

# CONDENSED CONSOLIDATED UNAUDITED INTERIM FINANCIAL REPORT

FOR THE SIX MONTHS ENDED JUNE 30, 2021





### CONDENSED CONSOLIDATED INCOME STATEMENT J\$'000 AUDITED UNAUDITED **Three Months Six Months** Year Jan to Dec Apr to Jun Jan to Jun Notes 2021 2020 2021 2020 2020 9,331,190 4.783.276 20.108.049 Revenue 6.342.480 12.307.862 Cost of sales (3,345,081)(2,529,621) (6,428,039)(5,209,959) (10,971,463) **Gross profit** 2,997,399 2,253,655 5,879,823 4,121,231 9.136.586 (677,429)(603,598)(1,259,442)(1,254,976)(2,354,597)Operating expenses Operating earnings before other 1,650,057 expenses, net 2,319,970 4,620,381 2,866,255 6,781,989 (139,391)Other expenses, net (151,723)(62,857)(192, 263)(495,422)Operating earnings 2,726.864 6,286,567 1.587,200 4,428,118 2,168,247 2.745 Financial income 2.325 7.074 4.504 10.363 (137,995)(166,707) (300,092)(330,484)(811,755) Financial expenses (258,483) Loss on foreign exchange, net (657.899)(49,920)(375.936)(1,060,275)1,046,882 3,876,617 1,742,985 4,424,900 Earnings before taxation 1,983,077 Taxation charge (418,809) (525,763)(785,851) (738,672)(1,228,207)CONSOLIDATED NET INCOME 521,119 3,090,766 1,004,313 3,196,693 1,564,268 Earnings per stock unit (expressed in \$ per stock unit) 1.84 0.61 3.63 1.18 3.76

| CONDENSED CONSOLIDATED ST | TATEMENT OF OTHER COMPREHENSIVE IN | NCOME    |
|---------------------------|------------------------------------|----------|
| \$'000                    |                                    |          |
| p 000                     | HMALIDITED                         | ALIDITED |

| 72,000  | UNAUDITED                  |          |                          | AUDITED   |                    |
|---|----------------------------|----------|--------------------------|-----------|--------------------|
|   | Three Months<br>Apr to Jun |          | Six Months<br>Jan to Jun |           | Year<br>Jan to Dec |
|   | 2021                       | 2020     | 2021                     | 2020      | 2020               |
| CONSOLIDATED NET INCOME   | 1,564,268                  | 521,119  | 3,090,766                | 1,004,313 | 3,196,693          |
| Items that will not be reclassified subsequently to the income statement:   |                            |          |                          |           |                    |
| Net actuarial gains from remeasurement of employee benefits obligation  | -                          | -        | -                        | -         | 3,142              |
| Deferred tax recognised directly in other comprehensive income  | -                          | -        | -                        | -         | (786)              |
|   | -                          | -        | -                        | •         | 2,356              |
| Items that are or may be reclassified subsequently to the income statement: Effects from derivative financial instruments |                            |          |                          |           |                    |
| designated as cash flow hedge   | 36,053                     | (16,240) | 41,346                   | (3,227)   | 22,349             |
|   | 36,053                     | (16,240) | 41,346                   | (3,227)   | 22,349             |
| Total items of other comprehensive income (loss), net   | 36,053                     | (16,240) | 41,346                   | (3,227)   | 24,705             |
| TOTAL COMPREHENSIVE INCOME  | 1,600,321                  | 504,879  | 3,132,112                | 1,001,086 | 3,221,398          |

| CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION                          |                        |                         |                          |
|---|------------------------|-------------------------|--------------------------|
| J \$'000  | UNAUDITED              |                         | AUDITED                  |
|   | 30.06.21               | 30.06.20                | 31.12.20                 |
| ASSETS  | 00.00.21               | 00:00:20                | 01112120                 |
| CURRENT ASSETS  |                        |                         |                          |
| Cash at bank and on hand  | 308,656                | 526,817                 | 513,136                  |
| Trade accounts receivable, net  | 319,742                | 471,448                 | 141,401                  |
| Other accounts receivable   | 101,520                | 84,271                  | 88,782                   |
| Inventories, net  | 2,785,070              | 1,993,031               | 2,370,708                |
| Accounts receivable from related parties  | 96,466                 | 51,507                  | 150,057                  |
| Other current assets  | 47,287                 | 83,999                  | 74,109                   |
| Total current assets  | 3,658,741              | 3,211,073               | 3,338,193                |
| NON-CURRENT ASSETS  | 00 460 000             | 00 000 000              | 00 001 005               |
| Property, machinery and equipment, net Accounts receivable from related parties | 22,463,900<br>10,273   | 23,206,606              | 22,981,295<br>1,521      |
| ,   | -,                     | -                       |                          |
| Total non-current assets  |                        | 23,206,606              | 22,982,816               |
| TOTAL ASSETS  | 26,132,914             | 26,417,679              | 26,321,009               |
| LIABILITIES AND STOCKHOLDERS' EQUITY  |                        |                         |                          |
| CURRENT LIABILITIES   |                        |                         |                          |
| Other financial obligations   | 1,110,817              |                         | 1,108,114                |
| Trade payables  | 3,806,104              |                         | 3,058,807                |
| Accounts payable to related parties   | 362,105                | 381,004                 | 585,169                  |
| Other current liabilities   | 1,562,233              | 1,230,458               | 1,838,493                |
| Total current liabilities   | 6,841,259              | 4,751,969               | 6,590,583                |
| NON-CURRENT LIABILITIES   | 500,000                | 7,004,005               | 4 440 050                |
| Long-term debt  | 500,000                | 7,031,385               | 4,442,650                |
| Other financial obligations   | 1,326,198              | 2,645,805               | 1,122,416                |
| Employee benefits obligation Deferred tax liabilities                           | 915,009                | 858,378                 | 882,360                  |
| Long-term accounts payable to related parties                                   | 1,833,915              | 1,762,466<br>1,972      | 1,700,957                |
| Other non-current liabilities   | 52,499                 | 54,094                  | 50,121                   |
| Total non-current liabilities   |                        | - ,                     | ,                        |
|   | 4,627,621              | 12,354,100              | 8,198,504                |
| TOTAL LIABILITIES   | 11,468,880             | 17,106,069              | 14,789,087               |
| STOCKHOLDERS' EQUITY  |                        |                         |                          |
| Share capital:  | 1 000 007              | 1 000 007               | 1 000 007                |
| Ordinary stock units Capital contribution                                       | 1,808,837<br>3,839,090 | 1,808,837<br>3,839,090  | 1,808,837<br>3,839,090   |
| •   | 3,039,090              | 3,039,090               | 3,039,090                |
| Reserves:   | 4.425.55               | 4 445 55:               | 4.42.55                  |
| Realised capital gain   | 1,413,661              | 1,413,661               | 1,413,661                |
| Other equity reserves   | 2,606,002              | 1,251,279               | 2,564,656                |
| Accumulated net income  | 4,996,444              | 998,743                 | 1,905,678                |
|   |                        |                         |                          |
| TOTAL STOCKHOLDERS' EQUITY TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY           | 14,664,034             | 9,311,610<br>26,417,679 | 11,531,922<br>26,321,009 |

Approved and authorised for issue by the Board of Directors on July 28, 2021 and signed on its behalf by:

## **DIRECTORS' STATEMENT**

### Health and Safety and COVID-19

Despite ongoing challenges from the COVID-19 pandemic, Caribbean Cement Company Limited showed robust growth in the 2nd quarter of

The Company continues to enforce the 52 COVID-19 protocols developed by Cemex to keep all our employees, contractors, and visitors safe.

Among several proactive steps we implemented to confront the pandemic includes random testing of all employees and contractors accessing our facilities, work-from-home measures, implementation of sanitisation

stations and deep cleaning and sanitising of the premises. The Company also continues to ensure that customer centricity, community partnership and strong operational and financial performance

At the end of June, the Company has achieved 1,379 days free from injuries from our employees and 709 days for our contractors.

Corporate Social Responsibility

We continue to promote the development of the communities in which we serve as well as the nation. Most recently, we commissioned a 600-metre roadway in the community of Denham Farms in Manchester.

The concrete roadway will enable more than 50 farmers from the community, who cultivate crops such as sweet and hot peppers, yarns, tomatoes, and Irish potatoes, to transport their produce more quickly to the market. Over 40 people from the community were employed on the project and all materials sourced were from hardware stores within the community.

This project is part of our social outreach effort focused on local communities and include other similar projects in the East Rural St. Andrew, St. Andrew South Eastern, Cambridge in Bull Bay, St. Andrew and

Aligned with CEMEX's strong commitment to Carbon Action and pursuit of a circular economy, Caribbean Cement Company Limited signed a memorandum of understanding in June with the Government of Jamaica to recycle end-of-life tyres located at Riverton City refuse depositary in Kingston as well as other disposal sites across the island.

