



JAMAICA PRODUCERS GROUP LIMITED

UNAUDITED GROUP RESULTS
13 WEEKS ENDED MARCH 30, 2019



Jamaica Producers Group Limited

UNAUDITED GROUP RESULTS

13 WEEKS ENDED MARCH 30, 2019



Chairman's Statement

For the **13-week** period ended March 30, 2019, Jamaica Producers Group Limited ('JP') increased consolidated net profit attributable to shareholders by 52% relative to the comparable period in 2018. JP's first quarter revenues are up 7% over the prior year. For the 2019 first quarter, JP earned revenues of \$4.8 billion and net profit attributable to shareholders of \$230 million. Both of our strategic business segments – Logistics & Infrastructure ('L&I') and Food & Drink ('F&D') generated improved revenues and profits relative to 2018.

JP Logistics & Infrastructure

The L&I Division accounts for the major share of the Group's net assets and, in turn, its profits. In addition to Kingston Wharves Limited (which operates a multipurpose port and logistics hub, and is the Group's largest subsidiary), the L&I Division also includes JP Shipping Services Limited (which operates logistics and shipping services between Caribbean ports and the United Kingdom). The L&I Division generated 2019 first quarter profit before finance cost and taxation of \$660 million, a 27% increase on the prior year. Divisional revenues were up 11% over the prior year, to \$2.0 billion. The Logistics & Infrastructure Division continues to benefit from a series of initiatives to develop Kingston Wharves as a leading regional multipurpose and multi-user terminal, and Newport West as a warehousing and logistics hub. During the first quarter, Kingston Wharves benefited from handling growing volumes of domestic and regional trade in a range of cargo types including bulk, breakbulk and automotive shipments.

JP Food & Drink

JP's F&D Division is the largest contributor to the revenues of the Group. The division earned first quarter 2019 profits before finance costs and taxation of \$150 million, compared to the prior year result of \$105 million – an increase of 42%. The JP F&D Division now comprises our portfolio of subsidiaries that are engaged in farming, food processing, distribution and retail of food and drink. The JP F&D business has production facilities in Europe and the Caribbean and operates a distribution centre in the United States. Our range of specialty food and drink products includes fresh juices, tropical snacks, fresh fruit and Caribbean rum-based baked goods and confectionery. A.L. Hoogesteger Fresh Specialist B.V. ('Hoogesteger') is the largest contributor to the revenues and profits of the F&D Division. This business is a market leader in fresh juice in Northern Europe and serves as a co-packer of juice for major supermarket and food service entities across the region. During the quarter, the JP F&D Division benefitted from a solid result in our European juice business, improved yields on our banana farms in Jamaica and growth in regional consumer and travel retail markets in which our JP St Mary's and Tortuga brands trade.

Outlook

Subsequent to the end of the first quarter, JP announced the sale of 30 percent of its snack food operations (including the JP St. Mary's brand) to Wisynco Group

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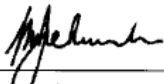
Limited ('WGL') for approximately \$740 million. The deal has been completed with effect from April 29th and as part of the deal, WGL was appointed the exclusive distributor for JP St. Mary's snacks in Jamaica. JP looks forward to partnering with Wisynco to continue to grow the JP St. Mary's brand in Jamaica and internationally and we are very optimistic about the prospects for this business. We expect sales growth to arise from more streamlined distribution and, importantly, from ongoing new product development in tropical snacks.

Jamaica Producers Group and its subsidiaries will continue a programme of capital investment that is designed to improve our product and service offerings while enhancing our operating efficiency. In line with this investment programme, during the quarter we completed the installation of a new large scale, high pressure processing line for our juice plant, and new bagging lines and power systems for our snack factory. Our Tortuga bakery also completed the product development work and launch programme for two new cake lines for Spanish language markets, and for a banana bread for the Jamaican market, made with JP St. Mary's bananas from our farm.

Kingston Wharves continues to roll out improved logistics services, facilities and systems with particular emphasis in the quarter on regional logistics services for motor vehicles, project cargo and bulk and breakbulk cargo. This business has further growth potential once all aspects of the new Special Economic Zone regime are established and functional.

