and the best ways to answer them.

***— Deputy Head Boy, Denham Town High***

## RISE LIFE SUMMER PROGRAMME & WORLD SKILLS DAY

**44** Students in SYMBA

**15** students learned how to register a business in Jamaica

## PEP SCHOLARSHIPS

| | |
|---|---|
| **38** New scholars | Granville Marsh and Byron Thompson Awards |


## INTERNATIONAL LITERACY DAY

Storytelling for peace and inclusion at Clan Carthy Primary

> This session will help them assess how they interact with each other and hopefully lessen bullying and fights.

***— Grade 2 Teacher, Clan Carthy Primary***

## CHRISTMAS TREAT WITH DIGICEL FOUNDATION

**150** CHILDREN WITH SPECIAL NEEDS CELEBRATED

The Seprod Foundation remains dedicated to creating meaningful, measurable impact in the lives of Jamaicans. Through multi-sectoral partnerships and a commitment to equity and innovation, we continue to foster a future where every child has the tools to thrive, every family has access to opportunity, and every community feels empowered.

# TODAY
## Generations of Trust

We've come a long way from those early days in the coconut industry; growing, learning, and showing up for generations of Caribbean families.

**Today, Seprod is made up of a proud group of diverse food subsidiaries** across Jamaica, Trinidad, the Dominican Republic, St. Lucia, St.Vincent, Dominica, Guyana, Barbados, and the Cayman Islands.

From household staples to new innovations, from the farm and factory floor to the family table, **we're building a future on the same values that shaped our past.**

**This is Seprod. Still rooted in goodness. Still moving forward.**

#must be good

# FINANCIAL STATEMENTS

## Independent auditor's report

To the Members of Seprod Limited

### Report on the audit of the consolidated and stand-alone financial statements

#### Our opinion

In our opinion, the consolidated financial statements and the stand-alone financial statements give a true and fair view of the consolidated financial position of Seprod Limited (the Company) and its subsidiaries (together 'the Group') and the stand-alone financial position of the Company as at 31 December 2024, and of their consolidated and stand-alone financial performance and their consolidated and stand-alone cash flows for the year then ended in accordance with IFRS Accounting Standards and with the requirements of the Jamaican Companies Act.

***What we have audited***

The Group's consolidated and stand-alone financial statements comprise:

- the consolidated statement of financial position as at 31 December 2024;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the company statement of financial position as at 31 December 2024;
- the company statement of comprehensive income for the year then ended;
- the company statement of changes in equity for the year then ended;
- the company statement of cash flows for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

#### 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 consolidated and stand-alone financial statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

PricewaterhouseCoopers, Scotiabank Centre, Duke Street, Box 372, Kingston, Jamaica
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B.L. Scott B.J. Denning G.A. Reece P.A. Williams R.S. Nathan C.I. Bell-Wisdom G.K. Moore T.N. Smith DaSilva K.D. Powell



***Independence***

We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

#### Our audit approach

***Audit scope***

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated and stand-alone financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

***How we tailored our group audit scope***

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

In assessing the risk of material misstatement of the Group's consolidated financial statements, and to ensure we had adequate coverage of significant accounts in the consolidated financial statements, we designed and performed audit procedures over various components. The Group comprised 36 reporting components, of which we selected 27 components, which represent the principal business units within the Group and covered entities within Jamaica, St. Lucia, Barbados, Trinidad and Tobago, Dominican Republic, Guyana and St. Vincent.

Of the 27 components selected, we performed an audit of the complete financial information of 22 components which were selected based on their size, risk characteristics or both. For the remaining 5 components, we performed audit procedures on specific accounts and or specified procedures within that component that we considered had the potential for the greatest impact on the significant accounts in the consolidated financial statements, either due to the size of these accounts or their risk profile.

In relation to the remaining components, none of which are individually greater than 2% of the Group's profit before taxation, we performed other procedures, including analytical review procedures and testing of consolidation journals, intercompany eliminations and foreign currency translation recalculations to respond to any potential risks of material misstatement to the Group's consolidated financial statements.

For components that are in scope of the Group audit, we used component auditors from PwC network firms and non-PwC firms who are familiar with the local laws and regulations to perform this audit work.

***Key audit matters***

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and stand-alone financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and stand-alone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| ***Valuation of unquoted equity securities (Group and Company)***<br>*Refer to notes 2(h), 4 and 17 to the consolidated and stand-alone financial statements for disclosures of related accounting policies and balances.*<br><br>Unquoted equity securities denominated in USD included within investments on the consolidated and stand-alone statements of financial position total $2.4 billion as at 31 December 2024 for both the Group and the Company, which represents 1.8% and 5.1% of total assets respectively.<br><br>These unquoted equity securities relate to an investment in an affiliated company over which Seprod Limited does not exercise significant influence. These securities are not quoted in an active market. The fair value of these securities is determined by management using a valuation model based on discounted future cash flows.<br><br>We focused on this area because of the magnitude of the balance, the complexity of the valuation model used and the use of management determined assumptions.<br><br>The key assumptions were assessed by management as being:<br>• investee's future cash flows;<br>• terminal growth rates;<br>• discount rates; and<br>• market participant minority discount.<br><br>Management used an independent valuation expert to assist in the valuation process. | Our approach to addressing the matter, with the assistance of our valuation expert, involved the following procedures, amongst others:<br><br>• Updated our understanding and evaluated management's future cash flow forecasts, and the process by which they were determined, including testing the underlying calculations and comparing them to the latest Board approved budgets of the investee.<br><br>• Compared prior management budgets to actual results of the investee to evaluate the reliability of management's forecast process.<br><br>• Tested management's key assumptions, as follows:<br>○ compared forecasted long-term growth rates to historical results and economic and industry forecasts;<br>○ evaluated management's assumptions concerning the selected growth rates, terminal growth rates, discount rates and market participant minority discount by reference to relevant industry and other externally derived data, where available, including market expectations of investment return, projected economic growth and interest rates; and<br>○ sensitized management's planned growth rate in cash flows and changes in discount rates. |



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| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| ***Goodwill impairment (Group)***<br>*Refer to notes 2(f), 4 and 16 to the consolidated financial statements for disclosures of related accounting policies and balances.*<br><br>As at 31 December 2024, the Group carried a significant amount of goodwill amounting to $8.8 billion. In line with IAS 36 - Impairment of Assets, management performs an annual impairment assessment of goodwill. An asset is impaired when its carrying value exceeds its recoverable amount. The recoverable amount of each cash generating unit (CGU) is calculated as the higher of the value-in-use (VIU) and fair value less costs of disposal (FVLCOD).<br><br>Management determined the recoverable amount by reference to the VIU which was derived using a discounted expected cash flow approach where management makes significant judgements on certain key inputs and assumptions, including discount rates and growth rates.<br><br>We focused on this area because of the significant level of judgement required in arriving at the key assumptions used in management's impairment assessment. | Our approach to addressing the matter, with the assistance of our internal expert, involved the following procedures, amongst others:<br><br>• Obtained an understanding of the methods used by management to perform its goodwill impairment assessment and assessed whether they were in compliance with IAS 36.<br><br>• Recalculated the weighted average cost of capital (WACC) used to discount the expected cash flows and evaluated those rates against observable market-based inputs and our knowledge of the economic environment.<br><br>• Assessed the assumptions including the growth rate by reference to historical performance of the CGU and relevant external economic industry data.<br><br>• Tested the mathematical accuracy of management's impairment calculations.<br><br>• Compared management's future cash flow forecasts used in the impairment calculation to those approved by the Board of Directors as part of the annual budgeting process and strategic plans. |

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| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| ***Accounting for business combinations (Group)***<br>*Refer to notes 2(b) and 36 to the consolidated financial statements for disclosures of related accounting policies and balances.*<br><br>There were two business combinations during the year as follows:<br><br>*(i)* In July 2024, A.S. Bryden & Sons Holdings Limited (ASB) acquired Caribbean Producers (Jamaica) Limited (CPJ), a listed entity domiciled in Jamaica. This acquisition was completed in stages with the first stage being an acquisition of 45% of the share capital of CPJ at which point ASB's management determined ASB had obtained control over the acquiree. A further stake was acquired in December 2024, which brought ASB's shareholding up to 75.3%.<br><br>Purchase consideration comprised cash, promissory notes and ordinary shares in ASB for the second stage.<br><br>The transaction resulted in the recognition of goodwill of $2.3 billion and intangible assets comprising customer relationships, trade name and brand assets in the amount of $2.2 billion.<br><br>*(ii)* In March 2024, ASB acquired a controlling stake of 55% in Retail Acquisition Company Limited (RACL). Purchase consideration for this transaction amounted to $985 million comprising cash, shares and convertible promissory notes. | Our approach to addressing the matter, with the assistance of our internal specialists, involved the following procedures, amongst others:<br><br>• Read the relevant agreements, including the share purchase agreements and amalgamation agreement and evaluated the appropriateness of the accounting for the acquisitions as business combinations against management's accounting policies and the applicable accounting standards.<br>• Evaluated the reasonableness of management's determination that control was obtained following acquisition of 45% of the share capital of CPJ.<br>• Held discussions with management and their experts to understand and evaluate their basis for determining assumptions.<br>• Assessed the objectivity, competence and capability of management's valuation experts.<br>• Evaluated the application and valuation methodologies used to derive the fair values of the intangible assets.<br>• Tested the reasonableness of valuation assumptions and inputs including:<br>  ○ evaluating the key variables being the revenue growth rates, attrition rate, future margins and discount rates against historic and prospective financial, industry and economic information, taking into consideration our knowledge of the Group and its industries; and |



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| Key audit matter | How our audit addressed the key audit matter |
|---|---|
| This acquisition resulted in the recognition of intangible assets comprising a trade name and distribution agreement of $1.05 billion and goodwill of $592 million.<br><br>We focused on the Group's business combinations due to the significance of the intangible assets identified / acquired and the complex accounting requirements, some of which required the exercise of management judgement.<br><br>Management engaged external experts to assist with the determination of the Purchase Price Allocation (PPA) for both acquisitions which encompassed identifying and estimating the fair value of intangible assets acquired. This involved the use of assumptions for a number of inputs including revenue growth rates, attrition rate, future margins and discount rates. |   ○ where relevant, considering third party sources and challenging management's future revenue estimates taking into account changes in the market or actions by competitors.<br>• Tested the mathematical accuracy of the calculations by recalculating the difference between the total net consideration paid and the fair value of the net assets acquired. |

## Other information

Management is responsible for the other information. The other information comprises the Annual Report (but does not include the consolidated and stand-alone financial statements and our auditor's report thereon), which is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated and stand-alone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and stand-alone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## Responsibilities of management and those charged with governance for the consolidated and stand-alone financial statements

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

In preparing the consolidated and stand-alone financial statements, management is responsible for assessing the Group and 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 Group or the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group and Company's financial reporting process.

## Auditor's responsibilities for the audit of the consolidated and stand-alone financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated and stand-alone 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 consolidated and stand-alone financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated and stand-alone 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 Group and 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 Group or 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 consolidated and stand-alone 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 Group or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and stand-alone financial statements, including the disclosures, and whether the consolidated and stand-alone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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 to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated and stand-alone financial statements of the current period and are therefore the key audit matters. We describe these matters 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 other legal and regulatory requirements

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 kept, so far as appears from our examination of those records, and the accompanying consolidated and stand-alone financial statements are in agreement therewith and give the information required by the Jamaican Companies Act, in the manner so required.

The engagement partner on the audit resulting in this independent auditor's report is Paul Williams.

PricewaterhouseCoopers

Chartered Accountants
Kingston, Jamaica
12 May 2025

## Seprod Limited
Consolidated Statement of Comprehensive Income
**Year ended 31 December 2024**
(expressed in Jamaican dollars unless otherwise indicated)

| | Note | 2024 $'000 | 2023 $'000 |
|---|---|---|---|
| **Revenue** | 5 | 133,608,893 | 112,149,457 |
| Direct expenses | | (94,538,806) | (80,779,877) |
| **Gross Profit** | | 39,070,087 | 31,369,580 |
| Finance and other operating income | 6 | 2,059,152 | 1,877,935 |
| Administration and other operating expenses | | (31,992,743) | (24,352,456) |
| Net impairment losses on trade receivables | | (150,727) | (199,964) |
| **Operating Profit** | | 8,985,769 | 8,695,095 |
| Finance costs | 9 | (4,086,597) | (3,300,780) |
| Share of results of joint ventures and associate | 19 | 688,902 | 211,093 |
| **Profit before Taxation** | | 5,588,074 | 5,605,408 |
| Taxation | 10 | (2,219,963) | (992,797) |
| **Net Profit from Continuing Operations** | | 3,368,111 | 4,612,611 |
| Net loss from discontinued operations | 35 | (42,888) | (48,980) |
| **Net Profit for the year** | | 3,325,223 | 4,563,631 |
| **Other Comprehensive Income, net of taxes** | | | |
| **Item that may be reclassified to profit or loss –** | | | |
| Currency translation gains and losses | 10 | (280) | 21,875 |
| **Items that will not be reclassified to profit or loss –** | | | |
| Re-measurements of post-employment benefits | 10 | 50,735 | 517,538 |
| Unrealized fair value gains on investments | 10 | 644,811 | 545,728 |
| Unrealized fair value gains on property | 10 | - | 1,287,164 |
| **TOTAL COMPREHENSIVE INCOME** | | 4,020,489 | 6,935,936 |
| **Net Profit from continuing operations is attributable to:** | | | |
| Stockholders of the Company | 12 | 2,656,870 | 2,930,728 |
| Non-controlling interest | | 711,241 | 1,681,883 |
| | | 3,368,111 | 4,612,611 |
| **Net Loss from discontinued operations is attributable to:** | | | |
| Stockholders of the Company | 12 | (42,888) | (48,980) |
| Non-controlling interest | | - | - |
| | | (42,888) | (48,980) |
| **Total Comprehensive Income is attributable to:** | | | |
| Stockholders of the Company | | 3,288,215 | 5,003,943 |
| Non-controlling interest | | 732,274 | 1,931,993 |
| | | 4,020,489 | 6,935,936 |
| **Earnings per Stock Unit attributable to Stockholders of the Company** | 12 | | |
| Continuing operations | | $3.62 | $4.00 |
| Discontinued operations | | ($0.06) | ($0.07) |
| | | $3.56 | $3.93 |



## Seprod Limited
Consolidated Statement of Financial Position
**31 December 2024**
(expressed in Jamaican dollars unless otherwise indicated)

| | Note | 2024 $'000 | 2023 $'000 |
|---|---|---|---|
| **Non-current Assets** | | | |
| Property, plant and equipment | 14 | 26,790,032 | 23,119,352 |
| Right of use assets | 15 | 4,552,229 | 1,741,370 |
| Intangible assets | 16 | 18,843,207 | 13,294,758 |
| Investments | 17 | 2,584,474 | 1,767,162 |
| Investment in joint ventures and associate | 19 | 2,674,870 | 1,482,291 |
| Long term receivables | 20 | 846,693 | 1,045,959 |
| Post-employment benefit asset | 21 | 775,437 | 634,464 |
| Biological assets | 22 | 666,899 | 447,922 |
| Deferred tax assets | 29 | 3,636,111 | 2,675,884 |
| | | 61,369,952 | 46,209,162 |
| **Current Assets** | | | |
| Inventories | 23 | 35,019,572 | 28,938,437 |
| Biological assets | 22 | 20,531 | 34,218 |
| Trade and other receivables | 24 | 32,387,097 | 22,585,627 |
| Current portion of long term receivables | 20 | 196,443 | 258,415 |
| Assets held for sale | 35 | 285,761 | 285,761 |
| Taxation recoverable | | 494,012 | 579,645 |
| Cash and bank balances | | 5,798,583 | 5,673,878 |
| | | 74,201,999 | 58,355,981 |
| **Current Liabilities** | | | |
| Payables | 25 | 29,179,576 | 24,777,868 |
| Current portion of long term liabilities | 28 | 11,231,621 | 11,185,213 |
| Current portion of lease obligation | 15 | 1,133,067 | 393,370 |
| Taxation payable | | 650,357 | 212,387 |
| | | 42,194,621 | 36,568,838 |
| **Net Current Assets** | | 32,007,378 | 21,787,143 |
| | | 93,377,330 | 67,996,305 |
| **Equity Attributable to Stockholders of the Company** | | | |
| Share capital | 26 | 5,768,558 | 5,768,558 |
| Capital reserves | 27 | 9,553,688 | 8,909,157 |
| Retained earnings | | 14,261,838 | 13,536,070 |
| | | 29,584,084 | 28,213,785 |
| **Non-Controlling Interests** | 18 | 17,194,446 | 10,620,102 |
| | | 46,778,530 | 38,833,887 |
| **Non-current Liabilities** | | | |
| Post-employment benefit obligations | 21 | 297,971 | 304,619 |
| Long term liabilities | 28 | 37,773,807 | 23,387,397 |
| Lease obligation | 15 | 4,139,055 | 1,466,996 |
| Deferred tax liabilities | 29 | 4,387,967 | 4,003,406 |
| | | 46,598,800 | 29,162,418 |
| | | 93,377,330 | 67,996,305 |

**Approved for issue by the Board of Directors on 9 May 2025 and signed on its behalf by:**

Paul B. Scott, Director

Richard Pandohie, Director

## Seprod Limited
Consolidated Statement of Changes in Equity
**Year ended 31 December 2024**
(expressed in Jamaican dollars unless otherwise indicated)

| | Attributable to Stockholders of the Company | | | | Non-controlling Interests | Total |
|---|---|---|---|---|---|---|
| | Share Capital | Capital Reserves | Retained Earnings | Sub-total | | |
| | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |
| **Balance at 1 January 2023** | 5,768,558 | 7,054,390 | 11,597,248 | 24,420,196 | 8,995,125 | 33,415,321 |
| Net profit for the year | - | - | 2,881,748 | 2,881,748 | 1,681,883 | 4,563,631 |
| Re-measurements on post-employment benefits | - | - | 267,428 | 267,428 | 250,110 | 517,538 |
| Currency translation gains and losses | - | 21,875 | - | 21,875 | - | 21,875 |
| Unrealised fair value gains on investments | - | 545,728 | - | 545,728 | - | 545,728 |
| Unrealised fair value gains on property | - | 1,287,164 | - | 1,287,164 | - | 1,287,164 |
| Total comprehensive income | - | 1,854,767 | 3,149,176 | 5,003,943 | 1,931,993 | 6,935,936 |
| Transactions with owners: | | | | | | |
| Ordinary dividends declared by the Company (Note 13) | - | - | (1,210,354) | (1,210,354) | - | (1,210,354) |
| Preference dividends declared by a subsidiary | - | - | - | - | (191,452) | (191,452) |
| Ordinary dividends declared by a subsidiary | - | - | - | - | (115,564) | (115,564) |
| **Balance at 31 December 2023** | 5,768,558 | 8,909,157 | 13,536,070 | 28,213,785 | 10,620,102 | 38,833,887 |
| Net profit for the year | - | - | 2,613,982 | 2,613,982 | 711,241 | 3,325,223 |
| Re-measurements on post-employment benefits | - | - | 29,702 | 29,702 | 21,033 | 50,735 |
| Currency translation gains and losses | - | (280) | - | (280) | - | (280) |
| Unrealised fair value gains on investments | - | 644,811 | - | 644,811 | - | 644,811 |
| Total comprehensive income | - | 644,531 | 2,643,684 | 3,288,215 | 732,274 | 4,020,489 |
| Transactions with owners: | | | | | | |
| On acquisition of subsidiaries (Note 18) | - | - | - | - | 2,705,943 | 2,705,943 |
| On acquisition of non-controlling interest in subsidiary (Note 18) | - | - | (46,920) | (46,920) | (891,388) | (938,308) |
| Issue of preference shares by a subsidiary as part of purchase consideration for acquisitions (Note 18) | - | - | - | - | 1,564,000 | 1,564,000 |
| Issue of ordinary shares by a subsidiary as part of purchase consideration for acquisitions (Note 18) | - | - | (245,203) | (245,203) | 2,774,766 | 2,529,563 |
| Dilution on issue of ordinary shares by a subsidiary (Note 18) | | | (294,405) | (294,405) | 294,405 | - |
| Ordinary dividends declared by the Company (Note 13) | - | - | (1,331,388) | (1,331,388) | - | (1,331,388) |
| Preference dividends declared by a subsidiary | - | - | - | - | (191,452) | (191,452) |
| Ordinary dividends declared by a subsidiary | - | - | - | - | (414,204) | (414,204) |
| **Balance at 31 December 2024** | 5,768,558 | 9,553,688 | 14,261,838 | 29,584,084 | 17,194,446 | 46,778,530 |



## Seprod Limited
Consolidated Statement of Cash Flows
**Year ended 31 December 2024**
(expressed in Jamaican dollars unless otherwise indicated)

| | Note | 2024 $'000 | 2023 $'000 |
|---|---|---|---|
| **Cash Flows from Operating Activities** | | | |
| Cash provided by operating activities | 30 | 6,066,112 | 7,690,234 |
| **Cash Flows from Investing Activities** | | | |
| Purchase of property, plant and equipment | 14 | (3,367,647) | (2,684,326) |
| Proceeds on disposal of property, plant and equipment | | 353,060 | 76,274 |
| Net cash paid on business combinations | | (435,643) | - |
| Purchase of investments | | (639,171) | - |
| Repayment of long term receivables | | 278,190 | 146,255 |
| Interest received | | 98,652 | 108,419 |
| Dividends received | | 92 | 83 |
| Cash used in investing activities | | (3,712,467) | (2,353,295) |
| **Cash Flows from Financing Activities** | | | |
| Long term loans received | | 25,408,352 | 16,829,571 |
| Long term loans repaid | | (21,456,746) | (15,774,276) |
| Lease obligation | | (852,810) | (695,131) |
| Dividends paid | | (1,633,507) | (1,517,370) |
| Interest paid | | (3,718,869) | (3,005,551) |
| Cash used in financing activities | | (2,253,580) | (4,162,757) |
| Increase in cash and cash equivalents | | 100,065 | 1,174,182 |
| Net effect of foreign currency translation on cash | | 24,640 | 29,701 |
| Cash and cash equivalents at beginning of year | | 5,673,878 | 4,469,995 |
| **CASH AND CASH EQUIVALENTS AT END OF YEAR** | | 5,798,583 | 5,673,878 |