Under the 10-year National Programme for the Environmentally Sound Management of End-of-Life Pneumatic Tyres, Caribbean Cement Company Limited will safely recycle approximately 320,000 tyres a year, which will be used to heat the cement kilns. This effort benefits the country by reducing the amount of landfill waste on

the island as well as by recycling the tyres to provide energy to substitute fossil fuels for the cement kilns. Importantly, methane gas emitted from landfills generates 80 times the warming power of carbon dioxide in the atmosphere during the first twenty years of its release tonio A Lyen-Ayee

Parris A. Lyew-Ayee

July 28, 2021

Financial Performance

In terms of the Company's financial performance for the second quarter Caribbean Cement Company Limited earned revenue of \$6.3 billion, representing a 33% growth when compared with the corresponding period in 2020. In a year to date basis, the Company recorded a revenue of \$12.3 billion, 32% higher than 2020. This increase in revenue was mainly

attributable to the stronger domestic demand and the Company's capacity to supply the local market.

Net "operating earnings before other expenses" for the period was \$2.3 billion representing an increase of 41% when compared to the second quarter of the prior year. For the first half 2021, the Company recorded Net "operating earnings before other expenses" of \$4.6 billion, 61% better than the first half of 2020. The increase in revenue and the Company's efficiency

in operating cost control have been a fundamental factor for the solid operating results. The Company recorded "earnings before taxation" of \$2.0 billion, representing an improvement over the \$1.0 billion achieved in the second quarter last year. The Company continues with an aggressive USD debt repayment policy which has allowed it to reduce the financial expenses by \$29 million and the Company's foreign exchange risk compared with the

corresponding period last year. The overall "consolidated net income" of \$1.6 billion was higher than that of the second quarter 2020 by \$1.0 billion.

In relation to cash flow, "net cash provided by operating activities" was \$1.7 billion for the quarter and \$4.0 billion for the year. The cash flow generation during the quarter and the available cash at the beginning of the period have allowed the Company to reduce debt by \$2.0 billion during the quarter and by \$6.5 billion compared with second quarter, 2020.

Outlook

Caribbean Cement Company Limited will continue to be responsive to market conditions and opportunities to improve our business performance. We are encouraged by strong domestic demand and will continue to demonstrate the resilience and strategic planning necessary to meet unexpected spikes. The investments made over the last few years have prepared us to

capitalise on commercial opportunities. We expect continued buoyancy in the construction sector, driven by both government-initiated infrastructure projects and the many private development initiatives. We are optimistic that the vaccine programme in our country will lead to reopening of the economy, which will be accompanied by the

galvanizing of private investment. We are continuing to play our part in educating our employees, reinforcing the "Behaviours that Save Lives" while keeping the collective responsibilities and partnerships necessary for Jamaica's recovery at the forefront of our

**AUDITED** 

Year Jan to Dec

2020

8,310,524

3,196,693

11,531,922

22,349

2,356 3,221,398

AUDITED

2020

8,310,524

1,004,313

1,001,086

9,311,610

(3,227)