This year we celebrate our 90th anniversary in business. JP started as a banana-growers' cooperative in 1929 in Jamaica. We elected to highlight this aspect of our heritage in our celebrations by establishing The Heritage Project. This project has two goals: (1) to introduce healthy green bananas into meals at our schools, based on a range of tasty recipes and at dramatically reduced prices, and (2) to invite primary school students across the island to visit our farms in order to share our view of the potential for the value and development of commercial agriculture in Jamaica. The project is successfully underway and is gaining positive momentum.

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



C. B. Johnston Chairman



Jamaica Producers Group Limited

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13 WEEKS ENDED MARCH 30, 2019

Group Statement of Financial Position

| | Unaudited as at March 30, 2019 | Unaudited as at March 31, 2018 | Audited as at December 31, 2018 |
|---|-----------------------------------|-----------------------------------|------------------------------------|
| | \$'000 | \$'000 | \$'000 |
| Current Assets | | | |
| Cash and cash equivalents | 572,566 | 773,516 | 836,176 |
| Short-term investments | - | - | 19,632 |
| Securities purchased under resale agreements | 4,302,270 | 3,240,316 | 4,467,950 |
| Accounts receivable | 2,757,900 | 2,710,832 | 2,245,045 |
| Other financial assets | 470,000 | - | 470,000 |
| Taxation recoverable | 13,723 | 8,233 | 30,638 |
| Inventories | 914,895 | 787,067 | 890,199 |
| Total Current Assets | 9,031,354 | 7,519,964 | 8,959,640 |
| Current Liabilities | | | |
| Accounts payable | 3,321,253 | 3,116,645 | 3,965,549 |
| Taxation | 87,695 | 103,454 | 151,423 |
| Current maturities of long term loans | 904,165 | 641,307 | 780,242 |
| Current lease liabilities | 190,508 | - | - |
| Total Current Liabilities | 4,503,621 | 3,861,406 | 4,897,214 |
| Working Capital | 4,527,733 | 3,658,558 | 4,062,426 |
| Non-Current Assets | | | |
| Biological assets | 76,216 | 83,314 | 81,140 |
| Interest in associates and joint venture | 786,783 | 626,581 | 803,747 |
| Investments | 81,847 | 95,398 | 88,311 |
| Intangible assets | 1,472,890 | 1,631,008 | 1,513,082 |
| Deferred tax asset | 4,396 | 1,917 | 3,730 |
| Property, plant and equipment | 21,398,627 | 21,284,318 | 21,624,039 |
| Right-of-use assets | 1,558,213 | - | - |
| Employee benefit asset | 1,985,258 | 1,174,675 | 1,985,258 |
| Total Non-Current Assets | 27,364,230 | 24,897,211 | 26,099,307 |
| Total Assets Less Current Liabilities | 31,891,963 | 28,555,769 | 30,161,733 |
| Equity | | | |
| Share capital | 112,214 | 112,214 | 112,214 |
| Reserves | 12,164,742 | 11,353,123 | 11,997,858 |
| Total equity attributable to equity holders of the parent | 12,276,956 | 11,465,337 | 12,110,072 |
| Non-Controlling Interest | 12,953,647 | 11,647,421 | 12,675,000 |
| Total Equity | 25,230,603 | 23,112,758 | 24,785,072 |
| Non-Current Liabilities | | | |
| Deferred tax liability | 1,320,945 | 1,194,665 | 1,307,140 |
| Long term loans | 3,648,858 | 3,890,554 | 3,742,739 |
| Long term lease liabilities | 1,364,775 | - | - |
| Employee benefit obligations | 326,782 | 357,792 | 326,782 |
| Total Non-Current Liabilities | 6,661,360 | 5,443,011 | 5,376,661 |
| Total Equity and Non-Current Liabilities | 31,891,963 | 28,555,769 | 30,161,733 |
| Parent company stockholders' equity per ordinary stock unit: | | | |
| Based on stock units in issue | \$10.94 | \$10.22 | \$10.79 |



Jamaica Producers Group Limited

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13 WEEKS ENDED MARCH 30, 2019