# Seprod Limited
Company Statement of Comprehensive Income
**Year ended 31 December 2024**
(expressed in Jamaican dollars unless otherwise indicated)

| | Note | 2024 $'000 | 2023 $'000 |
|---|---|---|---|
| Group costs recovered from subsidiaries | | 2,244,340 | 1,890,129 |
| Finance and other operating income | 6 | 5,051,192 | 945,177 |
| Administration expenses | 7 | (2,593,789) | (2,045,924) |
| **Operating Profit** | | 4,701,743 | 789,382 |
| Finance costs | 9 | (1,721,937) | (1,502,132) |
| **Profit/(Loss) before Taxation** | | 3,020,194 | (712,750) |
| Taxation | 10 | 265,053 | 152,042 |
| **Net Profit/(Loss) for the year** | 11 | 3,244,859 | (560,708) |
| **Other Comprehensive Income, net of taxes** | | | |
| **Items that will not be reclassified to profit or loss –** | | | |
| Re-measurements of post-employment benefits | 10 | 5,011 | (2,446) |
| Unrealized fair value gains on investments | 10 | 644,811 | 545,728 |
| Unrealized fair value gains on property | 10 | - | 101,777 |
| TOTAL COMPREHENSIVE INCOME | | 3,894,681 | 84,351 |



# Seprod Limited
Company Statement of Financial Position
**31 December 2024**
(expressed in Jamaican dollars unless otherwise indicated)

| | Note | 2024 $'000 | 2023 $'000 |
|---|---|---|---|
| **Non-current Assets** | | | |
| Property, plant and equipment | 14 | 5,393,992 | 4,898,640 |
| Investments | 17 | 2,584,474 | 1,767,162 |
| Investment in subsidiaries | 18 | 11,621,529 | 11,621,529 |
| Investment in joint ventures | 19 | 434,114 | 434,114 |
| Long term receivables | 20 | 4,241,695 | 4,405,588 |
| Post-employment benefit assets | 21 | 7,191 | 7,737 |
| Deferred tax assets | 29 | 405,610 | 142,227 |
| | | 24,688,605 | 23,276,997 |
| **Current Assets** | | | |
| Trade and other receivables | 24 | 244,254 | 133,189 |
| Current portion of long term receivables | 20 | 1,972,468 | 1,874,253 |
| Tax recoverable | | 54,328 | 12,580 |
| Due from subsidiaries | | 19,947,775 | 45,460,124 |
| Cash and bank balances | | 208,560 | 335,559 |
| | | 22,427,385 | 47,815,705 |
| **Current Liabilities** | | | |
| Payables | 25 | 3,685,066 | 2,982,455 |
| Current portion of long term liabilities | 28 | 2,605,346 | 5,042,081 |
| Due to subsidiaries | | 15,689,833 | 43,239,358 |
| | | 21,980,245 | 51,263,894 |
| **Net Current Assets/(Liabilities)** | | 447,140 | (3,448,189) |
| | | 25,135,745 | 19,828,808 |
| **Equity** | | | |
| Share capital | 26 | 5,768,558 | 5,768,558 |
| Capital reserves | 27 | 4,535,549 | 3,890,738 |
| Retained earnings | | 2,369,805 | 451,323 |
| | | 12,673,912 | 10,110,619 |
| **Non-current Liabilities** | | | |
| Post-employment benefit obligations | 21 | 99,941 | 105,577 |
| Long term liabilities | 28 | 12,361,892 | 9,612,612 |
| | | 12,461,833 | 9,718,189 |
| | | 25,135,745 | 19,828,808 |

**Approved for issue by the Board of Directors on 9 May 2025 and signed on its behalf by:**

Paul B. Scott Director

Richard Pandohie Director

## Seprod Limited
Company Statement of Changes in Equity
**Year ended 31 December 2024**
(expressed in Jamaican dollars unless otherwise indicated)

| | Number of Shares '000 | Share Capital $'000 | Capital Reserve $'000 | Retained Earnings $'000 | Total $'000 |
|---|---|---|---|---|---|
| **Balance at 1 January 2023** | 733,488 | 5,768,558 | 3,243,233 | 2,224,831 | 11,236,622 |
| Net loss for the year | - | - | - | (560,708) | (560,708) |
| Re-measurements on post-employment benefits | - | - | - | (2,446) | (2,446) |
| Fair value gains on investments | | | 545,728 | - | 545,728 |
| Fair value gains on property | - | - | 101,777 | - | 101,777 |
| Total comprehensive income | - | - | 647,505 | (563,154) | 84,351 |
| Transactions with owners: | | | | | |
| Dividends declared (Note 13) | - | - | - | (1,210,354) | (1,210,354) |
| **Balance at 31 December 2023** | 733,488 | 5,768,558 | 3,890,738 | 451,323 | 10,110,619 |
| Net profit for the year | - | - | - | 3,244,859 | 3,244,859 |
| Re-measurements on post-employment benefits | - | - | - | 5,011 | 5,011 |
| Fair value gains on investments | - | - | 644,811 | - | 644,811 |
| Total comprehensive income | - | - | 644,811 | 3,249,870 | 3,894,681 |
| Transactions with owners: | | | | | |
| Dividends declared (Note 13) | - | - | - | (1,331,388) | (1,331,388) |
| **Balance at 31 December 2024** | 733,488 | 5,768,558 | 4,535,549 | 2,369,805 | 12,673,912 |

## Seprod Limited
Company Statement of Cash Flows
**Year ended 31 December 2024**
(expressed in Jamaican dollars unless otherwise indicated)

| | Note | 2024 $'000 | 2023 $'000 |
|---|---|---|---|
| **Cash Flows from Operating Activities** | | | |
| Cash provided by operating activities | 30 | 2,275,073 | 1,899,341 |
| **Cash Flows from Investing Activities** | | | |
| Purchase of property, plant and equipment | 14 | (666,004) | (338,396) |
| Proceeds on disposal of property, plant and equipment | | 5,800 | - |
| Investment in joint venture | | (172,501) | - |
| Repayment of long term receivables | | 272,042 | 127,104 |
| Interest received | | 140,783 | 143,063 |
| Dividends received | | 430,411 | 406,886 |
| Cash provided by investing activities | | 10,531 | 338,657 |
| **Cash Flows from Financing Activities** | | | |
| Long term loans received | | 7,559,632 | 5,617,398 |
| Long term loans repaid | | (7,378,883) | (5,019,241) |
| Dividends paid | 13 | (1,027,851) | (1,210,354) |
| Interest paid | | (1,590,141) | (1,360,705) |
| Cash used in financing activities | | (2,437,243) | (1,972,902) |
| (Decrease)/increase in cash and cash equivalents | | (151,639) | 265,096 |
| Net effect of foreign currency translation on cash | | 24,640 | 29,701 |
| Cash and cash equivalents at beginning of year | | 335,559 | 40,762 |
| **CASH AND CASH EQUIVALENTS AT END OF YEAR** | | 208,560 | 335,559 |

(expressed in Jamaican dollars unless otherwise indicated)

## 1. Principal Activities and Operations

Seprod Limited ("the Company") is incorporated and domiciled in Jamaica. The Company is publicly listed on the Jamaica Stock Exchange, and has its registered office at 3 Felix Fox Boulevard, Kingston.

The Company and its subsidiaries are collectively referred to as "the Group".

The Company's subsidiaries, its joint venture entity and its associate, their principal activities, their countries of incorporation and domicile and their percentage ownership (wholly-owned unless otherwise indicated) are as follows:

***Operations based in Jamaica***

| Subsidiaries | Principal activity | Country of Incorporation and Domicile |
|---|---|---|
| Belvedere Limited | Agriculture | Jamaica |
| Caribbean Products Company Limited, and its subsidiary | Manufacture and sale of oils and fats | Jamaica |
| - Golden Grove Sugar Company Limited | Sale of consumer products | Jamaica |
| Facey Commodity Holdings Limited, and its subsidiary | Investments | Barbados |
| - Facey Commodity Company Limited | Sale of consumer and pharmaceutical products | Jamaica |
| Industrial Sales Limited | Sale of consumer products | Jamaica |
| International Biscuits Limited | Manufacture and sale of biscuit products | Jamaica |
| Musson Holdings Limited, and its subsidiaries | Investments | St. Lucia |
| - Musson International Dairies Limited | Manufacture and sale of milk products and juices | Jamaica |
| - Musson International Dairies T&T Limited | Sale of milk products and juices | Trinidad and Tobago |
| - Musson International Dairies Republica Dominicana SRL | Sale of milk products and juices | Dominican Republic |
| - Serge Island Dairies Limited | Manufacture and sale of milk products and juices | Jamaica |
| - Serge Island Farms Limited | Dairy farming | Jamaica |

| Joint venture entities | Principal activity | Country of Incorporation and Domicile |
|---|---|---|
| Jamaica Grain and Cereals Limited (50% owned by the Company) | Manufacture and sale of corn and wheat products and cereals | Jamaica |
| St. Thomas Development Limited * (50% owned by the Company) | Property development | Jamaica |

* St. Thomas Development Limited was incorporated during 2023 and was a wholly-owned subsidiary of Seprod Limited. During the year, St. Thomas Development Limited issued shares to a related party such that it is now a 50% joint venture entity.





## 1. Principal Activities and Operations (Continued)

***Operations based in Trinidad and Tobago***

| Subsidiaries | Principal activity | Country of Incorporation and Domicile |
|---|---|---|
| A.S. Bryden & Sons Holdings Limited (owned 51%), and its subsidiaries | Investments | Trinidad and Tobago |
| - Anthony A Pantin Limited | Dormant | Trinidad and Tobago |
| - A.S. Bryden & Sons Insurance Limited | Dormant | Trinidad and Tobago |
| - A.S. Bryden & Sons Trinidad Limited, and its subsidiaries | Sale of consumer products | Trinidad and Tobago |
| -A.S. Bryden & Sons Guyana Inc. (owned 51%) | Sale of consumer products | Guyana |
| -ASB Business Solutions Limited | Dormant | Trinidad and Tobago |
| -Eve Products Limited | Dormant | Trinidad and Tobago |
| - Asset Rentals Limited | Dormant | Trinidad and Tobago |
| - Bryden pi Limited, and its subsidiaries | Sale of pharmaceutical and consumer products | Trinidad and Tobago |
| -Bpi Genethics Limited | Manufacture and sale of pharmaceutical products | Trinidad and Tobago |
| -Bpi Guyana Limited (owned 51%) | Sale of pharmaceutical and consumer products | Guyana |
| - Bryden Properties Limited | Dormant | Trinidad and Tobago |
| - Caribbean Producers (Jamaica) Limited *** (owned 75%), and its subsidiaries | Manufacture and sale of consumer products | Jamaica |
| - Homeporting Limited | Logistics services | Jamaica |
| -CPJ Investments Limited, and its subsidiary | Holding company | St. Lucia |
| - CPJ (St. Lucia) Limited (owned 51%) | Sale of consumer products | St. Lucia |
| - FT Farfan Limited, and its subsidiary | Sale of industrial equipment | Trinidad and Tobago |
| -Ibis Construction Equipment Sales & Rental Limited (owned 75%) | Sale of industrial equipment | Guyana |
| - Franco Trading & Distributors Limited | Packaging and sale of consumer products | Trinidad and Tobago |
| - Ibis Acres Ltd | Investments in real estate | Trinidad and Tobago |
| - Micon Holdings Limited, and its subsidiaries | Investments | St. Lucia |
| -Micon Marketing Limited | Sale of consumer products | Trinidad and Tobago |
| -Facey Trading Ltd (owned 75%) | Sale of consumer products | St. Vincent |
| - Premium Brands Limited | Dormant | Trinidad and Tobago |
| - Retail Acquisition and Company Limited ** (owned 55%), and its subsidiary | Holding company | Barbados |
| -Stansfeld Scott Barbados Limited | Sale of consumer products | Barbados |

| Joint venture entity | Principal activity | Country of Incorporation and Domicile |
|---|---|---|
| Caparo Industrial Properties | Property development | Trinidad and Tobago |
| **Associate** | **Principal activity** | **Country of Incorporation and Domicile** |
| Armstrong Healthcare Inc. (49% owned by Bryden Pi Limited) | Sale of pharmaceutical products | Barbados |

** In March 2024, A.S. Bryden & Sons Holdings Limited (ASBH) acquired 55% of the shareholding in Retail Acquisition and Company Limited (Note 36).

*** In July 2024, ASBH acquired 45% of the shareholding in Caribbean Producers (Jamaica) Limited (CPJ) (Note 36). In December 2004, ASBH acquired a further 32% of the shareholding in CPJ, thereby increasing its shareholding in the subsidiary to 75%.

**2. Material Accounting Policies**

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

**(a) Basis of preparation**

The consolidated financial statements of the Group and the financial statements of the Company standing alone (together referred to as the financial statements) have been prepared in accordance with IFRS® Accounting Standards. IFRS Accounting Standards comprise the following authoritative literature: IFRS Accounting Standards; IAS® Standards; and Interpretations developed by the IFRS Interpretations Committee (IFRIC® Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC® Interpretations).

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Although these estimates are based on management's best knowledge of current events and action, actual results could differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

***Standards, interpretations and amendments to existing standards effective in the current financial year***

Certain new standards, interpretations and amendments to existing standards have been published that became effective during the current financial period. The Group has assessed the relevance of all such new standards, interpretations and amendments and has concluded that the following are relevant to its operations:

**Amendment to IAS 1, 'Presentation of Financial Statements'** (effective for annual periods beginning on or after 1 January 2024). A first amendment clarifies 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, such as the receipt of a waiver or a breach of covenant. The amendment further clarifies the reference to the 'settlement' of a liability. A further amendment to IAS 1 clarifies how conditions with which an entity must comply within twelve months after the reporting period affect the classification of a liability and also aims to improve information an entity provides related to liabilities subject to these conditions. The Group has taken these amendments into account in the classification of liabilities in its 2024 financial statements.

**Amendment to IFRS 16, 'Leases'** (effective for annual periods beginning on or after 1 January 2024). Regarding the manner in which an entity accounts for a sale and leaseback after the date of the transaction, this amendment specifies that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognising any amount of the gain or loss that relates to the right of use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate. The amendment did not impact the Group's financial statements as the Group has not entered into sale and leaseback transactions.

**Amendments to IFRS 7, 'Financial Instruments: Disclosures' and IAS 7, 'Statement of Cash Flows'** (effective for annual periods beginning on or after 1 January 2024). These amendments specify new disclosure requirements regarding supplier financing arrangements ('SFAs'). The objective of the new disclosures is to provide information about SFAs that enables investors to assess the effects on an entity's liabilities, cash flows and the exposure to liquidity risk. The new disclosures include information about the following on the terms and conditions of SFAs: (a) The carrying amounts of financial liabilities that are part of SFAs and the line items in which those liabilities are presented; (b) The carrying amount of the financial liabilities for which suppliers have already received payment from the finance providers; (c) The range of payment due dates for both the financial liabilities that are part of SFAs, and comparable trade payables that are not part of such arrangements; (d) Non-cash changes in the carrying amounts of financial liabilities; and (e) Access to SFA facilities and concentration of liquidity risk with finance providers. In adopting the amendments, comparative information and specified opening balances are not required to be disclosed in the first year of implementation. The Group has implemented the disclosure requirements in its 2024 financial statements.

**IFRS S1, 'General requirements for disclosure of sustainability-related financial information' and IFRS S2, 'Climate-related disclosures'** (effective for annual periods beginning on or after 1 January 2024). IFRS S1 includes the core framework for the disclosure of material information about sustainability-related risks and opportunities across an entity's value chain. IFRS S2 is the first thematic standard issued that sets out requirements for entities to disclose information about climate-related risks and opportunities. To date, Jamaica has not adopted these standards and, accordingly, the Group has not applied the disclosure requirements of the new standards in its 2024 financial statements.





**2. Material Accounting Policies (Continued)**

**(a) Basis of preparation (continued)**

***Standards, interpretations and amendments to existing standards that are not yet effective and have not been early adopted***

At the date of authorisation of these financial statements, certain new standards, interpretations and amendments to existing standards have been issued which are mandatory for the Group's accounting periods beginning on or after 1 January 2025 or later periods, but were not effective at the date of the statement of financial position. The Group has assessed the relevance of all such new standards, interpretations and amendments, and has determined that the following may be immediately relevant to its operations, and has concluded as follows:

**Amendments to IFRS 7, 'Financial Instruments: Disclosures' and IFRS 9, 'Financial Instruments'** (effective for annual periods beginning on or after 1 January 2026). The amendments: (a) clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; (b) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion; (c) add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and (d) update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI). The Group will apply these amendments in its 2026 financial statements.

**Amendments to IFRS 10, 'Consolidated financial statements' and IAS 28, 'Investments in associates and joint ventures'** (effective date not yet determined). The amendments clarify the accounting treatment for sales or contribution of assets between an investor and its associates or joint ventures and confirm that the accounting treatment depends on whether the non-monetary assets sold or contributed to an associate or joint venture constitute a 'business', as defined in IFRS 3, 'Business Combinations'. Where the non-monetary assets constitute a business, the investor will recognise the full gain or loss on the sale or contribution of assets. If the assets do not meet the definition of a business, the gain or loss is recognised by the investor only to the extent of the other investor's interests in the associate or joint venture. The amendments apply prospectively. The Group is assessing the impact of these amendments on its financial statements.

**IFRS 18, 'Presentation and Disclosure in Financial Statements'** (effective for annual periods beginning on or after 1 January 2027). This new standard on presentation and disclosure in financial statements replaces IAS 1, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to: (i) the structure of the statement of profit or loss with defined subtotals; (ii) requirement to determine the most useful structure summary for presenting expenses in the statement of profit or loss; (iii) required disclosures in a single note within the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and (iv) enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. The Group will apply the new standard in its 2027 financial statements.

**Amendment to IAS 21, 'The Effects of Changes in Foreign Exchange Rates'** (effective for annual periods beginning on or after 1 January 2025). An entity is impacted by this amendment when it 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. The Group is not impacted by this amendment.

**2. Material Accounting Policies (Continued)**

**(b) Basis of consolidation**

***Consolidation of subsidiaries***

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group uses the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

Investments in subsidiaries are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If this is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the profit or loss.

Intercompany transactions, balances and unrealised gains and losses on transactions between the Group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Loans to subsidiaries that are intended to provide subsidiaries with a long-term source of additional capital are considered additions to the Company's investment. Accordingly, these loans are included in Investment in Subsidiaries on the Company's statement of financial position.

***Transactions with non-controlling interests***

The Group treats transactions with non-controlling interests that do not result in a loss of control as equity transactions; i.e., as transactions with owners in their capacity as owners. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control or significant influence, any retained interest in the entity is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

***Joint ventures and Associates***

The Group's interests in joint ventures and associates are accounted for using the equity accounting method. Under the equity accounting method, investments in joint ventures and associates are carried in the consolidated statement of financial position at cost as adjusted for the post acquisition changes in the Group's share of the net assets of the joint venture and associate, less any impairment.

The Group's share of its joint ventures' and associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in other comprehensive income. Losses of the joint venture in excess of the Group's interest are not recognised unless the Group has incurred legal or constructive obligations or made payments on behalf of the joint venture or associate. Unrealised gains on transactions between the Group and its joint ventures and associates are eliminated to the extent of the Group's interest in the joint ventures and associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.





**2. Material Accounting Policies (Continued)**

**(c) Revenue and income recognition**

***Sales of goods***

Revenue comprises the fair value of the consideration received or receivable for the sale of goods in the ordinary course of the Group's activities. Revenue is shown net of General Consumption Tax, returns, rebates and discounts and after eliminating sales within the Group.

Revenue is recognised when control of the goods has been established – being when the goods are delivered to the customer, the customer has full discretion over the channel and price to sell the goods and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Delivery occurs when the goods have been transported to a specific predetermined location, the risks of obsolescence and loss have been transferred to the customer, and either the customer has accepted the goods in accordance with the sales contract, the acceptance provisions have lapsed or the Group has objective evidence that all criteria for acceptance have been satisfied. A receivable is recognised when the goods are delivered, at which point in time the consideration is deemed unconditional and only the passage of time is required before the payment is due.

***Interest income***

Interest income is recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income.

***Dividend income***

Dividend income is recognised when the right to receive payment is established.

**(d) Foreign currency translation**

Items included in the financial statements of each of the Group's entities are measured using the currency of primary economic environment in which the entity operates, referred to as the functional currency. The functional currency of each entity is the same as its presentation currency. The consolidated financial statements are presented in Jamaican dollars, which is the Company's functional currency.

The foreign exchange differences arising from the translation of the results and financial position of the Group's entities that have a functional currency other than Jamaican dollars are recognised in other comprehensive income. Such exchange differences are recognised in profit or loss where the related Group entity is sold or partially sold.

Foreign currency transactions are translated into the functional currency at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from such transactions and from the translation of foreign currency monetary assets and liabilities at the year-end exchange rates are recognised in profit or loss.

Translation differences resulting from changes in the amortised cost of foreign currency monetary assets are recognised in profit or loss. Other changes in the fair value of financial investments are recognised in other comprehensive income. Translation differences on non-monetary financial investments are reported as a component of the fair value gain or loss in other comprehensive income.

(expressed in Jamaican dollars unless otherwise indicated)

**2. Material Accounting Policies (Continued)**

**(e) Property, plant and equipment**

Prior to 31 December 2021, all items of property, plant and equipment are carried at historical cost less accumulated depreciation and impairment losses, with the exception of land which is not depreciated.

As of 31 December 2021, land and buildings are initially recorded at cost and are subsequently shown at market value based on triennial (or earlier) valuations by external independent valuers, less subsequent depreciation of buildings. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset, and the net amount is restated to the revalued amount. Increases in carrying amounts arising on revaluation are credited to other comprehensive income and shown in property revaluation reserve in shareholders' equity. Decreases that offset previous increases of the same asset are charged to other comprehensive income and debited against capital reserve; all other decreases are charged to profit or loss.

All other items of property, plant and equipment continue to be carried at historical cost less accumulated depreciation and impairment losses.

Depreciation is calculated on the straight-line basis at such rates as will write off the carrying value of the assets over the period of their expected useful lives. The expected useful lives are as follows:

| | |
|---|---|
| Buildings | 30 – 50 years |
| Plant, equipment and furniture | 3 – 40 years |
| Motor vehicles | 3 - 5 years |

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down to its recoverable amount.

Gains and losses on disposals of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining profit.

Repairs and maintenance expenditure is charged to profit or loss during the financial period in which it is incurred.





**2. Material Accounting Policies (Continued)**

**(f) Intangible assets**

***Goodwill***

Goodwill is recorded at cost and represents the excess of the fair value of the consideration paid over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree and the fair value of the non-controlling interest in the acquiree. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. For the purposes of impairment testing, goodwill is allocated to cash-generating units that benefit from the business combination in which the goodwill arose. Impairment losses on goodwill are not reversed.

***Distribution network***

Distribution network obtained by the Group in a business combination are recognised at fair value at the acquisition date. This intangible asset is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses are not subsequently reversed.

***Supplier relationships, trade names and brands***

Supplier relationships, trade names and brands obtained by the Group in a business combination are recognised at fair value at the acquisition date. These intangible assets are deemed to have a finite useful life, and are carried at cost less accumulated amortisation. Amortisation is calculated using the straight line method to allocate the carrying values over their estimated useful lives. The expected useful lives are as follows: Supplier relationships - 12 years; Trade names - 20 years; and Brands - 10 to 15 years. Amortisation of intangible assets is included in administration and other operating expenses in the statement of comprehensive income.