Six Months

Yago Castro

July 28, 2021

| UNAU Months 5 Jun 2020 521,119 401,454 (694) (2,325) 128,587 525,763 19,066 13,250 - 6,245 219,004 (64,861) 1,766,608 (5,999) 2,325 (120,212)                | Six M  | 0 nths o Jun 2020 1,004,313 764,955 (385) (4,504) 285,508 738,672 28,599 26,102 - 9,284 366,842 (32,243) 3,187,143 (9,268) 4,504 (286,368)                 | AUDITEI Year Jan to De 2020 3,196,68 1,536,26 (8( (10,36,500,66) 1,228,22 (1,33,(5,57,64,86,4,00) (39,88,75,44,221,16 8,03,20,06 252,26 741,23 7,790,98 (29,04,10,36) |
|--|--|--|---|
| 2020 521,119 401,454 (694) (2,325) 128,587 525,763 19,066 13,250 - 6,245 219,004 (64,861) 1,766,608 (5,999) 2,325  | 3,090,766 758,490 (86) (7,074) 170,337 785,851   | 1,004,313 764,955 (385) (4,504) 285,508 738,672 28,599 26,102 - 9,284 366,842 (32,243) 3,187,143 (9,268) 4,504   | 3,196,69<br>1,536,26<br>(80,10,36<br>500,60<br>1,228,20<br>(1,33<br>(5,5)<br>64,86<br>4,00<br>(39,88<br>75,48<br>221,16<br>8,00<br>252,26<br>741,23                   |
| 401,454<br>(694)<br>(2,325)<br>128,587<br>525,763<br>-<br>-<br>19,066<br>13,250<br>-<br>6,245<br>219,004<br>(64,861)<br><b>1,766,608</b><br>(5,999)<br>2,325 | 758,490<br>(86)<br>(7,074)<br>170,337<br>785,851<br>-<br>23<br>-<br>1,511<br>7,599<br>116,194<br>2,378<br>11,184<br>109,057<br>71,407<br><b>5,117,637</b><br>(14,692)<br>7,074 | 764,955<br>(385)<br>(4,504)<br>285,508<br>738,672<br>-<br>-<br>-<br>28,599<br>26,102<br>-<br>9,284<br>366,842<br>(32,243)<br>3,187,143<br>(9,268)<br>4,504 | 1,536,26<br>(80<br>(10,36<br>500,60<br>1,228,20<br>(1,33<br>(5,57<br>64,86<br>4,00<br>(39,86<br>75,46<br>221,16<br>8,09<br>20,06<br>252,26<br>741,23                  |
| 401,454<br>(694)<br>(2,325)<br>128,587<br>525,763<br>-<br>-<br>19,066<br>13,250<br>-<br>6,245<br>219,004<br>(64,861)<br><b>1,766,608</b><br>(5,999)<br>2,325 | 758,490<br>(86)<br>(7,074)<br>170,337<br>785,851<br>-<br>23<br>-<br>1,511<br>7,599<br>116,194<br>2,378<br>11,184<br>109,057<br>71,407<br><b>5,117,637</b><br>(14,692)<br>7,074 | 764,955<br>(385)<br>(4,504)<br>285,508<br>738,672<br>-<br>-<br>-<br>28,599<br>26,102<br>-<br>9,284<br>366,842<br>(32,243)<br>3,187,143<br>(9,268)<br>4,504 | 1,536,26<br>(80<br>(10,36<br>500,60<br>1,228,20<br>(1,33<br>(5,57<br>64,86<br>4,00<br>(39,86<br>75,46<br>221,16<br>8,09<br>20,06<br>252,26<br>741,23                  |
| (694)<br>(2,325)<br>128,587<br>525,763<br>-<br>-<br>19,066<br>13,250<br>-<br>6,245<br>219,004<br>(64,861)<br>1,766,608<br>(5,999)<br>2,325                   | (86)<br>(7,074)<br>170,337<br>785,851<br>23<br>-<br>1,511<br>7,599<br>116,194<br>2,378<br>11,184<br>109,057<br>71,407<br>5,117,637<br>(14,692)<br>7,074                        | (385)<br>(4,504)<br>285,508<br>738,672<br>-<br>-<br>-<br>28,599<br>26,102<br>-<br>9,284<br>366,842<br>(32,243)<br>3,187,143<br>(9,268)<br>4,504            | (80<br>(10,36<br>500,60<br>1,228,20<br>(1,33<br>(5,57<br>64,86<br>4,00<br>(39,88<br>75,44<br>221,16<br>8,09<br>20,06<br>252,26<br>741,23                              |
| (694)<br>(2,325)<br>128,587<br>525,763<br>-<br>-<br>19,066<br>13,250<br>-<br>6,245<br>219,004<br>(64,861)<br>1,766,608<br>(5,999)<br>2,325                   | (86)<br>(7,074)<br>170,337<br>785,851<br>23<br>-<br>1,511<br>7,599<br>116,194<br>2,378<br>11,184<br>109,057<br>71,407<br>5,117,637<br>(14,692)<br>7,074                        | (385)<br>(4,504)<br>285,508<br>738,672<br>-<br>-<br>-<br>28,599<br>26,102<br>-<br>9,284<br>366,842<br>(32,243)<br>3,187,143<br>(9,268)<br>4,504            | (80<br>(10,36<br>500,60<br>1,228,20<br>(1,33<br>(5,57<br>64,86<br>4,00<br>(39,88<br>75,44<br>221,16<br>8,09<br>20,06<br>252,26<br>741,23                              |