Group Statement of Profit or Loss

| | Notes | Unaudited 13 weeks ended March 30, 2019 \$'000 | Unaudited 13 weeks ended March 31, 2018 \$'000 |
|---|-------|---|---|
| Gross operating revenue | 3 | 4,789,679 | 4,479,348 |
| Cost of operating revenue | | (3,138,900) | (3,143,345) |
| Gross profit | | 1,650,779 | 1,336,003 |
| Other income | | (27,826) | 53,050 |
| Selling, administration and other operating expenses | | (876,625) | (815,257) |
| Profit from operations | | 746,328 | 573,796 |
| Share of profits/(losses) in associates and joint venture | | 453 | (421) |
| Profit before finance cost and taxation | | 746,781 | 573,375 |
| Finance cost - interest | | (79,016) | (98,262) |
| Profit before taxation | | 667,765 | 475,113 |
| Taxation charge | | (156,614) | (112,206) |
| Profit for the period | | 511,151 | 362,907 |
| Attributable to: | | | |
| Parent company stockholders | | 230,375 | 151,618 |
| Non-controlling interest | | 280,776 | 211,289 |
| | | 511,151 | 362,907 |
| Profit per ordinary stock unit: | 4 | | |
| Based on stock units in issue | | 20.53 ¢ | 13.51 ¢ |
| After exclusion of stock units held by ESOP | | 22.05 ¢ | 14.51 ¢ |



Jamaica Producers Group Limited

UNAUDITED GROUP RESULTS

13 WEEKS ENDED MARCH 30, 2019

Group Statement of Profit or Loss and Other Comprehensive Income

| | Unaudited 13 weeks ended March 30, 2019 \$'000 | Unaudited 13 weeks ended March 31, 2018 \$'000 |
|---|---|---|
| Profit for the period | <u>511,151</u> | <u>362,907</u> |
| Other comprehensive income: | | |
| Items that may be reclassified to profit or loss: | | |
| Exchange (losses)/gains on translating foreign operations | (<u>70,433</u>) | <u>54,994</u> |
| | (<u>70,433</u>) | <u>54,994</u> |
| Total comprehensive income for the period | <u><u>440,718</u></u> | <u><u>417,901</u></u> |
| Attributable to: | | |
| Parent company stockholders | 166,883 | 204,503 |
| Non-controlling interest | <u>273,835</u> | <u>213,398</u> |
| | <u><u>440,718</u></u> | <u><u>417,901</u></u> |



Jamaica Producers Group Limited

UNAUDITED GROUP RESULTS

13 WEEKS ENDED MARCH 30, 2019

Group Statement of Changes in Equity

| | Share Capital \$'000 | Share Premium \$'000 | Capital Reserves \$'000 | Reserve For Own Shares \$'000 | Retained Profits \$'000 | Parent Company Stockholders' Equity \$'000 | Non- Controlling Interest \$'000 | Total Equity \$'000 |
|---|----------------------------|----------------------------|-------------------------------|--|-------------------------------|--|---|---------------------------|
| Balances at December 31, 2017 | 112,214 | 135,087 | 2,308,929 | (72,419) | 8,777,022 | 11,260,833 | 11,484,023 | 22,744,856 |
| Changes in equity: | | | | | | | | |
| Profit for the period | - | - | - | - | 151,618 | 151,618 | 211,289 | 362,907 |
| Other comprehensive income | | | | | | | | |
| Exchange gains arising on retranslation of foreign operations | - | - | 52,886 | - | - | 52,886 | 2,109 | 54,994 |
| Total other comprehensive income | - | - | 52,886 | - | - | 52,886 | 2,109 | 54,994 |
| Total comprehensive income for the period | - | - | 52,886 | - | 151,618 | 204,504 | 213,398 | 417,901 |
| Other reserve movements | | | | | | | | |
| Other transfer to capital reserve | - | - | 15,924 | - | (15,924) | - | - | - |
| Transactions with owners recorded directly in equity | | | | | | | | |
| Net movement in subsidiary ESOP | - | - | - | - | - | - | (50,000) | (50,000) |
| Total transactions with owners recorded directly in equity | - | - | - | - | - | - | (50,000) | (50,000) |
| Total increase in equity | - | - | 68,810 | - | 135,694 | 204,504 | 163,398 | 367,901 |
| Balances at March 31, 2018 | 112,214 | 135,087 | 2,377,739 | (72,419) | 8,912,716 | 11,465,337 | 11,647,421 | 23,112,758 |
| Retained in the financial statements of: | | | | | | | | |
| The company | 112,214 | 135,087 | 1,297,715 | - | 2,579,158 | 4,124,174 | | |
| Subsidiary companies | - | - | 1,080,024 | (72,419) | 6,253,785 | 7,261,390 | | |
| Associate companies and joint venture | - | - | - | - | 79,773 | 79,773 | | |
| Balances at March 31, 2018 | 112,214 | 135,087 | 2,377,739 | (72,419) | 8,912,716 | 11,465,337 | | |