**(g) Impairment of non-financial assets**

Assets that have an indefinite useful life are not subject to amortisation but are tested annually for impairment. Assets that are subject to amortisation are reviewed 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 carrying amount of the asset exceeds its recoverable amount, which is the greater of an asset's fair value less costs to sell and value in use. For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identified cash flows. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

**(h) Financial assets**

***Classification***

The Group classifies its financial assets in the following measurement categories: those to be measured subsequently at fair value (either through profit or loss or through other comprehensive income); and those to be measured at amortised cost. The classification depends on the business model used for managing the financial assets and, in respect of debt instruments, the contractual terms of the cash flows.

***Recognition and measurement***

Debt instruments held for the collection of contractual cash flows, where those represent solely payments of principal and interest, are measured at amortised cost. Interest income from these financial assets is included in the statement of comprehensive income using the effective interest rate method. Any gains or losses arising on derecognition are recognised directly in profit or loss. Impairment losses are presented as a separate line in the statement of comprehensive income.

Debt instruments that are held for the collection of contractual cash flows and for the selling of financial assets, where the asset's cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income. Interest income and impairment gains and losses are recognised in profit or loss. When the debt instrument is derecognised, the cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss. Interest income from these financial assets is included in the statement of comprehensive income using the effective interest rate method. Any gains or losses arising on derecognition are recognised directly in profit or loss. Impairment losses are presented as a separate line in the statement of comprehensive income.

Debt instruments that do not meet the criteria for amortised cost or fair value through other comprehensive income are measured at fair value through profit or loss. Gains and losses on such instruments are recognised in profit or loss in the period in which they arise.

Equity instruments held for trading are measured at fair value through profit or loss. Other equity instruments are held at fair value through other comprehensive income. When the equity instrument is derecognised, the cumulative gains or losses previously recognised in other comprehensive income are not reclassified to profit or loss. Dividends on equity instruments are recognised in profit or loss when the Group's rights to receive payments are established.

**2. Material Accounting Policies (Continued)**

**(h) Financial assets (continued)**

***Impairment***

***Application of the General Model to financial assets other than trade receivables***

Under this model, the Group assesses, on a forward-looking basis, the expected credit losses (ECL) associated with its debt instruments carried at amortised cost and at fair value through other comprehensive income. The ECL will be recognized in profit or loss before a loss event has occurred. The measurement of ECL reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes. The probability-weighted outcome considers multiple scenarios based on reasonable and supportable forecasts. The impairment amount represents the single best outcome; the time value of money; and reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The impairment model uses a three-stage approach based on the extent of credit deterioration since origination:

*Stage 1* – 12-month ECL applies to all financial assets that have not experienced a significant increase in credit risk since origination and are not credit impaired. The ECL will be computed using a 12-month PD – the probability of default occurring over the next 12 months.

*Stage 2* – When a financial asset experiences a significant increase in credit risk subsequent to origination but is not credit impaired, it is considered to be in Stage 2. This requires the computation of ECL based on lifetime PD – the probability of default occurring over the remaining estimated life of the financial asset. Provisions are higher in this stage because of an increase in risk and the impact of a longer time horizon being considered compared to 12 months in Stage 1.

*Stage 3* – Financial assets that have an objective evidence of impairment are included in this stage. Similar to Stage 2, the allowance for credit losses will continue to capture the lifetime ECL.

The Group uses judgement when considering the following factors that affect the determination of impairment:

*Assessment of significant increase in credit risk*

To assess whether the credit risk on a financial asset has increased significantly since origination, the Group compares the risk of default occurring over the expected life of the financial asset at the reporting date to the corresponding risk of default at origination, using key risk indicators that are used in the Group's existing risk management processes. At each reporting date, the assessment of a change in credit risk will be individually assessed for those considered individually significant. This assessment is symmetrical in nature, allowing credit risk of financial assets to move back to Stage 1 if the increase in credit risk since origination has reduced and is no longer deemed to be significant.

*Macroeconomic factors, forward looking information and multiple scenarios*

The Group applies an unbiased and probability weighted estimate of credit losses by evaluating a range of possible outcomes that incorporates forecasts of future economic conditions. Macroeconomic factors and forward looking information are incorporated into the measurement of ECL as well as the determination of whether there has been a significant increase in credit risk since origination. Measurements of ECLs at each reporting period reflect reasonable and supportable information at the reporting date about past events, current conditions and forecasts of future economic conditions.

*Expected life*

When measuring ECL, the Group considers the maximum contractual period over which the Group is exposed to credit risk. All contractual terms are considered when determining the expected life, including prepayment options and extension and rollover options. For certain revolving credit facilities that do not have a fixed maturity, the expected life is estimated based on the period over which the Group exposed to credit risk and where the credit losses would not be mitigated by management actions.

***Application of the Simplified Approach to trade receivables***

For trade receivables other than those deemed specifically impaired, the Group applies the simplified approach which requires that the impairment provision is measured at initial recognition and throughout the life of the receivables using a lifetime ECL. As a practical expedient, a provision matrix is utilised in determining the lifetime ECLs for trade receivables. The lifetime ECLs are determined by taking into consideration historical rates of default for each category of aged receivables as well as the estimated impact of forward-looking information.

**(i) Biological assets**

*Livestock* – Livestock is measured at its fair value less point of sale costs. Fair value is determined based on market prices of assets of similar age, breed and genetic merit. Changes in fair value are recognised in profit or loss.

*Forage* – Sugar cane and hay are measured at their fair value, less estimated point of sale costs. Fair value is determined based on market prices of components of animal feed being substituted. Changes in fair value are recognised in profit or loss.





**2. Material Accounting Policies (Continued)**

**(j) Inventories**

Inventories are stated at the lower of cost or net realisable value, cost being determined using the weighted average cost method. The cost of finished goods and work in progress includes cost of raw materials used, direct labour and an appropriate proportion of overhead expenses. The cost of merchandise for resale are determined using weighted average cost method. Net realisable value is the estimated selling price in the ordinary course of business, less the cost of selling expenses.

**(k) Trade receivables**

Trade receivables are amounts due from customers for merchandise sold or services performed in the ordinary course of business and are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

**(l) Non-current assets held for sale and discontinued operations**

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable, and are measured at the lower of their carrying amount and fair value less costs to sell. An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the noncurrent asset is recognised at the date of derecognition. Non-current assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised. Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

A discontinued operation is a component of the entity that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of comprehensive income.

**(m) Cash and cash equivalents**

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

**(n) Payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers and are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**(o) Borrowings**

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the profit or loss in the statement of comprehensive income over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

**(p) Provisions**

Provisions for legal claims are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Provisions are not recognised for future operating losses. 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. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

**2. Material Accounting Policies (Continued)**

**(q) Leases**

As lessee, the Group mainly leases various warehouses and retail stores. Rental contracts are typically made for fixed periods of 1 to 10 years, but may have extension options which are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

As of 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable,
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date,
- amounts expected to be payable by the Group under residual value guarantees,
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions. To determine the incremental borrowing rate, the Group uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability,
- any lease payments made at or before the commencement date less any lease incentives received,
- any initial direct costs, and
- restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.





**2. Material Accounting Policies (Continued)**

**(r) Income taxes**

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

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the carrying amounts of assets and liabilities and the corresponding tax bases. Deferred income tax assets and liabilities are offset in the statement of financial position when there is a legally enforceable right to set off current tax assets against current tax liabilities. Currently enacted tax rates are used in the determination of deferred income tax. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax is charged or credited to profit or loss, except where it relates to items charged or credited to other comprehensive income or equity, in which case, deferred tax is also dealt with in other comprehensive income or equity.

**(s) Employee benefits**

***Pension obligations***

*Defined benefit plan*

The Group operates a defined benefit plan, the assets of which are generally held in a separate trustee-administered fund. A defined benefit plan is a pension plan that defines an amount of pension benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation.

The amount recognised in the statement of financial position in respect of defined benefit pension plans is the present value of the defined benefit obligation at the statement of financial position date less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates of high-quality Government of Jamaica bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating to the terms of the related pension liability.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in income.

*Defined contribution plan*

The employees of the Group also participate in an Individual Retirement Scheme operated by an independent insurance Company. The Group makes fixed contributions to the scheme for participating employees. The Group has no obligation for the benefits provided under the scheme as these are payable by, and accounted for by the insurance Company. Accordingly, the Group recognises a cost equal to its contributions payable in respect of each accounting period in the statement of comprehensive income.

***Other post-employment benefits***

The Group provides post-employment healthcare benefits to its retirees. The entitlement to these benefits is usually conditional on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued over the period of employment using the same accounting methodology as used for defined benefit pension plans. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. These obligations are valued annually by independent qualified actuaries.

***Termination benefits***

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of IAS 37 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

***Profit share scheme***

The Group recognises a liability and an expense for bonuses, based on a formula that takes into consideration the profit attributable to the Company's equity holders after certain adjustments.

**2. Material Accounting Policies (Continued)**

**(t) Ordinary share capital**
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds. Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's directors.

**(u) Preference shares**
Preference shares are classified as equity as, under the terms of the preference shares, the company has no cash obligation. Dividend distribution to preference shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's directors.

**(v) Segment reporting**
Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Committee that makes strategic decisions.

**3. Financial Risk Management**

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

The Group's risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Group regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practice.

The Board of Directors is ultimately responsible for the establishment and oversight of the Group's risk management framework. The board provides written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. The Board has established committees/departments for managing and monitoring risks, as follows:

***Central treasury department***
The central treasury department is responsible for managing the Group's financial assets and liabilities and the overall financial structure. It is also primarily responsible for the funding and liquidity risks of the Group. Group treasury identifies, evaluates and manages financial risks in close co-operation with the Group's operating units.

***Audit Committee***
The Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the result of which are reported to the Audit Committee.





**3. Financial Risk Management (Continued)**

The carrying values of the Group's financial instruments are as follows:

| | The Group | | The Company | |
|---|---|---|---|---|
| | **2024** | **2023** | **2024** | **2023** |
| | **$'000** | **$'000** | **$'000** | **$'000** |
| **Financial Assets** | | | | |
| Investments, at fair value through other comprehensive income | 2,584,474 | 1,767,162 | 2,584,474 | 1,767,162 |
| Long term receivables, at fair value through profit or loss | 41,655 | 57,258 | 27,484 | 37,773 |
| At cost or amortised cost – | | | | |
| Long term receivables | 1,001,481 | 1,247,116 | 6,186,679 | 6,242,068 |
| Trade and other receivables | 30,215,473 | 21,894,970 | 108,507 | 16,065 |
| Due from subsidiaries | - | - | 19,947,775 | 45,460,124 |
| Cash and bank balances | 5,798,583 | 5,673,878 | 208,560 | 335,559 |
| | 37,015,537 | 28,815,964 | 26,451,521 | 52,053,816 |
| | 39,641,666 | 30,640,384 | 29,063,479 | 53,858,751 |
| **Financial Liabilities** | | | | |
| At cost or amortised cost – | | | | |
| Due to subsidiaries | - | - | 15,689,833 | 43,239,358 |
| Trade and other payables | 22,830,729 | 19,720,637 | 2,722,559 | 2,186,844 |
| Long term liabilities | 49,005,428 | 34,572,610 | 14,967,238 | 14,654,693 |
| Lease obligation | 5,272,122 | 1,860,366 | - | - |
| | 77,108,279 | 56,153,613 | 33,379,630 | 60,080,895 |

The most important types of risk are credit risk, liquidity risk and market risk. Market risk for the Group includes currency risk, interest rate and other price risk.

**(a) Credit risk**
The Group takes on exposure to credit risk, which is the risk that its customers, clients or counterparties will cause a financial loss for the Group by failing to discharge their contractual obligations. Credit risk is the most important risk for the Group's business; management therefore carefully manages its exposure to credit risk. Credit exposures arise principally from the Group's receivables from customers and its holdings of investments. The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to a single counterparty or groups of related counterparties and industry segments.

***Investments***
The Group limits its exposure to credit risk by investing mainly in liquid securities, with counterparties that have high credit quality, and in Government of Jamaica securities. Accordingly, management does not expect any counterparty to fail to meet its obligations.

***Long term receivables***
The Group limits its exposure to credit risk arising on loans to employees for the purchase of the Company's shares by holding a contractual right to deduct the interest and principal on the loan from the employees' remuneration, and by holding a contractual right to the shares that were acquired from the proceeds of the loan in the event that the employment contract is terminated and the loan is not repaid.

The Group has limited exposure to credit risk arising on receivables from its joint venture entity as the Group jointly controls the entity. The Group also has significant purchases from the entity, the payables arising from which may be set off against the long term receivables.

***Cash and bank balances***
Cash transactions are limited to high credit quality financial institutions. The Group has policies that limit the amount of credit exposure to any financial institution.

**3. Financial Risk Management (Continued)**

**(a) Credit risk (continued)**

***Trade receivables***

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The executive committee has established a credit policy under which each customer is analysed individually for creditworthiness prior to the Group offering them a credit facility. Credit limits are assigned to each customer, which represents the maximum credit allowable without approval from the Board. Customer credit risk is monitored according to their credit characteristics such as whether it is an individual or company, industry, aging profile, and previous financial difficulties. The Group has procedures in place to restrict customer orders if the order will exceed their credit terms. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group on a prepayment basis.

To measure expected credit losses, trade receivables are grouped by customer sector (based on shared risk characteristics) as well as by aging buckets. Lifetime expected credit losses are determined by taking into consideration historical rates of default for the totals of each customer segment of aged receivables as well as the estimated impact of forward looking information. In determining historical rates of default, trade receivables greater than 120 days past due are used as a proxy for historical losses. On this basis, the Group's loss allowance for trade receivables was determined as follows:

| | 2024 | | | | | |
|---|---|---|---|---|---|---|
| | Within 30 days | 31 to 60 days | 61 to 90 days | 91 to 120 days | > than 120 days | Total |
| **Trade receivables** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** |
| Supermarket chains | 3,648,824 | 1,806,509 | 664,628 | 287,550 | 290,395 | 6,697,906 |
| Retailers & wholesalers | 3,531,522 | 1,382,198 | 761,310 | 269,461 | 523,238 | 6,467,729 |
| Distributors | 432,075 | 223,681 | 250,471 | 164,162 | 166,444 | 1,236,833 |
| Manufacturers | 262,951 | 58,744 | 141,806 | 53,158 | 88,726 | 605,385 |
| Government, hotels and other | 3,473,273 | 2,229,498 | 755,336 | 767,914 | 3,900,995 | 11,127,016 |
| | 11,348,645 | 5,700,630 | 2,573,551 | 1,542,245 | 4,969,798 | 26,134,869 |
| **Average expected loss rates** | **%** | **%** | **%** | **%** | **%** | |
| | 0.47% | 1.01% | 1.90% | 9.66% | 16.75% | |
| **Loss allowance** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** |
| | 53,576 | 57,474 | 48,859 | 148,905 | 832,344 | 1,141,158 |

| | 2023 | | | | | |
|---|---|---|---|---|---|---|
| | Within 30 days | 31 to 60 days | 61 to 90 days | 91 to 120 days | > than 120 days | Total |
| **Trade receivables** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** |
| Supermarket chains | 3,333,994 | 2,108,679 | 581,214 | 169,331 | 148,862 | 6,342,080 |
| Retailers & wholesalers | 1,371,715 | 598,671 | 217,465 | 73,832 | 181,152 | 2,442,835 |
| Distributors | 990,478 | 497,433 | 299,947 | 125,073 | 280,318 | 2,193,249 |
| Manufacturers | 121,336 | 48,307 | 39,902 | 6,204 | 36,064 | 251,813 |
| Government, hotels and other | 2,285,896 | 1,549,032 | 917,451 | 767,099 | 2,828,259 | 8,347,737 |
| | 8,103,419 | 4,802,122 | 2,055,979 | 1,141,539 | 3,474,655 | 19,577,714 |
| **Average expected loss rates** | **%** | **%** | **%** | **%** | **%** | |
| | 0.57% | 0.46% | 1.56% | 1.91% | 24.06% | |
| **Loss allowance** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** | **$'000** |
| | 46,383 | 22,094 | 32,035 | 21,848 | 835,890 | 958,250 |





**3. Financial Risk Management (Continued)**

**(a) Credit risk (continued)**

***Trade receivables (continued)***

The movement in the provision for impairment of trade receivables is as follows:

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | $'000 | $'000 | $'000 | $'000 |
| At start of year | 958,250 | 1,067,294 | - | - |
| On acquisition of subsidiaries | 69,115 | - | - | - |
| Recovered during the year | (35,113) | (141,818) | - | - |
| Provided during the year | 150,727 | 213,637 | - | - |
| Written off during the year | (1,821) | (180,863) | - | - |
| At end of year | 1,141,158 | 958,250 | - | - |

The creation and release of provision for impaired receivables have been included in "net impairment gains and losses on trade receivables" in profit or loss. Amounts charged to the allowance account are generally written off when there is no expectation of recovering additional cash.

The majority of the Group's trade receivables are receivable from customers in Jamaica.

3. **Financial Risk Management (Continued)**

**(b) Liquidity risk**

Liquidity risk is the risk that the Group is unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions.

***Liquidity risk management process***

The Group's liquidity management process, as carried out within the Group and monitored by the central treasury department, includes: (i) monitoring future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows and the availability of high grade collateral which could be used to secure funding if required; (ii) maintaining a portfolio of highly marketable and diverse assets that can easily be liquidated as protection against any unforeseen interruption to cash flow; (iii) maintaining committed lines of credit; (iv) optimising cash returns on investments; and (v) managing the concentration and profile of debt maturities.

***Undiscounted contractual cash flows of financial liabilities***

The maturity profile of financial liabilities, based on contractual undiscounted payments, is as follows:

| | The Group | | | | | |
|---|---|---|---|---|---|---|
| | Within 1 Month | 1 to 3 Months | 3 to 12 Months | 1 to 5 Years | Over 5 years | Total |
| | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |
| | | | 2024 | | | |
| Long term liabilities | 1,241,292 | 1,491,262 | 11,386,491 | 41,157,219 | 4,817,613 | 60,093,877 |
| Lease obligation | 17,155 | 1,475,666 | 3,674,836 | 4,302,369 | - | 9,470,026 |
| Trade and other payables | 22,830,729 | - | - | - | - | 22,830,729 |
| | 24,089,176 | 2,966,928 | 15,061,327 | 45,459,588 | 4,817,613 | 92,394,632 |
| | | | 2023 | | | |
| Long term liabilities | 1,323,509 | 1,131,792 | 10,465,368 | 23,886,369 | 5,274,467 | 42,081,505 |
| Lease obligation | 11,381 | 20,386 | 465,364 | 1,130,789 | 1,946,846 | 3,574,766 |
| Trade and other payables | 19,720,637 | - | - | - | - | 19,720,637 |
| | 21,055,527 | 1,152,178 | 10,930,732 | 25,017,158 | 7,221,313 | 65,376,908 |

| | The Company | | | | | |
|---|---|---|---|---|---|---|
| | Within 1 Month | 1 to 3 Months | 3 to 12 Months | 1 to 5 Years | Over 5 years | Total |
| | $'000 | $'000 | $'000 | $'000 | $'000 | $'000 |
| | | | 2024 | | | |
| Long term liabilities | 904,132 | 1,318,390 | 1,584,419 | 12,394,760 | 4,524,685 | 20,726,386 |
| Due to subsidiaries | 15,689,833 | - | - | - | - | 15,689,833 |
| Other payables | 2,722,559 | - | - | - | - | 2,722,559 |
| | 19,316,524 | 1,318,390 | 1,584,419 | 12,394,760 | 4,524,685 | 39,138,778 |
| | | | 2023 | | | |
| Long term liabilities | 983,833 | 954,482 | 4,100,579 | 7,282,103 | 5,189,942 | 18,510,939 |
| Due to subsidiaries | 43,239,358 | - | - | - | - | 43,239,358 |
| Other payables | 2,186,844 | - | - | - | - | 2,186,844 |
| | 46,410,035 | 954,482 | 4,100,579 | 7,282,103 | 5,189,942 | 63,937,141 |

Assets available to meet all of the liabilities and to cover financial liabilities include cash and investments.





3. **Financial Risk Management (Continued)**

**(c) Market risk**

The Group takes on exposure to market risks, which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks mainly arise from changes in foreign currency exchange rates and interest rates. Market risk is monitored by the Group treasury department which carries out extensive research and monitors the price movement of financial assets on the local and international markets. Market risk exposures are measured using sensitivity analysis.

There has been no change to the Group's exposure to market risks or the manner in which it manages and measures the risk.

***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 Group is exposed to foreign exchange risk arising from currency exposures held by entities in jurisdictions that have floating exchange rates, primarily with respect to the US dollar, Euro, Pound Sterling and the Canadian dollar. Foreign exchange risk arises primarily from transactions for purchases and sales and investing and financing activities.

The statement of financial position for the Group at 31 December 2024 includes aggregate net foreign assets/(liabilities) held in jurisdictions that have floating exchange rates of (US$70,979,000), Euro$32,000, £299,000 and Canadian$1,517,000 (2023 – aggregate net foreign assets/(liabilities) of (US$44,374,000), Euro$364,000, £133,000 and Canadian$3,000).

The statement of financial position for the Company at 31 December 2024 includes aggregate net foreign assets/(liabilities) of US$1,951,000, Euro$32,000, £155,000 and Canadian$1,517,000 (2023 – aggregate net foreign assets of US$39,000, Euro$364,000, £32,000 and Canadian$3,000), in respect of such transactions.

The above amounts for the Group and the Company include financial investments of US$15,400,000 (2023 – US$11,400,000) and Canadian$1,500,000 (2023 – Canadian$Nil) in respect of which foreign exchange gains and losses are reported in other comprehensive income.

The Group manages its foreign exchange risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions. The Group further manages this risk by maximising foreign currency earnings and holding foreign currency balances.

The following table indicates the effect on profit before taxation and on other items of equity arising from changes in foreign exchange rates. The sensitivity analysis represents outstanding foreign currency denominated monetary items and adjusts their translation at the year-end based on management's assessment of the possible change in foreign exchange rates. The sensitivity was primarily as a result of foreign exchange gains and losses on translation of US dollar-denominated long term receivables, trade receivables, investment securities, payables and long term liabilities.