| (2,325) 128,587 525,763 19,066 13,250 - 6,245 219,004 (64,861)  1,766,608 (5,999) 2,325  | (7,074) 170,337 785,851 - 23 - 1,511 7,599 116,194 2,378 11,184 109,057 71,407  5,117,637 (14,692) 7,074   | (4,504)<br>285,508<br>738,672<br>-<br>-<br>-<br>28,599<br>26,102<br>-<br>9,284<br>366,842<br>(32,243)<br>3,187,143<br>(9,268)<br>4,504                     | (10,36<br>500,60<br>1,228,20<br>(1,33<br>(5,57)<br>64,88<br>4,00<br>(39,88<br>75,48<br>221,16<br>8,00<br>20,00<br>252,26<br>741,23                                    |
| 128,587<br>525,763<br>-<br>-<br>-<br>19,066<br>13,250<br>-<br>6,245<br>219,004<br>(64,861)<br>1,766,608<br>(5,999)<br>2,325                                  | 1,70,337<br>785,851<br>-<br>23<br>-<br>1,511<br>7,599<br>116,194<br>2,378<br>11,184<br>109,057<br>71,407<br><b>5,117,637</b><br>(14,692)<br>7,074                              | 285,508<br>738,672<br>-<br>-<br>-<br>28,599<br>26,102<br>-<br>9,284<br>366,842<br>(32,243)<br>3,187,143<br>(9,268)<br>4,504                                | 500,60<br>1,228,21<br>(1,3:<br>(5,5:<br>64,8:<br>4,00<br>(39,8:<br>75,4:<br>221,11<br>8,00<br>252,2:<br>741,2:<br>7,790,9(  |
| 525,763<br>-<br>-<br>19,066<br>13,250<br>-<br>6,245<br>219,004<br>(64,861)<br><b>1,766,608</b><br>(5,999)<br>2,325   | 785,851 23 - 1,511 7,599 116,194 - 2,378 11,184 109,057 71,407  5,117,637 (14,692) 7,074   | 738,672<br>-<br>-<br>-<br>28,599<br>26,102<br>-<br>9,284<br>366,842<br>(32,243)<br>3,187,143<br>(9,268)<br>4,504   | 1,229,21<br>(1,3:<br>(5,5:<br>64,8:<br>4,00<br>(39,8:<br>75,4:<br>221,11<br>8,0:<br>20,00<br>252,2:<br>741,2:<br>7,790,9:<br>(29,0:                                   |
| 19,066<br>13,250<br>-<br>6,245<br>219,004<br>(64,861)<br><b>1,766,608</b><br>(5,999)<br>2,325  | 1,511<br>7,599<br>116,194<br>2,378<br>11,184<br>109,057<br>71,407<br>5,117,637<br>(14,692)<br>7,074  | 28,599<br>26,102<br>-<br>9,284<br>366,842<br>(32,243)<br>3,187,143<br>(9,268)<br>4,504   | (1,3<br>(5,5<br>64,8<br>4,0<br>(39,8<br>75,4<br>221,1<br>8,0<br>20,0<br>252,2<br>741,2  |
| 13,250<br>-<br>6,245<br>219,004<br>(64,861)<br><b>1,766,608</b><br>(5,999)<br>2,325  | 1,511<br>7,599<br>116,194<br>2,378<br>11,184<br>109,057<br>71,407<br><b>5,117,637</b><br>(14,692)<br>7,074   | 26,102<br>-<br>9,284<br>366,842<br>(32,243)<br>3,187,143<br>(9,268)<br>4,504   | (5,5<br>64,8<br>4,0<br>(39,8<br>75,4<br>221,1<br>8,0<br>20,0<br>252,2<br>741,2<br><b>7,790,9</b><br>(29,0   |
| 13,250<br>-<br>6,245<br>219,004<br>(64,861)<br><b>1,766,608</b><br>(5,999)<br>2,325  | 1,511<br>7,599<br>116,194<br>2,378<br>11,184<br>109,057<br>71,407<br><b>5,117,637</b><br>(14,692)<br>7,074   | 26,102<br>-<br>9,284<br>366,842<br>(32,243)<br>3,187,143<br>(9,268)<br>4,504   | 64,8<br>4,0<br>(39,8<br>75,4<br>221,1<br>8,0<br>20,0<br>252,2<br>741,2<br><b>7,790,9</b><br>(29,0   |
| 13,250<br>-<br>6,245<br>219,004<br>(64,861)<br><b>1,766,608</b><br>(5,999)<br>2,325  | 1,511<br>7,599<br>116,194<br>2,378<br>11,184<br>109,057<br>71,407<br><b>5,117,637</b><br>(14,692)<br>7,074   | 26,102<br>-<br>9,284<br>366,842<br>(32,243)<br>3,187,143<br>(9,268)<br>4,504   | 4,0<br>(39,8<br>75,4<br>221,1<br>8,0<br>20,0<br>252,2<br>741,2<br><b>7,790,9</b><br>(29,0   |
| 13,250<br>-<br>6,245<br>219,004<br>(64,861)<br><b>1,766,608</b><br>(5,999)<br>2,325  | 7,599<br>116,194<br>2,378<br>11,184<br>109,057<br>71,407<br><b>5,117,637</b><br>(14,692)<br>7,074  | 26,102<br>-<br>9,284<br>366,842<br>(32,243)<br>3,187,143<br>(9,268)<br>4,504   | (39,8<br>75,4<br>221,1<br>8,0<br>20,0<br>252,2<br>741,2   |
| 13,250<br>-<br>6,245<br>219,004<br>(64,861)<br><b>1,766,608</b><br>(5,999)<br>2,325  | 7,599<br>116,194<br>2,378<br>11,184<br>109,057<br>71,407<br><b>5,117,637</b><br>(14,692)<br>7,074  | 26,102<br>-<br>9,284<br>366,842<br>(32,243)<br>3,187,143<br>(9,268)<br>4,504   | 75,4<br>221,1<br>8,0<br>20,0<br>252,2<br>741,2<br><b>7,790,9</b><br>(29,0   |