Jamaica Producers Group Limited

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13 WEEKS ENDED MARCH 30, 2019

Group Statement of Changes in Equity (cont'd)

| | Share Capital | Share Premium | Capital Reserves | Reserve For Own Shares | Retained Profits | Parent Company Stockholders' Equity | Non- Controlling Interest | Total Equity |
|--|------------------|------------------|---------------------|------------------------------|---------------------|--|---------------------------------|-------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 | \$'000 |
| Balances at December 31, 2018 | <u>112,214</u> | <u>135,087</u> | <u>2,063,906</u> | <u>(80,144)</u> | <u>9,879,009</u> | <u>12,110,072</u> | <u>12,675,000</u> | <u>24,785,072</u> |
| Changes in equity: | | | | | | | | |
| Profit for the period | - | - | - | - | 230,375 | 230,375 | 280,776 | 511,151 |
| Other comprehensive income | | | | | | | | |
| Exchange (losses) arising on retranslation of foreign operations | - | - | (63,492) | - | - | (63,492) | (6,941) | (70,433) |
| Total other comprehensive loss | - | - | (63,492) | - | - | (63,492) | (6,941) | (70,433) |
| Total comprehensive (loss)/ income for the period | - | - | (63,492) | - | 230,375 | 166,883 | 273,835 | 440,718 |
| Other reserve movements | | | | | | | | |
| Other transfer to capital reserve | - | - | 3,170 | - | (3,170) | - | - | - |
| Transactions with owners recorded directly in equity | | | | | | | | |
| Net movement in subsidiary ESOP | - | - | - | - | - | - | 4,812 | 4,812 |
| Total transactions with owners recorded directly in equity | - | - | - | - | - | - | 4,812 | 4,812 |
| Total (decrease)/increase in equity | - | - | (60,322) | - | 227,205 | 166,883 | 278,647 | 445,530 |
| Balances at March 30, 2019 | <u>112,214</u> | <u>135,087</u> | <u>2,003,584</u> | <u>(80,144)</u> | <u>10,106,215</u> | <u>12,276,956</u> | <u>12,953,647</u> | <u>25,230,603</u> |
| Retained in the financial statements of: | | | | | | | | |
| The company | 112,214 | 135,087 | 1,167,202 | - | 2,514,836 | 3,929,339 | | |
| Subsidiary companies | - | - | 836,382 | (80,144) | 7,398,564 | 8,154,802 | | |
| Associate companies and joint venture | - | - | - | - | 192,815 | 192,815 | | |
| Balances at March 30, 2019 | <u>112,214</u> | <u>135,087</u> | <u>2,003,584</u> | <u>(80,144)</u> | <u>10,106,215</u> | <u>12,276,956</u> | | |



Jamaica Producers Group Limited

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13 WEEKS ENDED MARCH 30, 2019