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | $'000 | $'000 | $'000 | $'000 |
| Effect on profit before taxation - | | | | |
| **US$** | | | | |
| 4% devaluation (2023 – 4%) | (540,932) | (346,188) | (84,420) | (72,356) |
| 1% revaluation (2023 – 1%) | 135,233 | 86,547 | 21,605 | 18,089 |
| **Other currencies** | | | | |
| 4% devaluation (2023 – 4%) | 2,568 | 3,528 | 1,460 | 2,756 |
| 1% revaluation (2023 – 1%) | (642) | (882) | (365) | (689) |
| Effect on other items of equity - | | | | |
| **US$** | | | | |
| 4% devaluation (2023 – 4%) | 95,348 | 70,036 | 95,348 | 70,036 |
| 1% revaluation (2023 – 1%) | (23,837) | (17,509) | (23,837) | (17,509) |
| **Canadian$** | | | | |
| 4% devaluation (2023 – 4%) | 6,440 | - | 6,440 | - |
| 1% revaluation (2023 – 1%) | (1,610) | - | (1,610) | - |

**3. Financial Risk Management (Continued)**

**(c) Market risk (continued)**

***Interest rate risk***

Interest rate risk is the risk that the value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Floating rate instruments expose the Group to cash flow interest risk, whereas fixed interest rate instruments expose the Group to fair value interest risk.

Seprod Group's interest rate risk policy requires it to manage interest rate risk by maintaining an appropriate mix of fixed and variable rate instruments. The policy also requires it to manage the maturities of interest bearing financial assets and interest bearing financial bearing liabilities.

The Group's interest rate risk arises from long term borrowings and other debt instruments. The sensitivity of the profit or loss is the effect of the assumed changes in interest rates on profit before taxation based on floating rate borrowing and other debt instruments. The sensitivity of other components of equity is calculated by revaluing fixed rate investments for the effects of the assumed changes in interest rates.

The following table indicates the sensitivity to a reasonably possible change in interest rates in respect of Jamaican dollar and United States dollar denominated instruments, with all other variables held constant, on profit before taxation and other components of equity.

| Change in basis points 2024 JMD / USD | Effect on Profit before Taxation 2024 $'000 | Effect on Other Components of Equity 2024 $'000 | Change in basis points 2023 JMD / USD | Effect on Profit before Taxation 2023 $'000 | Effect on Other Components of Equity 2023 $'000 |
|---|---|---|---|---|---|
| | | **The Group** | | | |
| +25/+25 | (2,136) | - | +25/+25 | (2,136) | - |
| -25/-25 | 2,136 | - | -25/-25 | 2,136 | - |
| | | **The Company** | | | |
| +25/+25 | - | - | +25/+25 | - | - |
| -25/-25 | - | - | -25/-25 | - | - |





**3. Financial Risk Management (Continued)**

**(c) Market risk (continued)**

***Interest rate risk (continued)***

The following tables summarise the exposure to interest rate risk. It includes the financial instruments at carrying amounts, categorised by the earlier of contractual repricing or maturity dates.

| | The Group | | | | | | |
|---|---|---|---|---|---|---|---|
| | **Within 1 Month $'000** | **1 to 3 Months $'000** | **3 to 12 Months $'000** | **1 to 5 Years $'000** | **Over 5 Years $'000** | **Non-Interest Bearing $'000** | **Tot $'0** |
| | | | | **2024** | | | |
| **Financial assets** | | | | | | | |
| Investments | - | - | - | - | - | 2,584,474 | 2,584,47 |
| Long term receivables | - | - | 196,443 | 846,693 | - | - | 1,043,13 |
| Trade and other receivables | - | - | - | - | - | 30,215,473 | 30,215,47 |
| Cash and bank | 5,798,583 | - | - | - | - | - | 5,798,58 |
| | 5,798,583 | - | 196,443 | 846,693 | - | 32,799,947 | 39,641,66 |
| **Financial liabilities** | | | | | | | |
| Long term liabilities | 1,192,917 | 1,153,293 | 8,787,473 | 32,587,822 | 5,190,505 | 93,418 | 49,005,42 |
| Lease obligation | 12,841 | 23,185 | 1,030,455 | 1,676,561 | 2,529,080 | - | 5,272,12 |
| Payables | - | - | - | - | - | 22,830,729 | 22,830,72 |
| | 1,205,758 | 1,176,478 | 9,817,928 | 34,264,383 | 7,719,585 | 22,924,147 | 77,108,27 |
| **Total interest repricing gap** | 4,592,825 | (1,176,478) | (9,621,485) | (33,417,690) | (7,719,585) | 9,875,800 | (37,466,61 |
| | | | | **2023** | | | |
| **Financial assets** | | | | | | | |
| Investments | - | - | - | - | - | 1,767,162 | 1,767,1 |
| Long term receivables | 93,849 | - | 164,566 | 1,045,959 | - | - | 1,304,3 |
| Trade and other receivables | - | - | - | - | - | 21,894,970 | 21,894,9 |
| Cash and bank | 5,673,878 | - | - | - | - | - | 5,673,8 |
| | 5,767,727 | - | 164,566 | 1,045,959 | - | 23,662,132 | 30,640,3 |
| **Financial liabilities** | | | | | | | |
| Long term liabilities | 1,193,036 | 913,557 | 8,525,512 | 19,422,487 | 4,439,745 | 78,273 | 34,572,6 |
| Lease obligation | 10,362 | 18,567 | 43,706 | 690,128 | 1,097,603 | - | 1,860,3 |
| Payables | - | - | - | - | - | 19,720,637 | 19,720,6 |
| | 1,203,398 | 932,124 | 8,569,218 | 20,112,615 | 5,537,348 | 19,798,910 | 56,153,6 |
| **Total interest repricing gap** | 4,564,329 | (932,124) | (8,404,652) | (19,066,656) | (5,537,348) | 3,863,222 | (25,513,2 |

**3. Financial Risk Management (Continued)**

**(c) Market risk (continued)**
***Interest rate risk (continued)***

| | The Company | | | | | | |
|---|---|---|---|---|---|---|---|
| | Within 1 Month $'000 | 1 to 3 Months $'000 | 3 to 12 Months $'000 | 1 to 5 Years $'000 | Over 5 Years $'000 | Non-Interest Bearing $'000 | Total $'000 |
| | | | | 2024 | | | |
| **Financial assets** | | | | | | | |
| Investments | - | - | - | - | - | 2,584,474 | 2,584,474 |
| Long term receivables | - | - | 182,272 | 4,241,695 | - | 1,790,196 | 6,214,163 |
| Receivables | - | - | - | - | - | 108,507 | 108,507 |
| Due from subsidiaries | - | - | - | - | - | 19,947,775 | 19,947,775 |
| Cash and bank | 208,560 | - | - | - | - | - | 208,560 |
| | 208,560 | - | 182,272 | 4,241,695 | - | 24,430,952 | 29,063,479 |
| **Financial liabilities** | | | | | | | |
| Long term liabilities | 861,735 | 1,021,298 | 628,895 | 8,286,542 | 4,075,350 | 93,418 | 14,967,238 |
| Payables | - | - | - | - | - | 2,722,559 | 2,722,559 |
| Due to subsidiaries | - | - | - | - | - | 15,689,833 | 15,689,833 |
| | 861,735 | 1,021,298 | 628,895 | 8,286,542 | 4,075,350 | 18,505,810 | 33,379,630 |
| **Total interest repricing gap** | (653,175) | (1,021,298) | (446,623) | (4,044,847) | (4,075,350) | 5,925,142 | (4,316,151) |
| | | | | 2023 | | | |
| **Financial assets** | | | | | | | |
| Investments | - | - | - | - | - | 1,767,162 | 1,767,162 |
| Long term receivables | 93,849 | - | 159,252 | 3,483,376 | 922,212 | 1,621,152 | 6,279,841 |
| Receivables | - | - | - | - | - | 16,065 | 16,065 |
| Due from subsidiaries | - | - | - | - | - | 45,460,124 | 45,460,124 |
| Cash and bank | 335,559 | - | - | - | - | - | 335,559 |
| | 429,408 | - | 159,252 | 3,483,376 | 922,212 | 48,864,503 | 53,858,751 |
| **Financial liabilities** | | | | | | | |
| Long term liabilities | 861,906 | 787,450 | 3,314,452 | 5,172,867 | 4,439,745 | 78,273 | 14,654,693 |
| Payables | - | - | - | - | - | 2,186,844 | 2,186,844 |
| Due to subsidiaries | - | - | - | - | - | 43,239,358 | 43,239,358 |
| | 861,906 | 787,450 | 3,314,452 | 5,172,867 | 4,439,745 | 45,504,475 | 60,080,895 |
| **Total interest repricing gap** | (432,498) | (787,450) | (3,155,200) | (1,689,491) | (3,517,533) | 3,360,028 | (6,222,144) |

***Price risk***
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 Group is exposed to equity price risk because of investments held by the Group classified on the statement of financial position either as available-for-sale or at fair value through profit or loss. The Group manages its price risk by trading these instruments when appropriate to reduce the impact of any adverse price fluctuations.

Based on the nature and amount of its investments subject to price risk, there is no significant impact on the Group's stockholders' equity arising from changes in equity prices.





**3. Financial Risk Management (Continued)**

**(d) Capital management**
The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for stockholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The Board of Directors monitors the return on capital, which the Group defines as net operating income, excluding non-recurring items, divided by total stockholders' equity. The Board of Directors also monitors the level of dividends to stockholders.

**(e) Fair value estimates**
***Fair values of financial instruments re-measured at their fair value after initial recognition***
*Financial instruments classified in level 1*
The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry Group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price.

At 31 December 2024, the Group and the Company had quoted equity securities classified in Level 1 amounting to $14,621,000 (2023 – $16,285,000).

*Financial instruments classified in level 2*
The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2. Specific valuation techniques used to value such financial instruments include: (i) quoted market prices or dealer quotes for similar instruments; and (ii) other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

The Group has no securities classified in Level 2.

*Financial instruments classified in Level 3*
If one or more of the significant inputs for valuation is not based on observable market data, the financial instrument is included in Level 3, and fair value is determined using discounted cash flow analysis.

At 31 December 2024, The Group and the Company had unquoted equity securities with a fair value of $2,569,853,000 (2023 – $1,750,877,000) classified as fair value through other comprehensive income and categorised as Level 3.

The movement in these instruments is as follows:

| | 2024 $'000 | 2023 $'000 |
|---|---|---|
| At start of year | 1,750,877 | 1,199,716 |
| Acquisition during the year | 172,501 | - |
| Fair value gains and losses | 644,216 | 531,426 |
| Foreign exchange gains and losses | 2,259 | 19,735 |
| At end of year | 2,569,853 | 1,750,877 |

The following unobservable inputs were used to measure the Company's Level 3 financial instruments:

| Unobservable Inputs | Range of unobservable inputs (weighted average) | Relationship of unobservable inputs to fair value |
|---|---|---|
| Discount rate | 11% (2023 – 12%) | If the discount rate increases the fair value decreases |
| Terminal growth rate | 3% (2023 – 3%) | If the terminal growth rate increases the fair value increases |
| Market participant minority discount | 20% (2023 – 20%) | If the market participant minority discount increases the fair value decreases |

There were no transfers between levels during the year.

**3. Financial Risk Management (Continued)**

**(e) Fair value estimates (continued)**

***Fair values of financial instruments not re-measured at fair value after initial recognition***

The following methods and assumptions have been used in determining fair values for instruments not re-measured at their fair value after initial recognition:

The face value, less any estimated credit adjustments, for financial assets and liabilities with a maturity of less than one year are estimated to approximate their fair values. These financial assets and liabilities include cash and bank balances, trade and other receivables (Note 24) and payables (Note 25).

The carrying values of long term receivables (Note 20) approximate their fair values, as these receivables are carried at amortised cost and the interest rates are reflective of current market rates for similar transactions.

The carrying values of long term loans (Note 28) approximate their fair values, as these loans are carried at amortised cost reflecting their contractual obligations and the interest rates are reflective of current market rates for similar transactions.

***Fair values of property***

As of 31 December 2021, the Group measures its land and buildings at fair value on a triennial (or earlier) basis. Management, through an independent valuation expert, uses the income capitalisation approach to determine the fair value of all of the land and buildings. This method takes into consideration a number of factors that require estimation and judgement. The key factors include: estimation of rental income; determination of a capitalisation factor; and determination of the discount rate.

The Group classifies its land and buildings in Level 3 due to the unobservable inputs used in the determination of fair value for those assets. As at 31 December 2024, the carrying values of land and buildings (inclusive of work in progress) classified as level 3 amounted to: $6,366,160,000 and $8,912,616,000 (2023 – $6,385,160,000 and $8,934,057,000), respectively, for the Group; and $1,770,000,000 and $2,239,793,000 (2023 – $1,770,000,000 and $2,126,000,000), respectively, for the Company.





**3. Financial Risk Management (Continued)**

**(e) Fair value estimates (continued)**

***Fair values of biological assets***

The Group measures the biological assets at fair value at each reporting date. In measuring the fair value of biological assets various management estimates and judgements are required. The Group classifies its biological assets in Level 3 due to the unobservable inputs used in the determination of fair value for those assets, as described below.

*Livestock*

Estimates and judgements in determining the fair value of livestock relate to the market prices, use of animals and age of animals. Market prices of the animals are obtained from other players in the industry.

*Forage*

Subsequent to the discontinuation of the sugar manufacturing operation in July 2019, estimates and judgements in determining the fair value of sugar cane related to the ingredients in animal feed for which the sugar cane is used as a substitute. The ingredients in animal feed that are substituted and the related cost are determined independently by animal feed manufacturers and contracted farmers.
The fair value of hay is are determined independently by animal feed manufacturers and contracted farmers.

The movement in the fair value of livestock is as follows:

| | 2024 | 2023 |
|---|---|---|
| | $'000 | $'000 |
| Opening balance | 447,922 | 458,981 |
| Decreases due to sales | (96,901) | (97,497) |
| Gains for the period included in profit or loss | 315,878 | 86,438 |
| Closing balance | 666,899 | 447,922 |
| Gains for the period included in profit or loss for assets held at the end of the reporting period | 315,878 | 86,438 |
| Change in unrealised gains for the period included in profit or loss for assets held at the end of the reporting period | 247,027 | 54,637 |

The movement in the fair value of forage is as follows:

| | 2023 | 2022 |
|---|---|---|
| | $'000 | $'000 |
| Opening balance | 34,218 | 51,254 |
| Losses for the period included in profit or loss | (13,687) | (17,036) |
| Closing balance | 20,531 | 34,218 |
| Losses for the period included in profit or loss for assets held at the end of the reporting period | (13,687) | (17,036) |
| Change in unrealised losses for the period included in profit or loss for assets held at the end of the reporting period | (13,687) | (17,036) |

3. **Financial Risk Management (Continued)**

**(e) Fair value estimates (continued)**

***Fair values of biological assets (continued)***

The following unobservable inputs were used in determined the fair value of the Group's livestock, using a market approach for valuation.

| Fair Value at 2024 | | |
|---|---|---|
| **Unobservable Inputs** | **Range of unobservable inputs (weighted average)** | **Relationship of unobservable inputs to fair value** |
| Dairy livestock price | $42,000 - $212,000 ($106,000) per animal | The higher the market price, the higher the fair value. |
| Other livestock price | $ 5,000 - $191,000 ($38,000) per animal | The higher the market price, the higher the fair value. |
| Hay grass yield – per acre | 10 bales per acre | The higher the hay grass yield, the higher the fair value. |
| Hay price | $27,500 per bale | The higher the market price, the higher the fair value. |

| Fair Value at 2023 | | |
|---|---|---|
| **Unobservable Inputs** | **Range of unobservable inputs (weighted average)** | **Relationship of unobservable inputs to fair value** |
| Dairy livestock price | $39,100- $170,000 ($105,000) per animal | The higher the market price, the higher the fair value. |
| Other livestock price | $5,100- $178,000 ($108,000) per animal | The higher the market price, the higher the fair value. |
| Hay grass yield – per acre | 10 bales per acre | The higher the hay grass yield, the higher the fair value. |
| Hay price | $2,800 per bale | The higher the market price, the higher the fair value. |

The following unobservable inputs were used in determined the fair value of the Group's sugar cane, using a market approach for valuation.

| Fair Value at 2024 | | |
|---|---|---|
| **Unobservable Inputs** | **Range of unobservable inputs (weighted average)** | **Relationship of unobservable inputs to fair value** |
| Price of fodder being substituted | $7,000 per metric tonne | The higher the price of fodder being substituted, the higher the fair value. |

| Fair Value at 2023 | | |
|---|---|---|
| **Unobservable Inputs** | **Range of unobservable inputs (weighted average)** | **Relationship of unobservable inputs to fair value** |
| Price of fodder being substituted | $7,000 per metric tonne | The higher the price of fodder being substituted, the higher the fair value. |



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4. **Critical Accounting Estimates and Judgments in Applying Accounting Policies**

The Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

***Income taxes***

Estimates are required in determining the provision for income taxes. There are some transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for possible tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were originally recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

***Post-employment benefit obligations***

The present value of the pension and other post-employment benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (or income) for post-employment benefits include the discount rate. Any changes in these assumptions will impact the carrying amount of post-employment benefit obligations. The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the post-employment benefit obligations. In determining the appropriate discount rate, the Group considers the interest rates of high-quality corporate bonds that are denominated in the currency in which the benefits will be paid and that have terms to maturity approximating the terms of the related obligation. Other key assumptions for post-employment benefit obligations are based in part on current market conditions. Sensitivity disclosures in relation to changes in assumptions are disclosed in Note 21.

***Fair value of biological assets***

*Livestock*

In the process of applying the Group's accounting policies, management determines fair values of biological assets based on prices in the local market, less the transport and other costs of getting the assets to the market. The fair value is sensitive to certain assumptions used in the computation, the primary assumption being the price of the animals.

For the valuation of biological assets at the year end, if the price per animal had changed by 5% with all other variables constant, the fair value would change accordingly by $23,124,000.

*Forage*

The sugar cane in the fields is used primarily as a substitute for components of animal feed. In doing the valuation for sugar cane, the Group first determines a price per tonne of cane based on the prices per tonne of the components of animal feed that will be substituted. This price per tonne of fully grown cane is used as the base for determining the fair value for the cane in each field, at the various stages in the cane harvest cycle. In valuing the cane for each cane field in each cane farm, the Group estimates each field's yield, by estimating the tonnes of cane to be reaped, per hectare of cane planted. The value of the cane considers the stage of growth of the cane, using certain assumptions regarding the relationship between the stage of growth of the cane and the cane's value. The fair value is sensitive to the assumptions used in the computation, the primary assumptions being the prices per tonne of the components of animal feed that will be substituted.

For the valuation of biological assets at the year end, if the price of hay had changed by 5%, with all other variables constant, the fair value would have changed accordingly by $1,027,000.

***Fair value of unquoted equity securities***

The fair value of securities not quoted in an active market are determined using valuation techniques. The Group exercises judgement and estimates on the quantity and quality of cashflow projections used. Where no market data is available, the Group values positions using its own models, which are usually based on valuation methods and techniques generally recognised as standard for this purpose. The inputs into these models are primarily discounted cash flows. The models used to determine fair values are reviewed by external experts. The fair value is sensitive to the assumptions used in the computation, the primary assumptions being the discount rate of 11% (2013 – 12%), terminal growth rate of 3% and a market participant minority discount of 20% and investee's future cash flows.

For the valuation of unquoted ordinary shares at the year-end: if the discount rate had increased/decreased by 1% with all other variables constant, the fair value would decrease/increase from US$15,356,000 to US$11,124,000/US$20,805,000; and if the terminal growth rate had increased/decreased by 0.5% with all other variables constant, the fair value would increase/decrease from US$15,356,000 to US$17,324,000/US$13,619,000.

**4. Critical Accounting Estimates and Judgments in Applying Accounting Policies (Continued)**

***Fair value of property***

Land and buildings are carried at fair value. The Group uses independent professional valuers to value its land and buildings triennially. These fair values are derived using the income capitalisation approach, which takes into consideration a number of factors, primarily the estimation of rental income; determination of a capitalisation factor; and determination of the discount rate. Rental rates of the subject properties are adjusted to reflect the market rent for properties of similar size, location and condition. The higher the rental rate the higher the fair value. The higher the capitalisation rate the lower the fair value.

***Goodwill***

The Group test annually whether goodwill has suffered any impairment, in accordance with the accounting policy stated in Note 2(f). The assessment of goodwill impairment involves the determination of the value in use. Determination of value in use involves the estimation of future cash flows from the business taking into consideration the growth rates, inflation rates and the discount rate. Any changes in these variables would impact the value in use calculations.

A 1% increase in the discount rates and a 1% reduction in revenue growth would not result in an impairment of goodwill.

***Joint venture entities***

The joint venture agreements require unanimous consent from all parties for all relevant activities. The partners have rights to the net assets of the arrangement. This entities are therefore classified as joint ventures and the Group recognises its share of the results for the year.

***Business combinations***

Business combinations are accounted for using the acquisition method. The Group determines the identifiable assets and liabilities using the Purchase Price Allocation method. Under this method, the Group makes estimates about future cash flows which are derived based on factors such as revenue growth, future margins, attrition rates, and discount rates in determining the fair values of the identifiable intangible assets. A similar approach to determine the identifiable assets and liabilities is used for associates and joint ventures.



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**5. Business Segments**

The Group is organised into two main business segments: Manufacturing – This incorporates the operations for manufacturing and sale of oils and fats, corn and wheat products, cereals, milk products, juices and biscuits; and Distribution – The merchandising of consumer goods.

2024

| | Manufacturing | Distribution | Eliminations | Group |
|---|---|---|---|---|
| | $'000 | $'000 | $'000 | $'000 |
| External revenue | 12,448,640 | 121,160,253 | - | 133,608,893 |
| Inter-segment revenue | 16,980,680 | - | (16,980,680) | - |
| **Total revenue** | 29,429,320 | 121,160,253 | (16,980,680) | 133,608,893 |
| Segment result | 2,130,322 | 6,585,233 | - | 8,715,555 |
| Unallocated corporate income | | | | 270,214 |
| **Operating profit** | | | | 8,985,769 |
| Segment assets | 22,229,014 | 77,794,662 | - | 100,023,676 |
| Unallocated corporate assets | | | | 35,548,275 |
| **Total consolidated assets** | | | | 135,571,951 |
| Segment liabilities | 7,401,948 | 57,440,110 | - | 64,842,058 |
| Unallocated corporate liabilities | | | | 23,951,363 |
| **Total consolidated liabilities** | | | | 88,793,421 |
| Other segment items – | | | | |
| **Capital expenditure** | 850,052 | 2,517,595 | - | 3,367,647 |
| **Depreciation** | 766,224 | 1,894,417 | - | 2,660,641 |

2023

| | Manufacturing | Distribution | Eliminations | Group |
|---|---|---|---|---|
| | $'000 | $'000 | $'000 | $'000 |
| External revenue | 11,987,236 | 100,162,221 | - | 112,149,457 |
| Inter-segment revenue | 16,849,967 | - | (16,849,967) | - |
| **Total revenue** | 28,837,203 | 100,162,221 | (16,849,967) | 112,149,457 |
| Segment result | 1,672,056 | 6,655,603 | - | 8,327,659 |
| Unallocated corporate income | | | | 367,436 |
| **Operating profit** | | | | 8,695,095 |
| Segment assets | 21,585,019 | 56,174,788 | - | 77,759,807 |
| Unallocated corporate assets | | | | 26,805,336 |
| **Total consolidated assets** | | | | 104,565,143 |
| Segment liabilities | 6,646,503 | 37,236,099 | - | 43,882,602 |
| Unallocated corporate liabilities | | | | 18,848,654 |
| **Total consolidated liabilities** | | | | 65,731,256 |
| Other segment items – | | | | |
| **Capital expenditure** | 1,009,570 | 1,674,756 | - | 2,684,326 |
| **Depreciation** | 655,071 | 1,269,488 | - | 1,924,559 |

The Distribution segment includes revenues of $77,877,931,000 (2023 - $58,968,159,000) earned by the operations based in Trinidad and Tobago.