| 13,250<br>-<br>6,245<br>219,004<br>(64,861)<br><b>1,766,608</b><br>(5,999)<br>2,325  | 7,599<br>116,194<br>2,378<br>11,184<br>109,057<br>71,407<br><b>5,117,637</b><br>(14,692)<br>7,074  | 26,102<br>-<br>9,284<br>366,842<br>(32,243)<br>3,187,143<br>(9,268)<br>4,504   | 75,4<br>221,1<br>8,0<br>20,0<br>252,2<br>741,2<br><b>7,790,9</b><br>(29,0   |
| 13,250<br>-<br>6,245<br>219,004<br>(64,861)<br><b>1,766,608</b><br>(5,999)<br>2,325  | 2,378<br>11,184<br>109,057<br>71,407<br><b>5,117,637</b><br>(14,692)<br>7,074  | 26,102<br>-<br>9,284<br>366,842<br>(32,243)<br>3,187,143<br>(9,268)<br>4,504   | 221,1<br>8,0<br>20,0<br>252,2<br>741,2<br><b>7,790,9</b><br>(29,0   |
| 6,245<br>219,004<br>(64,861)<br><b>1,766,608</b><br>(5,999)<br>2,325   | 2,378<br>11,184<br>109,057<br>71,407<br><b>5,117,637</b><br>(14,692)<br>7,074  | 9,284<br>366,842<br>(32,243)<br><b>3,187,143</b><br>(9,268)<br>4,504   | 8,0<br>20,0<br>252,2<br>741,2<br><b>7,790,9</b><br>(29,0  |
| 219,004<br>(64,861)<br><b>1,766,608</b><br>(5,999)<br>2,325  | 11,184<br>109,057<br>71,407<br><b>5,117,637</b><br>(14,692)<br>7,074   | 366,842<br>(32,243)<br>3,187,143<br>(9,268)<br>4,504   | 20,0<br>252,2<br>741,2<br><b>7,790,9</b><br>(29,0   |
| 219,004<br>(64,861)<br><b>1,766,608</b><br>(5,999)<br>2,325  | 11,184<br>109,057<br>71,407<br><b>5,117,637</b><br>(14,692)<br>7,074   | 366,842<br>(32,243)<br>3,187,143<br>(9,268)<br>4,504   | 20,0<br>252,2<br>741,2<br><b>7,790,9</b><br>(29,0   |
| 219,004<br>(64,861)<br><b>1,766,608</b><br>(5,999)<br>2,325  | 109,057<br>71,407<br><b>5,117,637</b><br>(14,692)<br>7,074   | 366,842<br>(32,243)<br>3,187,143<br>(9,268)<br>4,504   | 252,2<br>741,2<br><b>7,790,9</b><br>(29,0   |
| (64,861)<br><b>1,766,608</b><br>(5,999)<br>2,325   | 71,407<br><b>5,117,637</b><br>(14,692)<br>7,074  | (32,243)<br><b>3,187,143</b><br>(9,268)<br>4,504   | 741,2<br><b>7,790,9</b><br>(29,0  |
| <b>1,766,608</b> (5,999) 2,325   | <b>5,117,637</b> (14,692) 7,074  | <b>3,187,143</b> (9,268) 4,504   | <b>7,790,9</b> (29,0  |
| (5,999)<br>2,325   | (14,692)<br>7,074  | (9,268)<br>4,504   | (29,0   |
| (5,999)<br>2,325   | (14,692)<br>7,074  | (9,268)<br>4,504   | (29,0   |
| (5,999)<br>2,325   | (14,692)<br>7,074  | (9,268)<br>4,504   | (29,0   |
| 2,325  | 7,074  | 4,504  | 10,3  |
|  |  |  | , .   |
|  |  | (200.300)  | (501,4  |
| (90,201)   | (1,015,382)  | (225,997)  | (272,7  |
| (==,==:,   | (.,,,  | (===,==)   | (,  |
| 1,552,521  | 3,997,445  | 2,670,014  | 6,998,0   |
| , , ,  | ,  | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,  | , , ,   |
| (219,592)  | (199,319)  | (342,016)  | (778,0  |
| (219,592)  | (199,319)  | (342,016)  | (778,0  |
| (2.10,002)   | (100,010)  | (5 12,5 10)  | (,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,   |
| (1,042,602)  | (3,942,650)  | (2.300.314)  | (4,733,4  |
| (1,042,002)  | (0,042,000)  | (2,000,014)  | (4,700,4  |
| _  | _  | _  | (1,451,8  |
| (27,826)   | (38,489)   | (34,368)   | (73,2   |
| (84,704)   | (00,409)   | (2,235)  | (10,2   |
| (1,155,132)  | (3,981,139)  | (2,336,917)  | (6,258,5  |
| 177,797  | (183,013)  | (8,919)  | (38,5   |
| 982  | (21,467)   | (8,834)  | 7.0   |
|  |  | (-,,   | 544,5   |
| 0 .0,000   | 0.0,.00  | 0.1,070  | 0.1,0   |
| 526.817  | 308 656  | 526.817  | 513,1   |
| 020,017  | 000,000  | 020,017  | 310,1   |
|  | (175 551)  | 39 604   | 370,0   |
| (10, 202)  | (1/5.551)  | ,  | (97,0   |
| (19,203)   |  | (11,328)   | , ,   |
| (16,300)   | 100,180  | OHE FOO  |   |
| (16,300)<br>120,280  | 100,180<br>(422,619)   | 215,529  | (211,0  |
| (16,300)   | 100,180  | 215,529<br>(14,750)<br>(260,388)   | (211,0<br>585,4<br>93,9   |
|  | 348,038<br><b>526,817</b>  | 348,038 513,136<br>526,817 308,656<br>(19,203) (175,551)   | 348,038 513,136 544,570<br>526,817 308,656 526,817<br>(19,203) (175,551) 38,694<br>(16,300) 100,180 (11,328)  |