Group Statement of Cash Flows

| | Unaudited as at 13 weeks ended March 30, 2019 \$'000 | Unaudited as at 13 weeks ended March 31, 2018 \$'000 |
|--|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit for the period | 511,151 | 362,907 |
| Adjustments for items not affecting cash: | | |
| Depreciation and amortisation | 325,197 | 290,497 |
| Share of (profits)/ losses in associates | (453) | 421 |
| (Profits)/ losses on disposal of fixed assets and investments | (569) | 871 |
| Exchange movement in working capital | 194,346 | 10,250 |
| Taxation charge | 156,614 | 112,206 |
| Net interest expense | 79,016 | 71,942 |
| | <u>1,265,302</u> | <u>849,094</u> |
| Increase in current assets | (563,802) | (270,017) |
| Decrease in current liabilities | (494,615) | (184,584) |
| CASH PROVIDED BY OPERATING ACTIVITIES | <u>206,885</u> | <u>394,493</u> |
| CASH FLOWS FROM INVESTMENT ACTIVITIES | | |
| Additions to property, plant, equipment, intangible assets and biological assets | (285,616) | (401,230) |
| Proceeds on disposals | 6,668 | 173 |
| Movement in short term investments and repos | 185,312 | 564,715 |
| Net movement in interest in associates and joint venture | 17,512 | (1,456) |
| Net movement in own shares held by group ESOPs | - | (50,000) |
| Movement in long term loans receivable | 3,366 | 3,123 |
| Interest received | 43,167 | 29,724 |
| CASH (USED)/PROVIDED BY INVESTMENT ACTIVITIES | <u>(29,591)</u> | <u>145,049</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Net movement in loans and short term credit lines | (5,832) | (251,105) |
| Interest paid | (102,513) | (132,716) |
| Distribution to non-controlling interest | (207,199) | (162,976) |
| Dividends paid | (125,360) | (104,483) |
| CASH USED BY FINANCING ACTIVITIES | <u>(440,904)</u> | <u>(651,280)</u> |
| Net decrease in cash and cash equivalents | <u>(263,610)</u> | <u>(111,738)</u> |
| Cash at beginning of the period | 836,176 | 885,254 |
| Cash at end of the period | <u>572,566</u> | <u>773,516</u> |



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Notes to the Financial Statements

1. Group's Operations and Activities

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

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

During the prior year a subsidiary, Kingston Wharves Limited, acquired a 50% interest in SSL REIT Limited, a company engaged principally in the rental of warehousing facilities.

Following the end of the quarter the group divested 30% of its equity and debt interests in its subsidiary, JP Snacks Caribbean Limited (formerly Central American Banana (2005) Limited) to Wisynco Group Limited. JP Snacks Caribbean Limited is responsible for the group's tropical snack manufacturing operations and the marketing of the JP St Mary's brand in Jamaica and internationally.

2. Basis of Presentation

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

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

During the current and prior year a number of new or amended standards became applicable for the current reporting period. The group has assessed these and has adopted those which are relevant to its financial statements. Their adoption did not result in any changes to amounts recognised or disclosed in these financial statements. A summary of these new or amended standards is below:

IFRS 16, Leases

The Group has adopted IFRS 16 retrospectively from January 1, 2019 but has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard.

On adoption of IFRS 16, the group recognised a liability in relation to leases, which had previously been classified as 'operating leases' under the principles of IAS 17 Leases. The liability is measured at the present value of the remaining lease payments, discounted using appropriate weighted average incremental borrowing rates applied on 1 January 2019 with rates ranging from 3% to 7.5%. The associated right-of-use asset for the property lease is measured at the amount equal to the lease liability.



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Notes to the Financial Statements (cont'd)

2. Basis of Presentation (cont'd)

IFRS 9, Financial Instruments

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, de-recognition of financial instruments and impairment of financial assets. The adoption of IFRS 9 from January 1, 2018 resulted in changes in accounting policies but no material adjustments were recognised in the financial statements.

IFRS 15, Revenue from Contracts with Customers

IFRS 15 replaces the provisions of IAS 18 that relate to the recognition of revenue. The adoption of IFRS 15 from January 1, 2018 resulted in changes in accounting policies but this has not resulted in any material adjustments in the financial statements.

3. Gross operating revenue

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

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

Profit per ordinary stock unit is calculated by dividing profit attributable to the group of \$230,375,000 by 1,122,144,036, being the total number of ordinary stock units in issue during the period and a weighted average number of ordinary stock units in issue (excluding those held by the ESOP) during the period. The weighted average number of ordinary stock units in issue (excluding those held by the ESOP) for the period ended March 30, 2019 was 1,044,670,045 (2018 - 1,044,832,060) stock units.