The operations based in Jamaica earned export revenues of $5,908,736,000 (2023 - $5,301,706,000).

**6. Finance and Other Operating Income**

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | $'000 | $'000 | $'000 | $'000 |
| Dividend income from subsidiaries | - | - | 4,431,529 | 421,946 |
| Other dividend income | 92 | 83 | 92 | 83 |
| Gain on disposal of property, plant and equipment | 22,982 | 9,472 | 5,800 | - |
| Interest income from subsidiaries | - | - | 241,528 | 238,596 |
| Other interest income | 98,652 | 108,419 | 68,299 | 76,444 |
| Net foreign exchange gains and losses | 1,105,753 | 1,294,880 | 86,710 | 137,701 |
| Rental income from subsidiaries | - | - | 198,689 | 35,078 |
| Other rental income | 45,287 | 55,136 | 172 | 258 |
| Other | 786,386 | 409,945 | 18,373 | 35,071 |
| | 2,059,152 | 1,877,935 | 5,051,192 | 945,177 |

**7. Expenses by Nature**

Total direct, selling, administration and other operating expenses:

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | $'000 | $'000 | $'000 | $'000 |
| Advertising and promotion | 1,951,901 | 1,502,823 | 40,561 | 37,664 |
| Amortisation of intangible assets | 569,406 | 430,995 | - | - |
| Auditors' remuneration | 113,245 | 151,096 | 41,216 | 38,767 |
| Cost of inventories recognised as an expense | 91,056,050 | 77,088,968 | - | - |
| Delivery charges | 1,751,512 | 1,385,619 | - | - |
| Depreciation of property, plant and equipment | 1,976,015 | 1,488,560 | 170,652 | 125,194 |
| Depreciation of right of use assets | 684,626 | 435,999 | - | - |
| Donations | 42,333 | 24,575 | 42,333 | 24,575 |
| Feed, chemicals and veterinary supplies | 612,232 | 639,956 | - | - |
| Insurance | 1,000,021 | 805,296 | 101,173 | 83,582 |
| Motor vehicle expenses | 690,787 | 490,663 | 29,763 | 26,177 |
| Net impairment losses on trade receivables | 150,727 | 213,637 | - | - |
| Non-recoverable GCT | 118,998 | 123,167 | 11,984 | 16,498 |
| Professional services | 813,312 | 588,232 | 218,870 | 145,590 |
| Raw and packaging material | 627,220 | 676,137 | - | - |
| Repairs and maintenance | 1,806,014 | 1,645,083 | 48,361 | 37,667 |
| Security | 709,534 | 481,416 | 143,290 | 116,293 |
| Staff costs (Note 8) | 15,471,316 | 11,385,486 | 1,350,099 | 1,112,307 |
| Supplies | 7,668 | 7,884 | 1,626 | 2,514 |
| Utilities | 2,594,074 | 2,006,668 | 99,188 | 98,149 |
| Other | 3,935,285 | 3,760,037 | 294,673 | 180,947 |
| | 126,682,276 | 105,332,297 | 2,593,789 | 2,045,924 |





**8. Staff Costs**

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | $'000 | $'000 | $'000 | $'000 |
| Wages and salaries | 12,501,950 | 9,702,648 | 888,213 | 748,399 |
| Statutory contributions | 1,136,071 | 879,299 | 92,868 | 82,382 |
| Pension – defined benefit (Note 21) | 233,997 | 214,345 | 1,421 | 560 |
| Pension – defined contribution (Note 21) | 148,157 | 127,006 | 26,998 | 21,823 |
| Other post-employment benefits (Note 21) | 22,720 | (485,693) | 11,151 | 12,142 |
| Other | 1,428,421 | 947,881 | 329,448 | 247,001 |
| | 15,471,316 | 11,385,486 | 1,350,099 | 1,112,307 |

**9. Finance Costs**

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | $'000 | $'000 | $'000 | $'000 |
| Net foreign exchange gains and losses | 66,742 | 119,198 | 74,290 | 118,095 |
| Interest expense – | | | | |
| Long term liabilities | 3,415,391 | 2,506,013 | 1,454,459 | 1,100,182 |
| Lease obligation | 230,425 | 135,309 | - | - |
| Other | 318,532 | 471,313 | 150,827 | 232,386 |
| Amortisation of deferred financing fees | 55,507 | 68,947 | 42,361 | 51,469 |
| | 4,086,597 | 3,300,780 | 1,721,937 | 1,502,132 |

**10. Taxation Expense**

Taxation is based on the profit for the year adjusted for tax purposes and comprises income tax at 25%.

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | $'000 | $'000 | $'000 | $'000 |
| Current taxation | 2,339,277 | 638,201 | - | - |
| Deferred taxation (Note 29) | (119,314) | 354,596 | (265,053) | (152,042) |
| | 2,219,963 | 992,797 | (265,053) | (152,042) |

**10. Taxation Expense (Continued)**

The tax on the Group's and the Company's profit/(loss) differ from the theoretical amounts that would arise using the applicable tax rate as follows:

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | $'000 | $'000 | $'000 | $'000 |
| Profit/(loss) before taxation | 5,588,074 | 5,605,408 | 2,979,806 | (712,750) |
| Tax calculated at a tax rate of 25% | 1,397,021 | 1,401,353 | 744,952 | (178,188) |
| Adjusted for the effect of: | | | | |
| Effect of different tax rates in acquired entities | 292,567 | (369,381) | - | - |
| Investment income not subject to tax | (28,338) | (84,761) | (1,127,571) | (138,403) |
| Employment tax credit | (147,274) | (74,360) | - | - |
| Expenses not deductible | 724,158 | 350,257 | 111,526 | 174,553 |
| Results of joint ventures and associate included net of tax | (172,231) | (52,773) | - | - |
| Tax losses in respect of which no deferred tax is recognised | 90,628 | 193,000 | - | - |
| Urban Renewal tax credits | - | (401,150) | - | (25,283) |
| Other charges and credits | 63,432 | 30,612 | 6,040 | 15,279 |
| | 2,219,963 | 992,797 | (265,053) | (152,042) |

Tax charge relating to components of other comprehensive income are as follows:

| | The Group | | |
|---|---|---|---|
| | Before Tax | Tax Effect | After Tax |
| | $'000 | $'000 | $'000 |
| | 2024 | | |
| Currency translation gains and losses | (280) | - | (280) |
| Re-measurements of post-employment benefit obligations | 72,024 | (21,289) | 50,735 |
| Unrealised fair value gains on investments | 644,811 | - | 644,811 |
| Other comprehensive income | 716,555 | (21,289) | 695,266 |
| | 2023 | | |
| Currency translation gains and losses | 21,875 | - | 21,875 |
| Re-measurements of post-employment benefit obligations | 495,134 | 22,404 | 517,538 |
| Unrealised fair value gains on investments | 545,728 | - | 545,728 |
| Unrealised fair value gains on property | 1,350,115 | (62,951) | 1,287,164 |
| Other comprehensive income | 2,412,852 | (40,547) | 2,372,305 |

| | The Company | | |
|---|---|---|---|
| | Before Tax | Tax Effect | After Tax |
| | $'000 | $'000 | $'000 |
| | 2024 | | |
| Re-measurements of post-employment benefit obligations | 6,681 | (1,670) | 5,011 |
| Unrealised fair value gains on investments | 644,811 | - | 644,811 |
| Other comprehensive income | 651,492 | (1,670) | 649,822 |
| | 2023 | | |
| Re-measurements of post-employment benefit obligations | (3,261) | 815 | (2,446) |
| Unrealised fair value gains on investments | 545,728 | - | 545,728 |
| Unrealised fair value gains on property | 40,703 | 61,074 | 101,777 |
| Other comprehensive income | 583,170 | 61,889 | 645,059 |



**Seprod Limited**
Notes to the Financial Statements
**31 December 2024**
(expressed in Jamaican dollars unless otherwise indicated)

**11. Net Profit Attributable to Stockholders of the Company**

Net profit attributable to stockholders of the Company (Note 12) is dealt with as follows in the financial statements:

| | 2024 | 2023 |
|---|---|---|
| | $'000 | $'000 |
| The Company | 3,244,859 | (560,708) |
| Less dividend income from subsidiaries | (4,431,529) | (421,946) |
| | (1,186,670) | (982,654) |
| Subsidiaries | 3,111,750 | 3,653,309 |
| Joint ventures and associate | 688,902 | 211,093 |
| | 2,613,982 | 2,881,748 |

**12. Earnings per Stock Unit Attributable to Stockholders of the Company**

Earnings per stock unit is calculated by dividing the net profit attributable to stockholders of the Company by the weighted average number of ordinary stock units in issue, as follows.

| | 2024 | 2023 |
|---|---|---|
| | $'000 | $'000 |
| Net profit attributable to stockholders of the Company | | |
| Continuing operations | 2,656,870 | 2,930,728 |
| Discontinued operations | (42,888) | (48,980) |
| | 2,613,982 | 2,881,748 |
| Weighted average number of ordinary stock units ('000) | 733,488 | 733,488 |
| Basic earnings per stock unit ($) | | |
| Continuing operations | 3.62 | 4.00 |
| Discontinued operations | (0.06) | (0.07) |
| | 3.56 | 3.93 |

The Company has no dilutive potential ordinary shares.

**13. Ordinary Dividends Declared by the Company**

| | 2024 | 2023 |
|---|---|---|
| | $'000 | $'000 |
| Interim dividends – | | |
| 60.5 cents per stock unit – 26 March 2024 | 443,796 | - |
| 60.5 cents per stock unit – 12 August 2024 | 443,796 | - |
| 60.5 cents per stock unit – 27 November 2024 | 443,796 | - |
| 55 cents per stock unit – 27 March 2023 | - | 403,451 |
| 55 cents per stock unit – 21 August 2023 | - | 403,451 |
| 55 cents per stock unit – 1 December 2023 | - | 403,452 |
| | 1,331,388 | 1,210,354 |

## 14. Property, Plant and Equipment

| | The Group | | | | | |
|---|---|---|---|---|---|---|
| | Freehold Land & Site Improvements $'000 | Buildings $'000 | Plant, Equipment & Furniture $'000 | Motor Vehicles $'000 | Work in Progress $'000 | Total $'000 |
| | | | 2024 | | | |
| Cost - | | | | | | |
| At 1 January 2024 | 6,385,160 | 8,962,761 | 13,575,118 | 1,321,810 | 456,656 | 30,701,505 |
| Acquisition of subsidiaries | - | - | 2,460,494 | - | - | 2,460,494 |
| Additions | - | 40,288 | 1,721,007 | 255,772 | 1,350,580 | 3,367,647 |
| Disposals | - | - | (678,457) | (179,872) | - | (858,329) |
| Transfers | - | 97,985 | 287,727 | 19,774 | (405,486) | - |
| On conversion of subsidiary to joint venture | (19,000) | - | - | - | (37,666) | (56,666) |
| At 31 December 2024 | 6,366,160 | 9,101,034 | 17,365,889 | 1,417,484 | 1,364,084 | 35,614,651 |
| Accumulated Depreciation - | | | | | | |
| At 1 January 2024 | - | 28,704 | 7,037,726 | 515,723 | - | 7,582,153 |
| Charge for the year | - | 159,714 | 1,488,044 | 328,257 | - | 1,976,015 |
| On disposals | - | - | (564,381) | (169,168) | - | (733,549) |
| At 31 December 2024 | - | 188,418 | 7,961,389 | 674,812 | - | 8,824,619 |
| Net Book Value - | | | | | | |
| At 31 December 2024 | 6,366,160 | 8,912,616 | 9,404,500 | 742,672 | 1,364,084 | 26,790,032 |
| | | | 2023 | | | |
| Cost - | | | | | | |
| At 1 January 2023 | 5,447,269 | 8,272,444 | 11,639,315 | 1,125,062 | 1,298,129 | 27,782,219 |
| Additions | - | 13,513 | 893,483 | 400,618 | 1,376,712 | 2,684,326 |
| Disposals | - | - | (114,804) | (180,705) | (45,333) | (340,842) |
| Write-offs/Adjustments | 2,691 | 280,960 | (646,484) | (26,009) | (32,309) | (421,151) |
| Transfers | - | 334,091 | 1,803,608 | 2,844 | (2,140,543) | - |
| Revaluation | 935,200 | 61,753 | - | - | - | 996,953 |
| At 31 December 2023 | 6,385,160 | 8,962,761 | 13,575,118 | 1,321,810 | 456,656 | 30,701,505 |
| Accumulated Depreciation - | | | | | | |
| At 1 January 2023 | - | 75,389 | 6,487,731 | 440,297 | - | 7,003,417 |
| Charge for the year | - | 154,437 | 1,072,644 | 261,479 | - | 1,488,560 |
| On disposals | - | - | (117,891) | (156,286) | - | (274,177) |
| Write-offs/Adjustments | - | 12,690 | (404,758) | (29,767) | - | (421,835) |
| Revaluation | - | (213,812) | - | - | - | (213,812) |
| At 31 December 2023 | - | 28,704 | 7,037,726 | 515,723 | - | 7,582,153 |
| Net Book Value - | | | | | | |
| At 31 December 2023 | 6,385,160 | 8,934,057 | 6,537,392 | 806,087 | 456,656 | 23,119,352 |





## 14. Property, Plant and Equipment (Continued)

| | The Company | | | | | |
|---|---|---|---|---|---|---|
| | Freehold Land & Site Improvements $'000 | Buildings $'000 | Plant, Equipment & Furniture $'000 | Motor Vehicles $'000 | Work in Progress $'000 | Total $'000 |
| | | | 2024 | | | |
| Cost - | | | | | | |
| At 1 January 2024 | 1,770,000 | 2,126,000 | 1,044,536 | 128,619 | 213,017 | 5,282,172 |
| Additions | - | 36,360 | 59,941 | 24,357 | 545,346 | 666,004 |
| Disposals | - | - | - | (8,400) | - | (8,400) |
| Transfers | - | 77,433 | 79,101 | 19,774 | (176,308) | - |
| At 31 December 2024 | 1,770,000 | 2,239,793 | 1,183,578 | 164,350 | 582,055 | 5,939,776 |
| Accumulated Depreciation - | | | | | | |
| At 1 January 2024 | - | - | 282,254 | 101,278 | - | 383,532 |
| Charge for the year | - | 37,361 | 109,650 | 23,641 | - | 170,652 |
| Disposals | - | - | - | (8,400) | - | (8,400) |
| At 31 December 2024 | - | 37,361 | 391,904 | 116,519 | - | 545,784 |
| Net Book Value - | | | | | | |
| At 31 December 2024 | 1,770,000 | 2,202,432 | 791,674 | 47,831 | 582,055 | 5,393,992 |
| | | | 2023 | | | |
| Cost - | | | | | | |
| At 1 January 2023 | 1,485,000 | 2,163,377 | 654,009 | 109,212 | 531,998 | 4,943,596 |
| Additions | - | - | 24,971 | 19,407 | 294,018 | 338,396 |
| Adjustments | - | 6,718 | 7,273 | - | (13,001) | 990 |
| Transfers | - | 241,715 | 358,283 | - | (599,998) | - |
| Revaluation | 285,000 | (285,810) | - | - | - | (810) |
| At 31 December 2023 | 1,770,000 | 2,126,000 | 1,044,536 | 128,619 | 213,017 | 5,282,172 |
| Accumulated Depreciation - | | | | | | |
| At 1 January 2023 | - | 10,452 | 206,780 | 82,301 | - | 299,533 |
| Charge for the year | - | 31,061 | 75,156 | 18,977 | - | 125,194 |
| Adjustments | - | - | 318 | - | - | 318 |
| Revaluation | - | (41,513) | - | - | - | (41,513) |
| At 31 December 2023 | - | - | 282,254 | 101,278 | - | 383,532 |
| Net Book Value - | | | | | | |
| At 31 December 2023 | 1,770,000 | 2,126,000 | 762,282 | 27,341 | 213,017 | 4,898,640 |

Certain of the Group's property, plant and equipment have been pledged as security for its borrowings (Note 28).

As at 31 December 2023, land and buildings were revalued by a professional independent valuer. The revaluation surplus of $1,350,115,000 for the Group and $40,703,000 for the Company, net of deferred tax charge/(credit) of $62,951,000 for the Group and ($61,074,000) for the Company, was credited to capital reserves in shareholders' equity.

If land and buildings were stated on a historical cost basis at 31 December 2024, the carrying amounts would be:

- land at a cost of $$1,395,809,000 (2023 – $1,395,809,000) for the Group and $156,158,000 (2023 – $156,158,000) for the Company; and
- buildings at a cost of $5,248,576,000 (2023 – $5,110,303,000) for the Group and $1,099,633,000 (2023 – $985,840,000) for the Company, net of accumulated depreciation of $1,047,518,000 (2023 – $887,804,000) for the Group and $195,117,000 (2023 – $157,756,000) for the Company.

### 15. Right of Use Assets and Related Lease Obligation

The movement in the right of use assets is as follows:

| | The Group | | |
|---|---|---|---|
| | Buildings $'000 | Motor Vehicles $'000 | Total $'000 |
| | 2024 | | |
| At 1 January 2024 | 1,685,791 | 55,579 | 1,741,370 |
| On acquisition of subsidiaries | 1,785,030 | - | 1,785,030 |
| Additions | 1,915,753 | - | 1,915,753 |
| Disposals | (205,298) | - | (205,298) |
| Charge for the year | (677,110) | (7,516) | (684,626) |
| At 31 December 2024 | 4,504,166 | 48,063 | 4,552,229 |
| | 2023 | | |
| At 1 January 2023 | 1,813,689 | 43,025 | 1,856,714 |
| Additions | 285,626 | 35,166 | 320,792 |
| Disposals | - | (137) | (137) |
| Charge for the year | (413,524) | (22,475) | (435,999) |
| At 31 December 2023 | 1,685,791 | 55,579 | 1,741,370 |

The related lease obligation recognised in the statement of financial position is as follows:

| | The Group | |
|---|---|---|
| | 2024 $'000 | 2023 $'000 |
| Current obligations | 1,133,067 | 393,370 |
| Non-current obligations | 4,139,055 | 1,466,996 |
| | 5,272,122 | 1,860,366 |

The movement in the lease obligation is as follows:

| | The Group | |
|---|---|---|
| | 2024 $'000 | 2023 $'000 |
| Balance at start of year | 1,860,366 | 2,098,293 |
| On acquisition of subsidiaries | 2,125,936 | - |
| Additions | 1,915,753 | 320,792 |
| Foreign exchange gains and losses | (7,548) | 1,103 |
| Interest charged and expensed (Note 9) | 230,425 | 135,309 |
| Lease payments | (852,810) | (695,131) |
| Balance at end of year | 5,272,122 | 1,860,366 |





### 16. Intangible Assets

| | The Group | | | | | |
|---|---|---|---|---|---|---|
| | Goodwill $'000 | Distribution network $'000 | Customer & Supplier relationships $'000 | Trade names $'000 | Brands $'000 | Total $'000 |
| Cost - | | | | | | |
| At 1 January 2023 and 2024 | 5,911,750 | 2,090,000 | 3,481,300 | 1,284,900 | 2,256,317 | 15,024,267 |
| On acquisition of subsidiaries | 2,885,228 | - | 2,213,060 | 70,380 | 949,187 | 6,117,855 |
| At 31 December 2024 | 8,796,978 | - | 5,694,360 | 1,355,280 | 3,205,504 | 21,142,122 |
| Accumulated amortisation - | | | | | | |
| At 1 January 2023 | - | - | 541,191 | 112,687 | 644,636 | 1,298,514 |
| Charge for the year | - | - | 214,982 | 67,212 | 148,801 | 430,995 |
| At 31 December 2023 | - | - | 756,173 | 179,899 | 793,437 | 1,729,509 |
| Charge for the year | - | - | 325,252 | 87,898 | 156,256 | 569,406 |
| At 31 December 2024 | - | - | 1,081,425 | 267,797 | 949,693 | 2,298,915 |
| Net Book Value - | | | | | | |
| At 31 December 2024 | 8,796,978 | 2,090,000 | 4,612,935 | 1,087,483 | 2,255,811 | 18,843,207 |
| At 31 December 2023 | 5,911,750 | 2,090,000 | 2,725,127 | 1,105,001 | 1,462,880 | 13,294,758 |

The allocation of goodwill is as follows:

| | 2024 $'000 | 2023 $'000 |
|---|---|---|
| A.S. Bryden and Sons Holdings Limited | 1,017,217 | 1,017,217 |
| Caribbean Producers (Jamaica) Limited | 2,293,255 | - |
| Facey Commodity Company Limited | 4,464,452 | 4,464,452 |
| Stansfeld Scott (Barbados) Limited | 591,973 | - |
| Micon Holdings Limited | 99,622 | 99,622 |
| Musson Holdings Limited | 330,459 | 330,459 |
| | 8,796,978 | 5,911,750 |

Musson Holdings Limited is in the Manufacturing segment, while the other entities are in the Distribution segment.

## 16. Intangible Assets (Continued)

The Group determines whether goodwill is impaired at least on an annual basis or when events or changes in circumstances indicate the carrying value may be impaired. This requires an estimation of the recoverable amount of the cash generating unit (CGU) to which the goodwill is allocated. The recoverable amount is determined by reference to the value in use. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the CGU and also to choose an appropriate discount rate in order to calculate the present value of those future cash flows. The cash flow projections are based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using estimated growth rates (which do not exceed the long-term average growth rate for the business in which the CGU operates).

The key assumptions used for value in use calculations are as follows:

| | Revenue Growth Rate | EBITDA to Revenue | Discount Rate |
|---|---|---|---|
| A.S. Bryden and Sons Holdings Limited | 8.1% to 16.6% | N/A | 18.6% to 21.8% |
| Caribbean Producers (Jamaica) Limited | (1.1)% to 5.0% | N/A | 15.3% to 17.5% |
| Facey Commodity Company Limited | 10.3% and 19.5% in 2025, gradually declining to 6% in 2029 | Average of 4.9% to 5.5% over the forecast period | 13% |
| Stansfeld Scott (Barbados) Limited | 3.3% to 13.3% | N/A | 15.1% to 17.3% |
| Micon Holdings Limited | 5.8% to 45.3% | N/A | 21.2% to 24.3% |
| Musson Holdings Limited | 6% | 6% | 16% |

## 17. Investments

| | The Group & The Company | |
|---|---|---|
| | 2024 | 2023 |
| | $'000 | $'000 |
| Quoted equity securities denominated in JMD | 14,621 | 16,285 |
| Unquoted equity securities denominated in USD | 2,408,806 | 1,750,877 |
| Unquoted equity securities denominated in CDN | 161,047 | - |
| | 2,584,474 | 1,767,162 |

*Unquoted equity securities denominated in USD*
At 31 December 2024, the Company owns 42,214 (2023 – 42,214) of the issued ordinary shareholding in Facey Group Limited, a related company. This represents an 11.62% (2023 – 11.62%) holding.