### UNAUDITED Six Months

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY

## Balance as at beginning of period Consolidated net income

J \$'000

Hedge reserve Remeasurement of employee benefits obligation, net of tax

Total comprehensive income for the period

1. Basis of Preparation

Balance as at end of period

Chairman

**NOTES** 

Practice Statement 2016 – 1, Summary Financial Statements issued by the Institute of Chartered Accountants of Jamaica (ICAJ). Management discloses the consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in stockholders' equity and consolidated statement of cash flows. These condensed consolidated interim financial statements are derived from the unaudited consolidated interim financial statements of Caribbean Cement Company Limited and its Subsidiary (Group) as of and for the period ended June 30, 2021, which are prepared in accordance with International Financial Reporting Standards, as issued by the International Accounting Standards Board, and the requirements of the Jamaican Companies Act. **Accounting Policies** These condensed consolidated interim financial statements as of and for the period ended June 30, 2021, have been prepared in accordance with the accounting policies used in the audited

The condensed consolidated interim financial statements are prepared in accordance with

## financial statements as of and for the year ended December 31, 2020. Any new accounting standards amendments or interpretations which became effective in this financial year, were

adjusted on the Group's financial position or results. 3. Earnings Per Stock Unit Earnings per stock unit is computed by dividing the consolidated net income attributable to ordinary stockholders by the weighted average number of ordinary stock units in issue during

Operating earnings before other

expenses, net

4. Comparative Information Where necessary, the comparative figures are reclassified to conform with the current year's presentation.

The details of the line item "Operating earnings before other expenses, net" are as follows:

5. Operating Earnings Before Other Expenses, Net [expressed in J\$'000]

|  | Three Months<br>Apr to Jun |           | Six M<br>Jan t | Year<br>Jan to Dec |            |
|--|----------------------------|-----------|----------------|--------------------|------------|
|  | 2021                       | 2020      | 2021           | 2020               | 2020       |
| Revenue                                  | 6,342,480                  | 4,783,276 | 12,307,862     | 9,331,190          | 20,108,049 |
| Expenses:                                |                            |           |                |                    |            |
| Raw material and consumables             | 322,733                    | 304,588   | 680,029        | 611,406            | 1,247,650  |
| Fuel and electricity                     | 999,623                    | 881,254   | 2,052,203      | 1,726,524          | 3,638,472  |
| Personnel remuneration and benefits      | 605,894                    | 543,277   | 1,231,540      | 1,098,941          | 2,215,515  |
| Repairs and maintenance                  | 304,263                    | 293,126   | 599,353        | 542,530            | 1,414,441  |
| Equipment hire                           | 317,234                    | 204,261   | 601,500        | 469,027            | 1,060,888  |
| Cement transportation, marketing         |                            |           |                |                    |            |
| and selling expenses                     | 228,281                    | 197,343   | 453,503        | 398,243            | 804,145    |
| Other operating expenses                 | 298,167                    | 158,827   | 485,203        | 425,173            | 851,070    |
| Depreciation and amortisation            | 377,457                    | 401,454   | 758,490        | 764,955            | 1,536,260  |
| Changes in inventories of finished goods |                            |           |                |                    |            |
| and work in progress                     | 568,858                    | 149,089   | 825,660        | 428,136            | 557,619    |
| Total expenses                           | 4,022,510                  | 3,133,219 | 7,687,481      | 6,464,935          | 13,326,060 |

2,319,970

1,650,057

4,620,381

2,866,255

UNAUDITED

Other Expenses, Net [expressed in J\$'000]

Three Months

The details of the line item "Other expenses, net" are as follows:

2021

11,531,922

3,090,766

3,132,112

14,664,034

41,346

|   | Apr to Jun |          | Jan to    | Jan to Dec |           |  |
|---|------------|----------|-----------|------------|-----------|--|
|   | 2021       | 2020     | 2021      | 2020       | 2020      |  |
| Manpower restructuring costs Stockholding and inventory restructuring                                       | (61,925)   | 7,801    | (61,925)  | (18,886)   | (57,289)  |  |
| costs   | (9,961)    | -        | (1,511)   | -          | 39,885    |  |
| Demolition expenses   | (155)      | (8,166)  | (1,608)   | (8,166)    | (22,626)  |  |
| Inventory write-off   | ` -        |          | (23)      | -          | (64,855)  |  |
| Environmental costs   | (13,461)   | (15,386) | (13,461)  | (27,534)   | (73,541)  |  |
| Management fees   | (48,431)   | (38,380) | (95,767)  | (75,103)   | (155,232) |  |
| Property, machinery and equipment write-back  | -          | -        | -         | _          | 1,334     |  |
| COVID-19 related expenses   | -          | (14,245) | -         | (14,245)   | (65,089)  |  |
| Other, net  | (17,790)   | 5,519    | (17,968)  | 4,543      | (98,009)  |  |
|   | (151,723)  | (62,857) | (192,263) | (139,391)  | (495,422) |  |
| Impact of COVID-19 On March 11, 2020, the World Health Organization declared a global pandemic related with |            |          |           |            |           |  |

AUDITED

6,781,989

7. | the Coronavirus SARS-CoV-2 which produces the disease known as COVID-19. The spread of COVID-19 around the world in the first half of 2020 has caused significant volatility in Jamaica as well as the global community. A lot of uncertainty remains and so it is difficult to determine the precise impact on the Company. Based on the results reported in these financial statements, the Company had no significant negative impact due to COVID-19 and the resulting disruptions, but due to the uncertainties that exist it is difficult to determine the future impact. The Company has however prepared an assessment of its revised operating and cash flow forecasts for calendar year 2021 using various scenarios, including a conservative analysis, and has concluded that it

has sufficient equity and liquidity to meet obligations as they become due, under these scenarios. In light of the heightened concerns and in accordance with the directives of the Government of Jamaica, the Company has activated measures to minimise the potential exposure to employees, contractors and customers, whilst ensuring that any disruption to the business is kept at a minimum. The Company adopted 52 new protocols designed to reinforce safe behaviours and prevent the spread of COVID-19. We believe these protocols have been responsible for the absence so far of COVID-19 transmission at any of the Company's facilities. Some other measures such as work from home protocols for administrative personnel have been also implemented, we also have supplied all our facilities and staff with hand sanitisers,

physical distancing rules mandated by the Government. The Company ensures that the plant and depots remain compliant with government/public health restrictions and mitigating measures. Management continues to review the effect of developments arising from the pandemic on the risks faced by the Company. Management believes the Group is in a sufficiently strong position to deal with the possible significant economic downturn. However, management is aware that a long duration of the pandemic and the associated containment measures could have a material

adverse effect on the Group, its customers, employees and suppliers.

face masks, and face shields (where necessary), and are required to comply with the social/