Stockholders' equity per ordinary stock unit is calculated by dividing the parent company stockholders' equity by 1,122,144,036 being the total number of ordinary stock units in issue at the end of the period and 1,044,670,045 (2018 – 1,044,832,060), representing the total number of ordinary stock units in issue for the period ended March 30, 2019 less those held by the ESOP at the same date.

5. Accounting Policies

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

a. Business combinations

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



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Notes to the Financial Statements (cont'd)

5. Accounting Policies (cont'd)

b. Subsidiaries

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

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

c. Associates

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

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

d. Intangible assets and goodwill

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

(ii) Other intangible assets

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

(iii) Subsequent expenditure

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



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Notes to the Financial Statements (cont'd)

5. Accounting Policies (cont'd)

d. Intangible assets and goodwill (cont'd)

(iv) Amortisation

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

The estimates of useful lives are as follows:

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

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

e. Segment reporting

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

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

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



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Notes to the Financial Statements (cont'd)

6. Segment Results

2019

| | JP Food & Drink | JP Logistics & Infrastructure | Corporate Services | Group |
|---|------------------|----------------------------------|--------------------|------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Gross revenue | 2,746,796 | 2,043,142 | 22,256 | 4,812,195 |
| Inter - segment revenue | (1,352) | - | (21,163) | (22,516) |
| Revenue from external sources | <u>2,745,444</u> | <u>2,043,142</u> | <u>1,093</u> | <u>4,789,679</u> |
| Profit before finance cost and taxation | <u>150,126</u> | <u>659,602</u> | (<u>62,946</u>) | 746,781 |
| Finance cost - interest | | | | (79,016) |
| Profit before taxation | | | | 667,765 |
| Taxation | | | | (156,614) |
| Non-controlling interest | | | | (280,776) |
| Net profit attributable to parent company stockholders | | | | <u>230,375</u> |

2018

| | JP Food & Drink | JP Logistics & Infrastructure | Corporate Services | Group |
|---|------------------|----------------------------------|--------------------|------------------|
| | \$'000 | \$'000 | \$'000 | \$'000 |
| Gross revenue | 2,643,650 | 1,834,624 | 26,286 | 4,504,560 |
| Inter - segment revenue | (1,113) | - | (24,099) | (25,212) |
| Revenue from external sources | <u>2,642,537</u> | <u>1,834,624</u> | <u>2,187</u> | <u>4,479,348</u> |
| Profit before finance cost and taxation | <u>105,431</u> | <u>520,379</u> | (<u>52,435</u>) | 573,375 |
| Finance cost - interest | | | | (98,262) |
| Profit before taxation | | | | 475,113 |
| Taxation | | | | (112,206) |
| Non-controlling interest | | | | (211,289) |
| Net profit attributable to parent company stockholders | | | | <u>151,618</u> |

7. Seasonal Variations

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

8. Foreign Currency Translation

Overseas revenues and expenses have been translated at average exchange rates of J\$142.82 (2018: J\$148.91) to €1, J\$166.86 (2018: J\$172.99) to £1 and J\$129.48 (2018: J\$124.94) to US\$1.

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



Jamaica Producers Group Limited

UNAUDITED GROUP RESULTS


13 WEEKS ENDED MARCH 30, 2019

Notes to the Financial Statements (cont'd)

8. Foreign Currency Translation (cont'd)

| | <u>J\$/€</u> | <u>J\$/£</u> | <u>J\$/US\$</u> |
|-------------------|--------------|--------------|-----------------|
| March 30, 2019 | 134.41 | 163.58 | 123.69 |
| December 31, 2018 | 135.92 | 161.10 | 126.68 |
| March 31, 2018 | 150.04 | 175.48 | 125.07 |
| December 31, 2017 | 147.10 | 165.35 | 124.11 |

On behalf of the Board


C.H. Johnston

Chairman

J. Hall

Group Managing Director

May 7, 2019