*Unquoted equity securities denominated in CDN*
During the year, the Company acquired the entire issued convertible preference shareholding in an unrelated entity. If converted, the Company would have a 31% holding in the acquired entity.





## 18. Investment in Subsidiaries

| | 2024 | 2023 |
|---|---|---|
| | $'000 | $'000 |
| Balance at 1 January and 31 December | 11,621,529 | 11,621,529 |

All subsidiaries are included in the consolidation. The proportion of the voting rights in each subsidiary does not differ from the proportion of ordinary shares held.

Non-controlling interest is attributable to A.S. Bryden and Sons Holdings Limited (ASBH). The movement in non-controlling interest is as follows:

| | 2024 | 2023 |
|---|---|---|
| | $'000 | $'000 |
| Balance at the beginning of the year | 10,620,102 | 8,995,125 |
| Non-controlling interest arising on the acquisition by ASBH of: | | |
| Retail Acquisition Company Limited (Note 36) | 294,813 | - |
| Caribbean Producers (Jamaica) Limited (Note 36) | 2,411,130 | - |
| | 2,705,943 | - |
| Acquisition by ASBH of non-controlling interest in Bryden pi Limited (Note 36) | (891,388) | - |
| Preference shares issued by ASBH, forming a part of the purchase consideration for the acquisition of: | | |
| Retail Acquisition Company Limited (Note 36) | 656,880 | - |
| Caribbean Producers (Jamaica) Limited (Note 36) | 907,120 | - |
| | 1,564,000 | - |
| Ordinary shares issued by ASBH, forming a part of the purchase consideration for the acquisition of Caribbean Producers (Jamaica) Limited (Note 36) | 2,774,766 | - |
| Dilution on issue of ordinary shares by ASBH | 294,405 | - |
| Share of profit or loss | 711,241 | 1,681,883 |
| Share of other comprehensive income | 21,033 | 250,110 |
| Preference dividends paid by ASBH | (191,452) | (191,452) |
| Share of ordinary dividends paid by ASBH | (414,204) | (115,564) |
| Balance at the end of the year | 17,194,446 | 10,620,102 |

**18. Investment in Subsidiaries (Continued)**

Summarised financial information for A.S. Bryden and Sons Holdings Limited, before intercompany eliminations, is as follows:
*Summarised statement of comprehensive income*

| | 2024 $'000 | 2023 $'000 |
|---|---|---|
| Revenue | 77,877,931 | 58,968,159 |
| Depreciation | 1,526,372 | 961,262 |
| Amortisation | 327,290 | 225,055 |
| Net profit | 1,468,573 | 3,216,090 |

*Summarised statement of financial position*

| | 2024 $'000 | 2024 $'000 |
|---|---|---|
| Non-current assets: | | |
| Property, plant and equipment and right of use assets | 13,095,119 | 7,875,476 |
| Intangible assets | 10,617,950 | 5,292,852 |
| Other non-current assets | 4,169,831 | 2,585,016 |
| | 27,882,900 | 15,753,344 |
| Current assets: | | |
| Inventories | 22,350,779 | 15,494,594 |
| Cash and cash equivalents | 3,702,701 | 3,394,892 |
| Receivables and other current assets | 22,057,124 | 15,648,395 |
| | 48,110,604 | 34,537,881 |
| Non-current liabilities: | | |
| Non-current portion of long term liabilities | (24,075,687) | (11,776,989) |
| Other non-current liabilities | (6,259,174) | (3,893,900) |
| | (30,334,861) | (15,670,889) |
| Current liabilities: | | |
| Payables | (14,218,678) | (12,143,034) |
| Current portion of long term liabilities | (7,564,171) | (5,198,276) |
| Other current liabilities | (1,443,710) | (719,785) |
| | (23,226,559) | (18,061,095) |
| Net assets | 22,432,084 | 16,559,241 |

*Summarised statement of cash flows*

| | 2024 $'000 | 2023 $'000 |
|---|---|---|
| Cash flows from operating activities | 2,396,968 | 3,001,155 |
| Cash flows from investing activities | (309,925) | (1,046,707) |
| Cash flows from financing activities | (1,779,165) | (1,474,093) |





**19. Investment in Joint Ventures and Associate**

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2024 $'000 | 2023 $'000 | 2024 $'000 | 2023 $'000 |
| Investment in joint ventures – | | | | |
| Caparo Industrial Properties Limited | 466,670 | - | - | - |
| Jamaica Grain and Cereals Limited | 1,437,186 | 1,123,721 | 434,114 | 434,114 |
| St. Thomas Development Limited | 375,000 | - | - | - |
| Investment in associate – Armstrong Healthcare Inc. | 396,014 | 358,570 | - | - |
| | 2,674,870 | 1,482,291 | 434,114 | 434,114 |

***Investment in joint venture – Caparo Industrial Properties Limited***
The Group has entered into a joint venture arrangement to oversee the development of a logistics and distribution hub in Trinidad that is meant to serve certain Caribbean countries. The joint venture entity will hold all project assets, manage the operations to develop the project lands and execute the project in its entirety.

The movement in investment in joint venture is as follows:

| | The Group | |
|---|---|---|
| | 2024 $'000 | 2023 $'000 |
| Balance at the beginning of the year | - | - |
| Investment in joint venture entity | 466,670 | - |
| Balance at the end of the year | 466,670 | - |

Summarised financial information for the joint venture is as follows:

*Summarised statement of comprehensive income*

| | 2024 $'000 | 2023 $'000 |
|---|---|---|
| Revenue | - | - |
| Depreciation | - | - |
| Net profit | - | - |

*Summarised statement of financial position*

| | 2024 $'000 | 2023 $'000 |
|---|---|---|
| Property, plant and equipment and right of use assets | 933,340 | - |
| Net assets | 933,340 | - |

*Summarised statement of cash flows*

| | 2024 $'000 | 2023 $'000 |
|---|---|---|
| Cash flows from investing activities | (933,340) | - |
| Cash flows from financing activities | 933,340 | - |

**19. Investment in Joint Ventures and Associate (Continued)**

***Investment in joint venture – Jamaica Grain and Cereals Limited***
The Company owns 50% of Jamaica Grain and Cereals Limited, a former subsidiary that manufactures and sells corn and wheat products and cereals. The carrying value of the investment approximates 50% of the carrying value of the net assets of the joint venture entity.

The movement in investment in joint venture is as follows:

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | $'000 | $'000 | $'000 | $'000 |
| Balance at the beginning of the year | 1,123,721 | 774,359 | 434,114 | 434,114 |
| Share of profit | 313,465 | 210,012 | - | - |
| Share of other comprehensive income – revaluation of property | - | 139,350 | - | - |
| Balance at the end of the year | 1,437,186 | 1,123,721 | 434,114 | 434,114 |

Summarised financial information for the joint venture is as follows:
*Summarised statement of comprehensive income*

| | 2024 | 2023 |
|---|---|---|
| | $'000 | $'000 |
| Revenue | 6,663,910 | 6,955,694 |
| Depreciation | 144,477 | 143,455 |
| Net profit | 626,930 | 420,023 |

*Summarised statement of financial position*

| | 2024 | 2023 |
|---|---|---|
| | $'000 | $'000 |
| Property, plant and equipment and right of use assets | 3,249,176 | 3,375,016 |
| Current assets: | | |
| Inventories | 1,179,947 | 1,174,089 |
| Cash and cash equivalents | 145,844 | 630,959 |
| Receivables and other current assets | 2,676,673 | 3,634,138 |
| | 4,002,464 | 5,439,186 |
| Non-current liabilities: | | |
| Due to joint venture partners | (1,188,760) | (1,177,623) |
| Long term loan | (1,012,899) | (1,178,147) |
| Other non-current liabilities | (555,363) | (427,004) |
| | (2,757,022) | (2,782,774) |
| Current liabilities: | | |
| Due to joint venture partners | (1,000,192) | (3,133,331) |
| Current portion of long term loan | (486,533) | (510,066) |
| Payables and other current liabilities | (128,234) | (146,339) |
| | (1,614,959) | (3,789,736) |
| Net assets | 2,879,659 | 2,241,692 |

*Summarised statement of cash flows*

| | 2024 | 2023 |
|---|---|---|
| | $'000 | $'000 |
| Cash flows from operating activities | (78,106) | 714,634 |
| Cash flows from investing activities | (18,237) | (8,187) |
| Cash flows from financing activities | (388,772) | (338,549) |





**19. Investment in Joint Ventures and Associate (Continued)**

***Investment in joint venture – St. Thomas Development Limited***
The Company owns 50% of St. Thomas Development Limited, a former subsidiary that develops property. The carrying value of the investment approximates 50% of the carrying value of the net assets of the joint venture entity.

The movement in investment in joint venture is as follows:

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | $'000 | $'000 | $'000 | $'000 |
| Balance at the beginning of the year | - | - | - | - |
| Share of profit | 375,000 | - | - | - |
| Balance at the end of the year | 375,000 | - | - | - |

Summarised financial information for the joint venture is as follows:
*Summarised statement of comprehensive income*

| | 2024 | 2023 |
|---|---|---|
| | $'000 | $'000 |
| Gain on revaluation of investment property, net of deferred tax | 750,000 | - |

*Summarised statement of financial position*

| | 2024 | 2023 |
|---|---|---|
| | $'000 | $'000 |
| Investment property | 1,100,000 | - |
| Due to affiliates and other current liabilities | (100,000) | |
| Deferred tax liabilities | (250,000) | - |
| Net assets | 750,000 | - |

*Summarised statement of cash flows*

| | 2024 | 2023 |
|---|---|---|
| | $'000 | $'000 |
| Cash flows from operating activities | - | - |
| Cash flows from investing activities | - | - |
| Cash flows from financing activities | - | - |

**19. Investment in Joint Ventures and Associate (Continued)**

***Investment in associate – Armstrong Healthcare Inc.***
The Group owns 49% of Armstrong Healthcare Inc., a company that sells healthcare items. The carrying value of the investment approximates 49% of the carrying value of the net assets of the associate.

The movement in investment in associate is as follows:

| | The Group | |
|---|---|---|
| | 2024 | 2023 |
| | $'000 | $'000 |
| Balance at the beginning of the year | 358,570 | 351,187 |
| Adjustments to opening net asset value | 37,007 | 6,302 |
| Share of profit or loss | 437 | 1,081 |
| Balance at the end of the year | 396,014 | 358,570 |

Summarised financial information for the associate is as follows:

*Summarised statement of comprehensive income*

| | 2024 | 2023 |
|---|---|---|
| | $'000 | $'000 |
| Revenue | 1,648,985 | 1,549,786 |
| Depreciation | 18,791 | 4,830 |
| Net profit | 19,550 | 83,444 |

*Summarised statement of financial position*

| | 2024 | 2023 |
|---|---|---|
| | $'000 | $'000 |
| Property, plant and equipment and other non-current assets | 242,167 | 103,201 |
| Current assets: | | |
| Inventories | 771,351 | 508,346 |
| Cash and cash equivalents | 4,370 | 11,684 |
| Receivables and other current assets | 496,593 | 441,094 |
| | 1,272,314 | 961,124 |
| Current liabilities: | | |
| Bank overdraft | 108,215 | 108,652 |
| Payables and other current liabilities | 598,046 | 223,905 |
| | 706,261 | 332,557 |
| Net assets | 808,220 | 731,768 |

*Summarised statement of cash flows*

| | 2024 | 2023 |
|---|---|---|
| | $'000 | $'000 |
| Cash flows from operating activities | (3,289) | (15,042) |
| Cash flows from investing activities | (3,588) | (87,860) |





**20. Long Term Receivables**

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | $'000 | $'000 | $'000 | $'000 |
| (a) Facey Commodity Company Limited | - | - | 922,212 | 922,212 |
| (b) Musson International Dairies Limited | - | - | 2,472,790 | 2,451,588 |
| (c) Jamaica Grain and Cereals Limited | 588,196 | 583,626 | 588,196 | 583,626 |
| (d) Musson (Jamaica) Limited | 413,285 | 663,490 | 413,285 | 663,490 |
| (e) Employee loans | 41,655 | 57,258 | 27,484 | 37,773 |
| (f) Bercyn Farms Limited – | | | | |
| (i) Mobilisation loan for farming operations | - | - | - | - |
| (ii) Advance for replanting and farming operations | - | - | - | - |
| | 1,043,136 | 1,304,374 | 4,423,967 | 4,658,689 |
| Interest receivable | - | - | 1,790,196 | 1,621,152 |
| | 1,043,136 | 1,304,374 | 6,214,163 | 6,279,841 |
| Less: Current portion | (196,443) | (258,415) | 1,972,468 | (1,874,253) |
| | 846,693 | 1,045,959 | 4,241,695 | 4,405,588 |

(a) This receivable from subsidiary of J$922,212,000 is scheduled to be received at maturity on 1 October 2029. The agreement attracts interest of 8% per annum, payable monthly.

(b) This receivable from subsidiary of US$15,892,000 is scheduled to be received at maturity on 31 December 2029. The agreement attracts interest of 6% per annum.

(c) This receivable from joint venture of US$3,800,000 is repayable at maturity on 31 December 2027. The agreement attracts interest of 3.07% per annum, payable annually.

(d) This related party receivable of US$2,670,000 (2023 – US$4,320,000) is scheduled to be received in annual instalments of US$1 million for the years 2023 to 2026, with a final instalment of US$670,000 in 2027. The agreement attracts interest of 3% per annum.

(e) This receivable represents loans granted to employees as part of a scheme to assist employees in purchasing shares in the Company. The loans mature on 30 September 2025 and attract interest at 6.75%, payable monthly.

(f) (i) This loan was granted as part of the farm management contract for Golden Grove Sugar Company Limited. The principal is repayable in periodic discretionary installments until maturity in November 2019. The agreement attracts interest of 10% per annum.
(ii) This represents crop advances, as well as balance receivable from the sale of spares, farming equipment and other supplies. The principal is repayable in periodic discretionary installments until maturity in November 2020. The agreement does not attract interest.
The outstanding balances on these receivables from Bercyn Farms Limited were deemed fully impaired on discontinuation of the sugar manufacturing operations in July 2019 (Note 34). At the date of discontinuation, the carrying values of these receivables amounted to $132,538,000.
As at 31 December 2024, $29,819,000 (2023 – $28,985,000) of these receivables were recovered.

**21. Post-employment Benefits**

| | The Group | | The Company | |
|---|---|---|---|---|
| | **2024** | **2023** | **2024** | **2023** |
| | **$'000** | **$'000** | **$'000** | **$'000** |
| Assets/(liabilities) recognised in the statement of financial position - | | | | |
| Pension schemes - | | | | |
| Defined benefit plan – Jamaica-based operations | 7,191 | 7,737 | 7,191 | 7,737 |
| Defined benefit plan – Trinidad-based operations | 768,246 | 626,727 | - | - |
| | 775,437 | 634,464 | 7,191 | 7,737 |
| Medical benefits - | | | | |
| Defined benefit plan – Jamaica-based operations | (99,941) | (105,577) | (99,941) | (105,577) |
| Defined benefit plan – Trinidad-based operations | (198,030) | (199,042) | - | - |
| | (297,971) | (304,619) | (99,941) | (105,577) |
| Expense/(income) recognised in profit or loss (Note 8) - | | | | |
| Pension schemes - | | | | |
| Defined benefit plan – Jamaica-based operations | 1,421 | 560 | 1,421 | 560 |
| Defined benefit plan – Trinidad-based operations | 232,576 | 213,785 | - | - |
| | 233,997 | 214,345 | 1,421 | 560 |
| Medical benefits - | | | | |
| Defined benefit plan – Jamaica-based operations | 11,151 | 12,142 | 11,151 | 12,142 |
| Defined benefit plan – Trinidad-based operations | 11,569 | (497,835) | - | - |
| | 22,720 | (485,693) | 11,151 | 12,142 |
| Gains/(losses) recognised in other comprehensive income (Note 10) - | | | | |
| Pension schemes - | | | | |
| Defined benefit plan – Jamaica-based operations | 297 | 2,188 | 297 | 2,188 |
| Defined benefit plan – Trinidad-based operations | 64,952 | 98,371 | - | - |
| | 65,249 | 100,559 | 297 | 2,188 |
| Medical benefits - | | | | |
| Defined benefit plan – Jamaica-based operations | 6,384 | (5,449) | 6,384 | (5,449) |
| Defined benefit plan – Trinidad-based operations | 391 | 841,225 | - | - |
| | 6,775 | 835,776 | 6,384 | (5,449) |
| | 72,024 | 936,335 | 6,681 | (3,261) |





**21. Post-employment Benefits (Continued)**

***Pension schemes***
***Defined contribution plans***
In addition to the defined benefit pension schemes described below, employees of the Jamaica-based operations hired on or after 1 January 2002 participate in an Individual Retirement Scheme operated by an independent insurance company, and employees of the Trinidad-based operations participate in various defined contribution pension schemes. Employees participating in the scheme contribute up to 15% of pensionable earnings while the Group contributes 5%. The Group's and the Company's contribution for the year amounted to $148,157,000 (2023 – $127,006,000) and $26,998,000 (2023 – $21,823,000), respectively (Note 8).

***Defined benefit plan – Jamaica-based operations***
The Group operates a defined benefit scheme for employees hired prior to 1 January 2002. The scheme is administered by NCB Insurance Agency & Fund Managers Limited. The plan provides benefits to members based on average earnings for the final year of service, with the Group and employees each contributing 5% of pensionable salaries. Employee may contribute additional voluntary contribution up to 5%. The scheme was closed to new members as at 31 December 2001. As the subsidiaries make fixed contributions to the pension scheme and have no further legal or constructive obligations under the scheme, the pension asset and obligations are accounted for in the financial statements of the Company. The subsidiaries recognise a cost equal to their contributions payable in respect of each accounting period in profit or loss. Any plan surplus or funding deficiency is absorbed by the Company.

The defined benefit plan is valued by independent actuaries annually using the Projected Unit Credit Method. The latest actuarial valuation was carried out as at 31 December 2024.

The Board of the pension fund is composed of an equal number of representatives from both employer and employees. The Board of the fund is responsible for the investment policy with regard to the assets of the fund. The funds are managed by NCB Insurance Agency & Fund Managers Limited which administers the Fund and manages the investment portfolio under management agreement.

The amounts recognised in the statement of financial position are determined as follows:

| | **2024** | **2023** |
|---|---|---|
| | **$'000** | **$'000** |
| Present value of funded obligations | (791,517) | (727,345) |
| Fair value of plan assets | 880,558 | 881,304 |
| | 89,041 | 153,959 |
| Unrecognised asset due to limitation | (81,850) | (146,222) |
| Asset in the statement of financial position | 7,191 | 7,737 |

The movement in the amounts recognised in the statement of financial position is as follows:

| | **2024** | **2023** |
|---|---|---|
| | **$'000** | **$'000** |
| Asset at beginning of year | 7,737 | 5,600 |
| Amounts recognised in profit or loss in the statement of comprehensive income | (1,421) | (560) |
| Amounts recognised in other comprehensive income | 297 | 2,188 |
| Contributions paid | 578 | 509 |
| Asset at end of year | 7,191 | 7,737 |

**21. Post-employment Benefits (Continued)**

***Pension schemes (continued)***
***Defined benefit plan – Jamaica-based operations (continued)***

The movement in the defined benefit obligation over the year is as follows:

| | 2024 $'000 | 2023 $'000 |
|---|---|---|
| Balance at beginning of year | (727,345) | (616,900) |
| Current service cost | (2,304) | (1,320) |
| Interest cost | (76,546) | (76,025) |
| Re-measurements – experience gains and losses | (49,947) | (99,314) |
| Members' contributions | (1,155) | (1,017) |
| Benefits paid | 65,780 | 67,231 |
| Balance at end of year | (791,517) | (727,345) |

As at the last valuation date, the present value of the defined benefit obligation was comprised of approximately $108,565,000 (2023 – $85,180,000) relating to active employees, and $682,952,000 (2023 – $642,165,000) relating to members in retirement.

The movement in the defined benefit asset during the year is as follows:

| | 2024 $'000 | 2023 $'000 |
|---|---|---|
| Balance at beginning of year | 881,304 | 983,100 |
| Interest income | 93,513 | 123,663 |
| Re-measurement – return on plan assets, excluding amounts included in interest income | (30,212) | (159,754) |
| Employer's contributions | 578 | 509 |
| Members' contributions | 1,155 | 1,017 |
| Benefits paid | (65,780) | (67,231) |
| Balance at end of year | 880,558 | 881,304 |

The movement in the unrecognised asset due to limitation is as follows:

| | 2024 $'000 | 2023 $'000 |
|---|---|---|
| Unrecognised asset at beginning of year | (146,222) | (360,600) |
| Interest on effect of the asset limitation | (16,084) | (46,878) |
| Remeasurements – experience adjustments | 80,456 | 261,256 |
| Unrecognised asset at end of year | (81,850) | (146,222) |

The amounts recognised in profit or loss is as follows:

| | 2024 $'000 | 2023 $'000 |
|---|---|---|
| Current service cost | 2,304 | 1,320 |
| Interest costs | 76,546 | 76,025 |
| Interest income | (93,513) | (123,663) |
| Interest on effect of unrecognised asset due to limitation | 16,084 | 46,878 |
| Total, included in staff costs | 1,421 | 560 |

Expected employer contributions to the post-employment pension plan for the year ending 31 December 2025 amount to $612,000.



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Notes to the Financial Statements
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(expressed in Jamaican dollars unless otherwise indicated)

**21. Post-employment Benefits (Continued)**

***Pension schemes (continued)***
***Defined benefit plan – Jamaica-based operations (continued)***

Plan assets are comprised as follows:

| | Quoted $'000 | Unquoted $'000 | Total $'000 | % |
|---|---|---|---|---|
| | | 2024 | | |
| Government of Jamaica debt securities | - | 182,879 | 182,879 | 21 |
| Corporate debt securities | - | 85,576 | 85,576 | 10 |
| Real estate | - | 98,987 | 98,987 | 11 |
| Ordinary shares | 383,943 | 7,498 | 391,441 | 44 |
| Preference shares | - | 19,766 | 19,766 | 2 |
| Repurchase agreements | - | 64,165 | 64,165 | 7 |
| Leases and other | - | 37,744 | 37,744 | 5 |
| | 383,943 | 496,615 | 880,558 | 100 |
| | | 2023 | | |
| Government of Jamaica debt securities | - | 162,477 | 162,477 | 18 |
| Corporate debt securities | - | 116,122 | 116,122 | 13 |
| Real estate | - | 94,954 | 94,954 | 11 |
| Ordinary shares | 370,344 | 6,995 | 377,339 | 43 |
| Preference shares | - | 19,806 | 19,806 | 3 |
| Repurchase agreements | - | 73,329 | 73,329 | 8 |
| Leases and other | - | 37,277 | 37,277 | 4 |
| | 370,344 | 510,960 | 881,304 | 100 |

The above assets include ordinary shares in the Company with a fair value of $166,197,000 (2023 - $90,905,000).

The significant actuarial assumptions used were a discount rate of 9.5% (2023 – 11%); future salary increases of 6% (2023 – 7%); and future pension increases of 2.5% (2023 – 3%). The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

| | | 2024 | | 2023 | |
|---|---|---|---|---|---|
| | Change in Assumption | Increase in Assumption $'000 | Decrease in Assumption $'000 | Increase in Assumption $'000 | Decrease in Assumption $'000 |
| Discount rate | 2024 - 1%/2023 - 1% | (68,901) | 59,329 | (59,674) | 51,711 |
| Future salary increases | 2024 - 1%/2023 - 1% | 2,656 | (2,707) | 2,675 | (2,050) |
| Expected pension increase | 2024 - 1%/2023 - 1% | 60,612 | (69,367) | 52,986 | (60,819) |

Further, assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience. These assumptions translate into an average life expectancy in years for a pensioner retiring at age 60. If the assumption for life expectancy was increased/(decreased) by 1 year, the effect on the defined benefit obligation would be an increase/(decrease) of $15,614,000/($15,290,000) (2023 – 13,175,000/($12,712,000)).

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

**21. Post-employment Benefits (Continued)**

***Pension schemes (continued)***
***Defined benefit plans – Trinidad-based operations***

The Group operates defined benefit schemes which are administered by Sagicor Life Inc. The plans provide benefits to members based on average earnings for the final year of service, with the Group and employees each contributing 5% of pensionable salaries. Employee may contribute additional voluntary contribution up to 5%.

The defined benefit plan is valued by independent actuaries annually using the Projected Unit Credit Method. The latest actuarial valuation was carried out as at 31 December 2024.

The amounts recognised in the statement of financial position are determined as follows:

| | 2024<br>$'000 | 2023<br>$'000 |
|---|---|---|
| Present value of funded obligations | (5,639,186) | (5,377,814) |
| Fair value of plan assets | 6,407,432 | 6,004,541 |
| Asset in the statement of financial position | 768,246 | 626,727 |

The movement in the amounts recognised in the statement of financial position is as follows:

| | 2024<br>$'000 | 2023<br>$'000 |
|---|---|---|
| Asset at start of year | 626,727 | 669,093 |
| Amounts recognised in profit or loss in the statement of comprehensive income | (232,576) | (213,785) |
| Amounts recognised in other comprehensive income | 64,952 | (98,371) |
| Employers' contributions | 309,143 | 269,790 |
| Asset at end of year | 768,246 | 626,727 |





**21. Post-employment Benefits (Continued)**

***Pension schemes (continued)***
***Defined benefit plans – Trinidad-based operations (continued)***

The movement in the defined benefit obligation over the year is as follows:

| | 2024<br>$'000 | 2023<br>$'000 |
|---|---|---|
| Balance at start of year | (5,377,814) | (4,856,581) |
| Current service cost | (290,697) | (243,708) |
| Interest cost | (339,618) | (307,004) |
| Re-measurements – experience gains and losses | 239,499 | (61,157) |
| Members' contributions | (123,556) | (129,076) |
| Benefits paid | 253,000 | 219,719 |
| Balance at end of year | (5,639,186) | (5,377,814) |

The movement in the defined benefit asset during the year is as follows:

| | 2024<br>$'000 | 2023<br>$'000 |
|---|---|---|
| Balance at start of year | 6,004,541 | 5,525,674 |
| Interest income | 366,597 | 336,927 |
| Re-measurement – return on plan assets, excluding amounts included in interest income | (174,524) | (37,214) |
| Employer's contributions | 309,189 | 269,790 |
| Members' contributions | 154,629 | 129,076 |
| Benefits paid | (253,000) | (219,719) |
| Balance at end of year | 6,407,432 | 6,004,541 |

The expense recognised in profit or loss is as follows:

| | 2024<br>$'000 | 2023<br>$'000 |
|---|---|---|
| Current service cost | 259,555 | 243,708 |
| Interest costs | 339,618 | 307,004 |
| Interest income | (366,597) | (336,927) |
| Total, included in staff costs | 232,576 | 213,785 |

Expected employer contributions to the post-employment pension plan for the year ending 31 December 2025 amount to $296,194,000.

**21. Post-employment Benefits (Continued)**

***Pension schemes (continued)***
***Defined benefit plans – Trinidad-based operations (continued)***

Plan assets are comprised as follows:

| | 2024<br>$'000 | 2023<br>$'000 |
|---|---|---|
| Mortgages | 621,920 | 562,603 |
| Equities | 947,370 | 885,684 |
| Bonds | 4,275,263 | 4,219,074 |
| Cash | 562,879 | 337,180 |
| | 6,407,432 | 6,004,541 |

The significant actuarial assumptions used were a discount rate of 6% (2023 – 6%); future salary increases of 4.5% (2023 – 4.5%); and future pension increases of Nil (2023 – Nil). The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

| | | 2024 | | 2023 | |
|---|---|---|---|---|---|
| | Change in Assumption | Increase in Assumption | Decrease in Assumption | Increase in Assumption | Decrease in Assumption |
| | | $'000 | $'000 | $'000 | $'000 |
| Discount rate | 0.5% | (174,685) | 217,764 | (183,425) | 215,303 |
| Future salary increases | 0.5% | 36,616 | (35,167) | 42,481 | (40,503) |

Further, assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience. These assumptions translate into an average life expectancy in years for a female pensioner retiring at age 60 and for a male pensioner retiring at age 65. If the assumption for life expectancy was increased by 1 year, the effect on the defined benefit obligation would be an increase of $64,181,000 (2023 – $58,374,000).

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.





**21. Post-employment Benefits (Continued)**

***Other post-employment benefits***
***Jamaica-based operations***

In addition to pension benefits, the Company offers retirees medical and life insurance benefits that contribute to the health care and life insurance coverage of employees and beneficiaries after retirement. The obligations under the medical benefit scheme are unfunded. The method of accounting and frequency of valuations are similar to those used for the pension scheme. Obligations under the medical scheme are payable by, and accounted for, by the Company as the subsidiaries do not have any legal or constructive obligations under the scheme.

The movement in the defined benefit obligation over the year is as follows:

| | 2024<br>$'000 | 2023<br>$'000 |
|---|---|---|
| Balance at beginning of year | (105,577) | (98,500) |
| Amounts recognised in the profit or loss in the statement of comprehensive income: Interest expense (Note 8) | (11,151) | (12,142) |
| Amounts recognised in other comprehensive income: Re-measurements – experience gains and losses | 6,384 | (5,449) |
| Contributions by employer: Benefits paid | 10,403 | 10,514 |
| Balance at end of year | (99,941) | (105,577) |

As at the last valuation date, the present value of the defined benefit obligation was comprised of approximately $3,104,000 (2023 – $2,943,000) relating to active employees, and $96,837,000 (2023 – $102,634,000) relating to members in retirement.

Expected employer contributions to the post-employment plan for the year ending 31 December 2025 amount to $11,000,000.

In addition to the assumptions used for pension schemes, the main actuarial assumption is long-term increase in health cost of 6% (2023 – 7.5%) per annum. The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

| | | 2024 | | 2023 | |
|---|---|---|---|---|---|
| | Change in Assumption | Increase in Assumption | Decrease in Assumption | Increase in Assumption | Decrease in Assumption |
| | | $'000 | $'000 | $'000 | $'000 |
| Discount rate | 2024 - 1%/2023 - 1% | (7,777) | 6,797 | (8,334) | 7,279 |
| Medical cost | 2024 - 1%/2023 - 1% | 7,070 | (7,970) | 7,566 | (8,541) |

Further, if the assumption for life expectancy was increased/(decreased) by 1 year, the effect on the defined benefit obligation would be an increase/(decrease) of $3,839,000/($3,988,000) (2023 – $3,989,000/($4,133,000)).

**21. Post-employment Benefits (Continued)**

***Other post-employment benefits (continued)***
***Trinidad-based operations***
In addition to pension benefits, the Group offers retirees medical and life insurance benefits that contribute to the health care and life insurance coverage of employees and beneficiaries after retirement. The obligations under the medical benefit scheme are unfunded. The method of accounting and frequency of valuations are similar to those used for the pension scheme.

The movement in the defined benefit obligation over the year is as follows:

| | 2024 $'000 | 2023 $'000 |
|---|---|---|
| Balance at start of year | (199,042) | (1,556,916) |
| Amounts recognised in the profit or loss in the statement of comprehensive income (Note 8): | | |
| Current service cost | (11,569) | (104,972) |
| Interest expense | - | (93,012) |
| Past service cost | - | 695,819 |
| | (11,569) | 497,835 |
| Amounts recognised in other comprehensive income: Re-measurements – experience gains and losses | 391 | 841,225 |
| Contributions by employer: Benefits paid | 12,190 | 18,814 |
| Balance at end of year | (198,030) | (199,042) |

As at the last valuation date, the present value of the defined benefit obligation was comprised of $Nil (2023 – $Nil) relating to active employees, and $198,030,000 (2023 – $199,042,000) relating to members in retirement.

Expected employer contributions to the post-employment plan for the year ending 31 December 2025 amount to $12,512,000.

In addition to the assumptions used for pension schemes, the main actuarial assumption is long-term increase in health cost of 5.5% (2023 – 5.5%) per annum. The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

| | | 2024 | | 2023 | |
|---|---|---|---|---|---|
| | Change in Assumption | Increase in Assumption | Decrease in Assumption | Increase in Assumption | Decrease in Assumption |
| | | $'000 | $'000 | $'000 | $'000 |
| Discount rate | 1% | (18,446) | 21,804 | (19,964) | 23,690 |
| Medical cost | 1% | 21,712 | (18,699) | 23,575 | (20,217) |

Further, if the assumption for life expectancy was increased by 1 year, the effect on the defined benefit obligation would be an increase of $8,556,000 (2023 – $56,419,000).





**21. Post-employment Benefits (Continued)**

***Risks associated with pension plans and post-employment plans***
Through its defined benefit pension plans and post-employment medical plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

*Asset volatility*
The plan liabilities are calculated using a discount rate set with reference to Government of Jamaica bond yields. If plan assets underperform this yield, this will create a deficit. As the plan matures, the Company intends to reduce the level of investment risk by investing more in assets that better match the liabilities. The Company believes that, due to the long-term nature of the plan liabilities, a level of continuing equity investment is an appropriate element of the Company's long term strategy to manage the plans efficiently. See below for more details on the Company's asset-liability matching strategy.

*Changes in bond yields*
A decrease in Government of Jamaica bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

*Inflation risk*
Higher inflation will lead to higher liabilities. The majority of the plan's assets are either unaffected by fixed interest bonds; meaning that an increase in inflation will reduce the surplus or create a deficit.

*Life expectancy*
The majority of the plan's obligations are to provide benefits for the life of the member, so increases in life expectancy will result in an increase in the plan's liabilities. This is particularly significant, where inflationary increases result in higher sensitivity to changes in life expectancy.

The responsibility for the management of the assets of the Fund is vested in the Board of Trustees and representatives of the fund and investment managers. They ensure that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the pension fund. Within this framework, the Fund's ALM objective is to match assets to the pension obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due. The Fund actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the pension obligations. The Fund has not changed the processes used to manage its risks from previous periods. The Fund does not use derivatives to manage its risk. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets. Funding levels are monitored on an annual basis and the current agreed contribution rate is 5% of pensionable salaries.. The Company considers that the contribution rates set at the last valuation date to be sufficient to prevent a deficit and that regular contributions, which are based on service costs, will not increase significantly.

**22. Biological Assets**

***Livestock – classified as non-current assets in the statement of financial position***

| | The Group | |
|---|---|---|
| | 2024 $'000 | 2023 $'000 |
| Dairy livestock – | | |
| 2,304 (2023 – 2,555) Cows able to produce milk | 228,589 | 242,830 |
| 1,967 (2023 – 2,073) Heifers being raised to produce milk in the future | 224,428 | 174,033 |
| Other livestock – | | |
| 247 (2023 – 251) Bulls raised for sale and reproduction | 9,400 | 14,172 |
| 2 (2023 – 2) Horses | 60 | 60 |
| Plant – 928 (2023 – 869) acres of hay field | 204,422 | 16,827 |
| | 666,899 | 447,922 |

4,619,000 litres (2023 – 5,314,000 litres) of milk with a fair value (less estimated point-of-sale costs) of $1,290,687,000 (2023 – $1,511,803,000) were produced during the period.

***Forage – classified as current assets in the statement of financial position***
At year end, the Group had 2,933 tonnes (2023 – 4,888 tonnes) of sugar cane with a value of $20,531,000 (2023 – $34,218,000).

### 23. Inventories

| | The Group | |
|---|---|---|
| | 2024 | 2023 |
| | $'000 | $'000 |
| Raw and packaging materials | 3,079,277 | 4,410,502 |
| Work in progress | 151,845 | 147,458 |
| Finished goods | 574,422 | 576,056 |
| Merchandise for resale | 24,261,518 | 18,781,467 |
| Goods in transit | 5,854,435 | 3,910,429 |
| Other | 1,098,075 | 1,112,525 |
| | 35,019,572 | 28,938,437 |

### 24. Trade and Other Receivables

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | $'000 | $'000 | $'000 | $'000 |
| Trade receivables | 26,134,869 | 19,577,714 | - | - |
| Less: Provision for impairment | (1,141,158) | (958,250) | - | - |
| | 24,993,711 | 18,619,464 | - | - |
| Advances and prepayments | 2,171,624 | 690,657 | 135,747 | 117,124 |
| Due from affiliates | 775,682 | 450,926 | 30,033 | 16,065 |
| Other | 4,446,080 | 2,824,580 | 78,474 | - |
| | 32,387,097 | 22,585,627 | 244,254 | 133,189 |

### 25. Payables

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | $'000 | $'000 | $'000 | $'000 |
| Trade payables | 18,234,621 | 15,360,199 | - | - |
| Accruals | 6,045,310 | 5,057,231 | 658,970 | 795,611 |
| Due to affiliates | 3,275,523 | 3,350,667 | 2,623,779 | 2,057,445 |
| Ordinary dividends payable by the Company | 303,537 | - | 303,537 | - |
| Other | 1,320,585 | 1,009,771 | 98,780 | 129,399 |
| | 29,179,576 | 24,777,868 | 3,685,066 | 2,982,455 |





### 26. Share Capital

| | Number of Units | | Carrying Amount | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | '000 | '000 | $'000 | $'000 |
| Authorised – ordinary shares | 1,000,000 | 780,000 | | |
| Issued and fully paid – | | | | |
| Ordinary stock units | 733,547 | 733,547 | 5,769,457 | 5,769,457 |
| Treasury shares | (59) | (59) | (899) | (899) |
| | 733,488 | 733,488 | 5,768,558 | 5,768,558 |

### 27. Capital Reserves

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | $'000 | $'000 | $'000 | $'000 |
| Currency translation gains and losses | (48,137) | (47,857) | - | - |
| Fair value gains and losses on investments | 2,047,748 | 1,402,937 | 2,047,748 | 1,402,937 |
| Fair value gains and losses on property | 6,747,055 | 6,747,055 | 2,241,317 | 2,241,317 |
| Revaluation surplus on assets carried at deemed cost | 312,600 | 312,600 | 105,340 | 105,340 |
| Profits of subsidiaries capitalised | 336,537 | 336,537 | - | - |
| Redemption reserve | 14,800 | 14,800 | - | - |
| Realised gains on sale of investments | 120,855 | 120,855 | 120,855 | 120,855 |
| Other realised surplus | 22,230 | 22,230 | 20,289 | 20,289 |
| | 9,553,688 | 8,909,157 | 4,535,549 | 3,890,738 |

### 28. Long Term Liabilities

The movement in long term liabilities is as follows:

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | $'000 | $'000 | $'000 | $'000 |
| Balance at start of year | 34,572,610 | 33,012,555 | 14,654,693 | 13,915,109 |
| On acquisition of subsidiaries | 6,602,495 | - | - | - |
| Loans used to fund acquisition of subsidiaries | 3,945,420 | - | - | - |
| Loans received, net of fees | 25,408,352 | 16,829,571 | 7,559,632 | 5,617,398 |
| Loan principal repayments | (21,456,746) | (15,774,276) | (7,378,883) | (5,019,241) |
| Foreign exchange gains and losses | (137,264) | 464,038 | 74,290 | 118,095 |
| Deferred fees amortised (Note 9) | 55,507 | 68,947 | 42,361 | 51,469 |
| Interest charged and expensed (Note 9) | 3,415,391 | 2,506,013 | 1,454,459 | 1,100,182 |
| Interest paid | (3,400,337) | (2,534,238) | (1,439,314) | (1,128,319) |
| Balance at end of year | 49,005,428 | 34,572,610 | 14,967,238 | 14,654,693 |

**28. Long Term Liabilities (Continued)**

Long term liabilities are comprised as follows:

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | $'000 | $'000 | $'000 | $'000 |
| **Jamaica-based operations** | | | | |
| (a) National Commercial Bank (Jamaica) Limited – 7% | 567,940 | 766,600 | - | - |
| (b) National Commercial Bank (Jamaica) Limited – 8.5% | 83,813 | 139,578 | - | - |
| (c) National Commercial Bank (Jamaica) Limited – 6.25% | 40,405 | 66,859 | 40,405 | 66,859 |
| (d) JMMB Merchant Bank Limited – 8.75% | - | 16,745 | - | 16,745 |
| (e) CIBC FirstCaribbean International Bank Jamaica Limited – 8.25% | 241,186 | 434,136 | - | - |
| (f) CIBC FirstCaribbean International Bank Jamaica Limited – 8.25% | 262,500 | 472,500 | - | - |
| (g) Bonds – 7.25% | - | 2,000,000 | - | 2,000,000 |
| (h) Bonds – 7.25% | - | 2,200,000 | - | 2,200,000 |
| (i) Bonds – 10.5% for first 2 years, then WATBY + 2.75% | 854,350 | 854,350 | - | - |
| (j) Bonds – 6.75% * | 1,700,000 | 1,700,000 | 1,700,000 | 1,700,000 |
| (k) Bonds – 11.5% | - | 1,800,000 | - | 1,800,000 |
| (l) Bonds – 11.75% for first 2 years, then WATBY + 3.5% | 2,750,000 | - | 2,750,000 | - |
| (m) Bonds – 10.5% for first year, then WATBY + 2.5% | 1,500,000 | - | 1,500,000 | - |
| (n) Bonds – 10.75% for first year, then WATBY + 2.75% | 2,500,000 | - | 2,500,000 | - |
| (o) CIBC FirstCaribbean International Bank (Jamaica) Limited – 8.75% | 3,969,836 | 3,932,641 | 3,969,836 | 3,932,641 |
| (p) CIBC FirstCaribbean International Bank Jamaica Limited – LIBOR + 3% | 859,455 | 851,403 | 859,455 | 851,403 |
| (q) Citi – SOFR + 3.15% | 1,642,367 | 2,091,831 | 1,642,367 | 2,091,831 |
| (r) First Global Bank Limited – 10.5% to 10.75% | 200,000 | 100,000 | - | - |
| (s) National Commercial Bank (Jamaica) Limited – 10.6% | 200,000 | 200,000 | - | - |
| **Trinidad-based operations** | | | | |
| (t) Term loans denominated in Trinidadian dollars | 13,599,371 | 8,253,044 | - | - |
| (u) Term loans denominated in United States dollars | 9,725,573 | 4,129,052 | - | - |
| (v) Term loans denominated in Guyanese dollars | 944,104 | 362,319 | - | - |
| (w) Term loans denominated in Jamaican dollars | 378,350 | - | - | - |
| (x) Revolving loans denominated in Trinidadian dollars | 6,813,267 | 3,519,000 | - | - |
| (y) Revolving loans denominated in Guyanese dollars | 179,193 | 711,850 | - | - |
| Deferred financing costs | (99,814) | (107,776) | (88,243) | (83,059) |
| | 48,911,896 | 34,494,132 | 14,873,820 | 14,576,420 |
| Interest payable | 93,532 | 78,478 | 93,418 | 78,273 |
| | 49,005,428 | 34,572,610 | 14,967,238 | 14,654,693 |
| Less: Current portion | (11,231,621) | (11,185,213) | (2,605,346) | (5,042,081) |
| | 37,773,807 | 23,387,397 | 12,361,892 | 9,612,612 |

* At 31 December 2024, the Company was in a technical breach of the debt service ratio covenant requirement for bond (j) above. Prior to the year end, the Company was granted a waiver in respect of the technical breach.





**28. Long Term Liabilities (Continued)**

A summary of the terms of the long term liabilities is as follows:

(a) Unsecured Jamaican dollar denominated loan facility drawn in two instalments, as follows: (i) First drawdown of $1,170,000,000, repayable in quarterly instalments of $21,940,000 commencing September 2018 to June 2020, quarterly instalments of $27,420,000 commencing September 2020 to June 2024, quarterly instalment of $32,910,000 commencing September 2024 to June 2026, and a balloon payment of $292,480,000 in September 2026; and (ii) Second drawdown of $585,000,000 repayable in quarterly instalments of $19,500,000 commencing September 2018 to December 2025.

(b) Jamaican dollar denominated financing agreement repayable in 32 quarterly installments of $13,969,000 commencing September 2018 and secured by property, plant and equipment acquired under the financing agreement.

(c) Jamaican dollar denominated financing agreement repayable in 54 monthly installments of $2,490,000 (inclusive of interest) commencing December 2021 and secured by property, plant and equipment acquired under the financing agreement.

(d) Unsecured Jamaican dollar denominated loan facility of $185,000,000, repayable in 24 monthly installments of $8,430,000 (inclusive of interest) commencing February 2022.

(e) Jamaican dollar denominated loan facility repayable in 28 quarterly installments of $48,237,000 commencing December 2018 and secured by a first debenture/charge over all present and future assets and property of Facey Commodity Company Limited.

(f) Jamaican dollar denominated loan facility repayable in 22 quarterly installments of $52,500,000 commencing December 2020 and secured by a first debenture/charge over all present and future assets and property of Facey Commodity Company Limited.

(g) Unsecured Jamaican dollar denominated Bonds issued in October 2019 for a period of 5 years, due in full at maturity.

(h) Unsecured Jamaican dollar denominated Bonds issued in November 2018 for a period of 7 years, due in full at maturity.

(i) Jamaican dollar denominated Bonds issued in February 2016 for a period of 10 years, due in full at maturity and secured by the fixed and floating assets of Musson International Dairies Limited and Musson Holdings Limited.

(j) Unsecured Jamaican dollar denominated Bonds issued in July 2021 for a period of 10 years, due in full at maturity.

(k) Unsecured Jamaican dollar denominated Bonds issued in November 2022 for a period of 3 years, due in full at maturity.

(l) Unsecured Jamaican dollar denominated Bonds issued in March 2024 for a period of 5 years, due in full at maturity.

(m) Unsecured Jamaican dollar denominated Bonds issued in December 2024 for a period of 3 years, due in full at maturity.

(n) Unsecured Jamaican dollar denominated Bonds issued in December 2024 for a period of 5 years, due in full at maturity.

(o) Unsecured US dollar denominated loan issued in December 2023 with a moratorium of 2 years, and thereafter principal is payable in 20 quarterly instalments of US$634,500 each commencing March 2026, with a final balloon payment of US$12.69 million in December 2030.

(p) Unsecured US dollar denominated short term facility repayable 12 January 2025.

(q) Drawdowns on unsecured US dollar denominated short term facility repayable in March to October 2025.

(r) Drawdowns on unsecured Jamaican dollar denominated short term facility repayable in January to August 2025.

(s) Unsecured Jamaican dollar denominated short term facility repayable 17 February 2025.

(t) Secured and unsecured Trinidad and Tobago dollar denominated amortizing facilities, bearing interest at rates ranging from 2.75% to 7.61% and with maturities from March 2025 to June 2029.

(u) Secured and unsecured United States dollar denominated amortizing facilities, bearing interest at rates ranging from 3.25% to 9% and with maturities from January 2025 to February 2039.

(v) Secured Guyana dollar denominated amortizing facilities bearing interest at 6.0% to 7% and with maturities from November 2027 to February 2037.

(w) Unsecured Jamaican dollar denominated amortizing facilities bearing interest at 6.95% to 8.5% and with maturities from October 2025 to June 2029.

(x) Unsecured Trinidad and Tobago dollar denominated 30 day rolling facilities bearing interest at rates ranging from 2.85% to 5.73% with option to re-draw on settlement.

(y) Unsecured Guyana dollar denominated 30 day rolling facilities bearing interest at 6.0% with option to re-draw on settlement.

## 29. Deferred Taxation

Deferred income taxes are calculated in full on temporary differences under the liability method using a tax rate of 25%. Deferred tax assets and liabilities recognised on the statement of financial position are as follows:

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | $'000 | $'000 | $'000 | $'000 |
| Deferred tax assets | 3,636,111 | 2,675,884 | 405,610 | 142,227 |
| Deferred tax liabilities | (4,387,967) | (4,003,406) | - | - |
| Net liabilities | (751,856) | (1,327,522) | 405,610 | 142,227 |

These amounts include deferred tax assets/liabilities to be recovered within 12 months of $281,218,000/$5,776,000 (2023 – $91,718,000/$73,703,000) for the Group; and net deferred tax assets/(liabilities) of $32,814,000 (2023 – $18,154,000) for the Company.

The movement in deferred taxation is as follows:

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | $'000 | $'000 | $'000 | $'000 |
| Balance at start of year | (1,327,522) | (932,379) | 142,227 | (71,704) |
| On acquisition of subsidiaries | 477,641 | - | - | - |
| Credited/(charged) to profit or loss (Note 10) | 119,314 | (354,596) | 265,053 | 152,042 |
| (Charged)/credited to other comprehensive income (Note 10) | (21,289) | (40,547) | (1,670) | 61,889 |
| Balance at end of year | (751,856) | (1,327,522) | 405,610 | 142,227 |

The deferred tax credited/(charged) to profit or loss comprises the following temporary differences:

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | $'000 | $'000 | $'000 | $'000 |
| Accelerated tax depreciation | (10,794) | (67,735) | (16,798) | (19,369) |
| Right of use assets, net of related lease obligation | 32,341 | 2,950 | - | - |
| Post-employment benefits | (12,229) | (10,896) | 398 | 420 |
| Tax losses carried forward | 260,142 | (156,628) | 266,793 | 154,695 |
| Urban Renewal tax credits carried forward | (188,545) | 293,269 | - | 25,283 |
| Other | 38,399 | (415,556) | 14,660 | (8,987) |
| | 119,314 | (354,596) | 265,053 | 152,042 |

The deferred tax assets and liabilities in the statement of financial position comprise the following temporary differences:

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | $'000 | $'000 | $'000 | $'000 |
| Accelerated tax depreciation | (290,143) | (612,997) | (59,057) | (42,259) |
| Right of use assets, net of related lease obligation | 180,893 | 76,194 | - | - |
| Post-employment benefits | (133,281) | (99,786) | 23,188 | 24,460 |
| Tax losses carried forward | 1,621,296 | 1,361,164 | 592,660 | 325,867 |
| Urban Renewal tax credits carried forward | 104,724 | 293,269 | 25,283 | 25,283 |
| Intangible assets recognised on business combinations | (1,248,467) | (1,248,467) | - | - |
| Revaluation of property | (1,262,320) | (1,262,320) | (209,278) | (209,278) |
| Other | 275,442 | 165,421 | 32,814 | 18,154 |
| | (751,856) | (1,327,522) | 405,610 | 142,227 |





## 29. Deferred Taxation (Continued)

Subject to agreement with the tax authority in which each Group entity operates, losses available for offset against future profits of the Group and the Company amount to $10,388,400,000 and $2,370,640,000 (2023 – $7,220,263,000 and $1,303,468,000), respectively.

This includes tax losses of a subsidiary amounting to $4,732,500,000 (2023 – $4,732,500,000) in respect of which, historically, no deferred tax assets have been created due to the Group's uncertainty regarding its ability to utilize those losses in the future. Following a Group restructuring exercise in 2019, this subsidiary that was previously unprofitable commenced earning profits and is projected to earn profits in the future. Consequently and based on its annually updated 5-year horizon forecasts following the restructuring, the Group recognized deferred tax assets of $453,374,000 (2023 – $453,374,000) at the rate of 25% in respect of a portion of the subsidiary's total tax losses brought forward as at the date of the statement of financial position.

## 30. Cash Provided by Operating Activities

| | The Group | | The Company | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| | $'000 | $'000 | $'000 | $'000 |
| Net profit/(loss) | 3,325,223 | 4,563,631 | 3,244,859 | (560,708) |
| Items not affecting cash resources: | | | | |
| Amortisation of intangible assets | 569,406 | 430,995 | - | - |
| Depreciation | 2,660,641 | 1,924,559 | 170,652 | 125,194 |
| Net foreign exchange gain and losses | (185,570) | 402,156 | 12,330 | 3,305 |
| Net gains and losses on disposal of property, plant and equipment | (22,982) | (9,472) | (5,800) | - |
| Adjustments to property, plant and equipment | 56,666 | (684) | - | (672) |
| Net impairment of long term receivables | (834) | (3,005) | - | - |
| Interest income | (98,652) | (108,419) | (309,827) | (315,040) |
| Amortisation of deferred fees | 55,507 | 68,947 | 42,361 | 51,469 |
| Share of results of joint venture & associates | (688,902) | (211,093) | - | - |
| Adjustment to investment in associate | (37,007) | - | - | - |
| Interest expense | 3,964,348 | 3,112,635 | 1,605,286 | 1,332,568 |
| Post-employment benefits | (75,597) | (815,434) | 1,591 | 1,679 |
| Dividend income | (92) | (83) | (4,431,621) | (422,029) |
| Taxation | 2,219,963 | 992,797 | (265,053) | (152,042) |
| | 11,742,118 | 10,347,530 | 64,778 | 63,724 |
| Changes in operating assets and liabilities: | | | | |
| Inventories | 1,121,913 | (1,473,737) | - | - |
| Trade and other receivables | (6,340,200) | (3,170,850) | (111,065) | (52,761) |
| Biological assets | (205,290) | 28,095 | - | - |
| Due from subsidiaries | - | - | 29,513,559 | (11,514,694) |
| Due to subsidiaries | - | - | (27,549,525) | 11,781,936 |
| Payables | 1,767,807 | 3,549,223 | 399,074 | 1,634,150 |
| | 8,086,348 | 9,280,261 | 2,316,821 | 1,860,585 |
| Taxation paid | (2,020,236) | (1,590,027) | (41,748) | 38,756 |
| Cash provided by operating activities | 6,066,112 | 7,690,234 | 2,275,073 | 1,899,341 |

## 31. Significant Non-cash Transactions

During the prior year, the Group acquired majority shareholdings in Retail Acquisition Company Limited/Stansfeld Scott (Barbados) Limited and Caribbean Producers (Jamaica) Limited. The Group also acquired the non-controlling interest in Bryden pi Limited. The acquisitions were partially funded by the issue of debt, ordinary shares and preference shares.

The details of the acquisitions are included in Note 36.

### 32. Contingencies and Commitments

(a) A subsidiary has leased sugar cane lands from the Government of Jamaica for an initial period of 50 years commencing 9 July 2009 with an option to renew for a further period of 25 years. The lease is fixed at a rate of US$53 per hectare per annum for the first 5 years, after which it will be renegotiated in accordance with the provisions of the lease contract. Based on the current rate of US$81.59 (2023 – US$78.45) per hectare per annum, the annual lease cost to the subsidiary is US$112,000 (2023 – US$124,000).

(b) At 31 December 2024, capital commitments for the Group amounted to approximately $Nil (2023 – $ Nil).

### 33. Litigation, Claims, Assessments and Provisions

The Group is subject to various claims, disputes and legal proceedings, as part of the normal course of business. Provision is made for such matters when, in the opinion of management and its professional advisors, it is probable that a payment will be made by the Group, and the amount can be reasonably estimated. In respect of claims asserted against the Group which, according to the principles outlined above, have not been provided for, management is of the opinion that such claims are either without merit, can be successfully defended or will result in exposure to the Group which is immaterial to both the financial position and results of operations.

### 34. Related Party Transactions

***Sales and purchases of goods and services***
During the year, the Group had sales of $252,511,000 (2023 – $235,520,000) to and purchases of $1,486,824,000 (2023 – $2,234,261,000) from Musson (Jamaica) Limited, T.Geddes Grant (Distributors) Limited and Jamaica Grain and Cereals Limited. The resulting receivables and payables in respect of these and other transactions are included in Notes 24 and 25, respectively.

A subsidiary paid cess of $6,934,000 (2023 – $9,276,000) based on the importation of copra-based and substitute products to Coconut Industry Board, a major shareholder of the Company.

***Key management compensation***

| | 2024<br>$'000 | 2023<br>$'000 |
|---|---|---|
| Wages and salaries | 1,464,166 | 1,210,683 |
| Statutory contributions | 50,130 | 41,489 |
| Other | 51,379 | 36,604 |
| | 1,565,675 | 1,288,776 |
| Directors' emoluments – | | |
| Fees | 26,556 | 22,607 |
| Medical insurance premiums | 9,631 | 7,090 |
| Management remuneration (included above) | 370,275 | 302,981 |

***Advances and loans***
Loans to related parties are disclosed in Note 20. Interest earned on these loans by the Group amounted to $39,144,000 (2023 – $40,161,000).





### 35. Assets Held for Sale and Discontinued Operations

In July 2019, the Group discontinued the sugar manufacturing operations carried on by Golden Grove Sugar Company Limited and advertised for sale certain assets directly for use in sugar manufacturing. The associated assets were reclassified from property, plant and equipment to assets held for sale in the statement of financial position. The movement in assets held for sale was as follows:

| | 2024<br>$'000 | 2023<br>$'000 |
|---|---|---|
| Balance at start of year | 285,761 | 285,761 |
| Disposal | - | - |
| Balance at end of year | 285,761 | 285,761 |

The results of the sugar manufacturing operations have been presented as a single item on the statement of comprehensive income as a net loss from discontinued operations. The details of the net loss from discontinued operations are as follows:

| | 2024<br>$'000 | 2023<br>$'000 |
|---|---|---|
| Change in the fair value of sugar cane | (13,687) | (17,036) |
| Other operating income | 10,432 | 31,913 |
| Recovery of long term receivables | 834 | 3,005 |
| Administration and other operating expenses | (40,467) | (66,862) |
| Net loss from discontinued operations | (42,888) | (48,980) |

The cash flows from the discontinued operations are as follows:

| | 2024<br>$'000 | 2023<br>$'000 |
|---|---|---|
| Net cashflow from operating activities | (30,035) | (34,949) |
| Net cashflow from investing activities | 834 | 3,005 |
| Net cashflow from discontinued operations | (29,201) | (31,944) |

**36. Business Combinations**

***Acquisition of Retail Acquisition Company Limited/Stansfeld Scott (Barbados) Limited***

Effective 1 March 2024, A.S. Bryden and Sons Holdings Limited acquired 55.0% of the share capital of Retail Acquisition Company Limited ("RACL"), a company incorporated and domiciled in Barbados and which holds the entire shareholding of Stansfeld Scott (Barbados) Limited ("SSBL"). SSBL is a distributor and retailer of fast moving consumer goods including food, alcoholic and non-alcoholic beverages, and health supplements. These operations have expanded the Group's presence and distribution capabilities in the Caribbean region.

SSBL contributed consolidated revenues, operating profit and net profit of $3,266,667,000, $87,147,000 and $38,088,000, respectively, for the 10 months ended 31 December 2024.

Details of net assets acquired are as follows:

| | $'000 |
|---|---|
| Property, plant and equipment | 147,798 |
| Right of use assets | 289,294 |
| Intangible assets | 1,047,880 |
| Inventories | 611,133 |
| Trade and other receivables | 516,350 |
| Cash and cash equivalents | 20,815 |
| Payables | (310,776) |
| Long term liabilities | (1,345,040) |
| Lease obligations | (289,294) |
| | 688,160 |
| Non-controlling interests | (294,813) |
| | 393,347 |

The goodwill on acquisition was determined as follows:

| | $'000 |
|---|---|
| Purchase consideration: | |
| Cash and cash equivalents | 65,688 |
| Loan used to directly fund the acquisition | 262,752 |
| Issue of preference shares by A.S. Bryden and Sons Holdings Limited | 656,880 |
| | 985,320 |
| Fair values of net assets acquired | (393,347) |
| | 591,973 |

The net cash outflow for the acquisition was as follows:

| | $'000 |
|---|---|
| Cash and cash equivalents forming part of purchase consideration | 65,688 |
| Less: Cash and cash equivalents in the acquired subsidiary | (20,815) |
| | 44,873 |





**36. Business Combinations (Continued)**

***Acquisition of Caribbean Producers (Jamaica) Limited***

A.S. Bryden and Sons Holdings Limited acquired 75% of the share capital of Caribbean Producers (Jamaica) Limited (CPJ), a company that is incorporated and domiciled in Jamaica, and is a leading food and premium beverage distributor for major global brands with a focus on serving hotels and resorts, and with operations in Jamaica and St. Lucia. Agreements for the acquisition of 45% of the share capital of CPJ were executed effective 1 July 2024, with the remaining 30% being completed effective 1 December 2024.

CPJ contributed consolidated revenues, operating profit and net profit of $12,535,506,000, $704,306,000 and $390,678,000, respectively, for the 10 months ended 31 December 2024.

The effect of the acquisition was determined provisionally in the financial statements for the year ended 31 December 2024.

Details of net assets acquired are as follows:

| | $'000 |
|---|---|
| Property, plant and equipment | 2,312,696 |
| Right of use assets | 1,495,736 |
| Intangible assets | 2,184,747 |
| Deferred tax assets | 477,641 |
| Inventories | 6,591,915 |
| Trade and other receivables | 2,944,920 |
| Taxation recoverable | 4,876 |
| Cash and cash equivalents | 1,551,212 |
| Payables | (1,774,105) |
| Taxation payable | (209,438) |
| Long term liabilities | (5,257,455) |
| Lease obligations | (1,836,642) |
| | 8,486,103 |
| Non-controlling interests | (2,411,130) |
| | 6,074,973 |

The goodwill on acquisition was determined as follows:

| | $'000 |
|---|---|
| Purchase consideration: | |
| Cash and cash equivalents | 1,910,794 |
| Loan used to directly fund the acquisition | 3,682,668 |
| Issue of ordinary shares by A.S. Bryden and Sons Holdings Limited | 2,774,766 |
| | 8,368,228 |
| Fair values of net assets acquired | (6,074,973) |
| | 2,293,255 |

The net cash outflow for the acquisition was as follows:

| | $'000 |
|---|---|
| Cash and cash equivalents forming part of purchase consideration | 1,910,794 |
| Less: Cash and cash equivalents in the acquired subsidiary | (1,551,212) |
| | 359,582 |

**36. Business Combinations (Continued)**

***Acquisition of non-controlling interest in Bryden pi Limited***
Effective 31 March 2024, A.S. Bryden and Sons Holdings Limited acquired the 10% non-controlling interest in Bryden pi Limited.

The effect of the acquisition was as follows:

| | $'000 |
|---|---|
| Purchase consideration: | |
| Cash and cash equivalents | 31,188 |
| Issue of preference shares by A.S. Bryden and Sons Holdings Limited | 907,120 |
| | 938,308 |
| Carrying value of non-controlling interest acquired | (891,388) |
| Reduction in equity attributable to stockholders | 46,920 |

**37. Post Balance Sheet Event**

***Proposed dividends***
At a meeting held on 30 April 2025, the Board of Directors approved a dividend of $0.605 per share payable on 6 June 2025 to shareholders on record as at 22 May 2025.

***Increase in shareholding of Caribbean Producers (Jamaica) Limited (CPJ)***
By virtue of the transaction effected 1 December 2024 resulting in the Group owning a 75% ownership stake in CPJ (Note 36), the Group was required to make a mandatory take-over bid to the remaining shareholders of CPJ. Pursuant to this offer, the Group sought to acquire up to 80% of the share capital of CPJ in exchange for ordinary shares in the A.S. Brydens Holdings Limited (ASBH).

As at the date of approval of these financial statements, the offer was closed and the Group issued ASBH ordinary shares in settlement of acceptances, thereby increasing it's ownership in CPJ to 80%.



# FORM OF PROXY

I..............................................................................................
(Name)

of..............................................................................................
(Address)

being a member of Seprod Limited, hereby appoint..............................................
(Name)

of..............................................................................................
(Address)

or failing him..............................................................................
(Name)

of..............................................................................................
(Address)

as my proxy to vote for me on my behalf at the Annual General Meeting of the Company to be held on the 28th day of July, 2025, and at any adjournment thereof.

Please indicate by inserting a tick in the appropriate box, how you wish your votes to be cast. Unless otherwise instructed, the proxy will vote or abstain from voting at his/her discretion.

| Resolution | For | Against |
|---|---|---|
| 1 | | |
| 2a | | |
| 2b | | |
| 3 | | |
| 4a | | |
| 4b | | |

................................................. .                ................................................. .

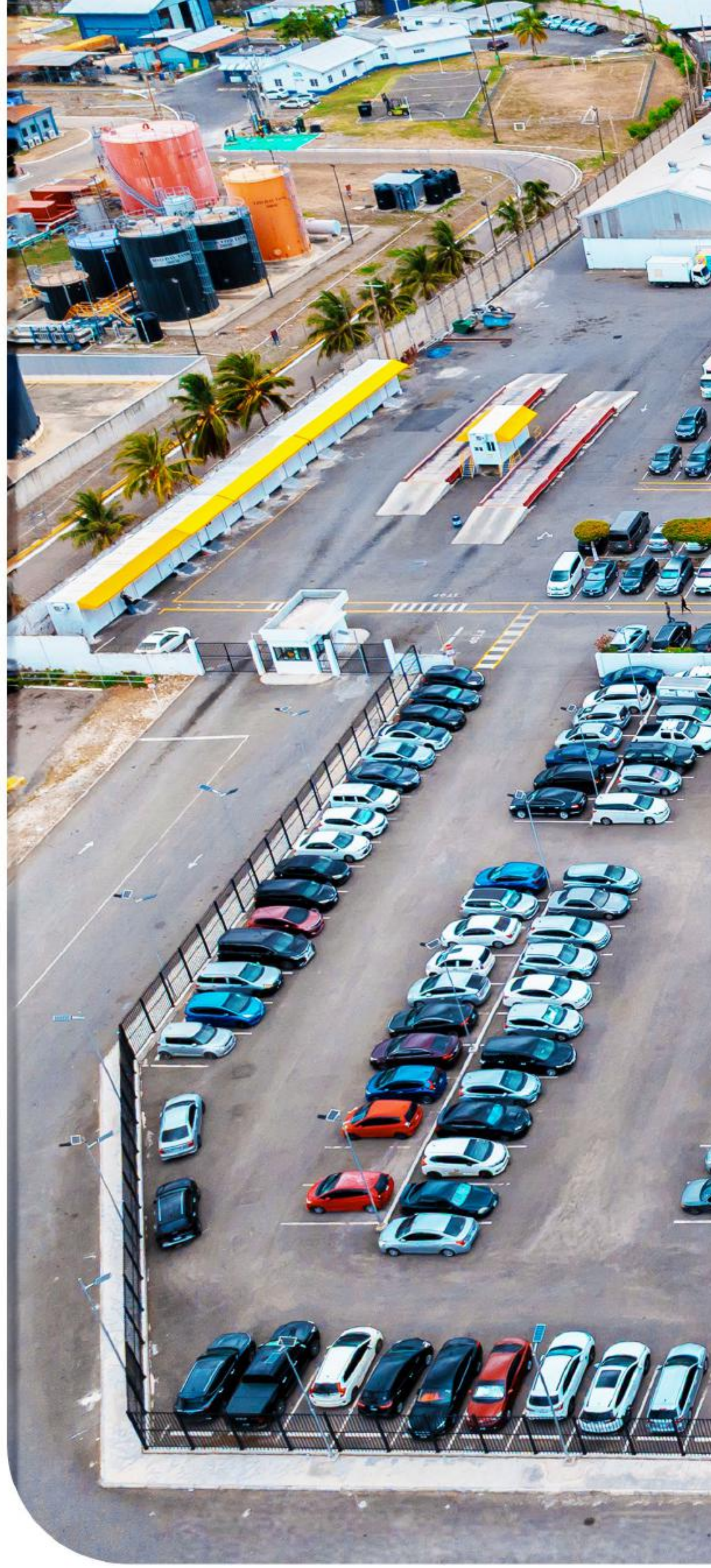
Signature                Date

**Notes:**

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

2)To be valid, this proxy must be lodged with the Secretary of the Company, 3 Felix Fox Boulevard, Kingston, not less than 48 hours before the time appointed for holding the meeting. A proxy need not be a member of the Company.

**$100.00 stamp to be affixed**



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